



**TO:** Government Performance and Finance Committee  
**FROM:** Tadd Wille, Budget Officer  
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**COPY:** Government Performance and Finance Committee  
**SUBJECT:** August 31, 2016 Meeting with Fiscal Sustainability Task Force - Update on Fiscal Conditions and Budget Development  
**DATE:** July 27, 2016

**SUMMARY:**

The City of Tacoma Fiscal Sustainability Task Force (Task Force) was convened in June 2013 at the request of Mayor Strickland and the City Council Government Performance and Finance Committee (GPFC). The mission of the Fiscal Sustainability Task Force (FSTF) was to examine the City's expenditures and revenues and to generate at least five to ten promising revenue enhancements or expenditure efficiencies to help the City reduce its structural deficit and align the growth of expenditures with the growth of revenues. At the August 31 Task Force meeting, staff will provide an updated report on City's fiscal conditions and process and strategy for the development of the 2017-2018 Proposed Budget.

**BACKGROUND:**

The City of Tacoma Fiscal Sustainability Task Force (Task Force) was convened in June 2013 at the request of Mayor Strickland and the City Council Government Performance and Finance Committee (GPFC). The Task Force was composed of 18 members representing a broad cross section of the City, including residents, business leaders, union representatives, and nonprofit agency leaders. Our mission was to review and assess the City's General Fund budget, and, considering both revenue and expenses, identify short- and long- term strategies to: (1) enhance City revenues, (2) reduce City expenses, and (3) promote the City's financial integrity, competitiveness, and service levels. The Task Force presented its recommendations to GPFC and the City Council in November of 2013.

City staff engaged the Task Force as part of budget development for the 2015-2016 Proposed Budget, per the Task Force's request. To continue to act in accordance with the spirit of the Task Force's recommendation, City staff will again engage the Task Force as part of budget development for the 2017-2018 Proposed Budget.

**ISSUE:**

The Task Force's final report included 28 recommendations for improving the City's fiscal sustainability. The recommendations included several themes:

- Retain services that make the City a vital and livable community
- Address major service areas (such as Police and Fire) and cost drivers (such as salaries and benefits)
- Revenues are part of the solution, but alone cannot solve the problem
- Develop a long term vision to direct the City's activities and resources
- Look for best practices and continue to benchmark and track performance



At the August 31 meeting, staff will provide the Task Force with an update on the City's fiscal conditions as well as an update on the process and strategy for the development of the 2017-2018 Proposed Budget.

**ALTERNATIVES:**

This is an informational briefing only. There are no alternatives presented.

**FISCAL IMPACT:**

This is an information briefing only. There is no fiscal impact.

**RECOMMENDATION:**

This is an information briefing only. There is no recommendation.