



CITY MANAGER'S OFFICE
CITY OF MERCER ISLAND, WASHINGTON
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November 15, 2017

Welcome to the Financial Challenges Community Advisory Group (CAG). On behalf of the City of Mercer Island, thank you for being an important partner in helping us identify a budget solution that our community can support.

As you take a deep dive into the City's financial situation, **the materials in this binder will help ensure each CAG member has a solid, common starting point in terms of financial data and background information. It also provides useful contact information and reference materials.**

Let me put the contents in context.

Financial Information

Inside the binder you will find the **2017-2018 Budget Message** from Finance Director Chip Corder to the City Council. It describes in detail the financial challenges the City faces. You also will find our **2017-2024 General Fund Forecast**, and **2019-2024 Budget Balancing Options** which summarize three potential scenarios for a levy lid lift (Citywide property tax increase) and one solution based on cuts to municipal services.

Chip will explain all of this financial information in detail, and answer questions, during the CAG's January and February meetings. You are welcome and encouraged to read through it beforehand to facilitate a good discussion.

City Council Goals & Community Engagement

Your binder contains a copy of the **2017-2018 City Council Goals** which include the following goals directly relevant to your work on the CAG: *"Enhance Communications and Opportunities for Community Engagement"* and *"Maintain Quality of Life Services by Addressing the City's Financial Challenges"* (Goals #3 and #4, respectively). We are committed to listening to and engaging our community, and the CAG's work – envisioned as an "action step" in Goal #4 - is central to those efforts.

Your binder also includes key documents the City has developed for community outreach: a detailed **Frequently Asked Questions** document and a **2-page Financials flyer** handout. Additionally, you will find the **Telephone Town Hall Polling Results** from October 2017, and the City's biennial community surveys (**Citizen Survey Results/Presentation, April 2014 and April 2016**).

Reference Documents

Finally, your binder contains the **CAG Charter**, a **list of CAG members**, a list of the **City's leadership team** who will support the CAG meetings, **City staff and facilitator bios**, and a copy of the **City of Mercer Island Mission Vision Values Statement** which will underpin the budget solution I will propose to the City Council next spring.

I hope that you find these documents to be a useful starting place for the CAG's discussions.

Thank you for lending your time and expertise to the City of Mercer Island as we address our financial challenges together.

Sincerely,

A handwritten signature in blue ink, appearing to read "Julie Underwood", with a long, sweeping horizontal line extending to the right.

Julie Underwood
City Manager