



AGENDA

Financial Challenges Community Advisory Group
Saturday, March 3, 2018 (meeting 4 of 5)
Mercer Island Community and Event Center
9:00 a.m. – 12:30 p.m.

- 9:00** **Welcome – Julie Underwood, MI City Manager**
- 9:05** **Review Agenda and Goals – Jenny Brailey, Facilitator**
- 9:10** **Operating Budget, Continued – Chip Corder, Finance Director**
- Review belt tightening examples by department (see video explainer)
 - Review unmet needs by department (see video explainer)
 - Review Police, Fire & Park Maintenance service comparisons (see video explainer)
 - Q&A on video explainers
- 9:30** **Discussion: Operating Budget and Community Values/Priorities – (Jon Conradt, CAG member reporting out of the values survey results); Jenny Brailey, Facilitator**
- 10:00** **Operating Budget Balancing Options – Chip Corder, Finance Director**
- Revenues: Economic development (sales tax), utility tax, B&O tax, and property tax levy lid lift
 - Operating levy lid lift scenarios (based on revised 2019-2024 forecast)
 - Scenario 1: Levy lid lift only (cost to a typical homeowner)
 - Scenario 2: Smaller levy lid lift + new revenues (cost to a typical homeowner)
 - Q&A
- 10:30** **BREAK**
- 10:40** **Capital Needs and Funding Options**
- Q&A on video explainer
- 11:00** **Discussion: Looking for Consensus (Preliminary CAG Recommendations)**
- Alternative service delivery options
 - 6 year operating levy lid lift
 - 9 year capital levy lid lift
 - 6 year operating levy lid lift + capital project funding
- 12:25** **Looking Forward: Final CAG Meeting on April 2**
- Finalize CAG recommendations
 - Please continue to honor the CAG ground rules
- 12:30** **Adjourn**



CHARTER for the Financial Challenges Community Advisory Group

Purpose

The Community Advisory Group (CAG) will review and help the City determine the best way to address its projected budget deficits in 2019-2024.

The primary goal of the CAG will be to provide a recommendation to the City Manager regarding a proposal to place an operations levy on the November 2018 ballot, which would maintain funding for parks, recreation, and community services; and/or a capital levy to address deferred maintenance and other infrastructure improvements.

The CAG will explore various solutions, including reducing service levels, increasing tax revenues, and considering alternative service delivery options. Also, the CAG will review the City's capital needs and several funding options.

The CAG will closely review information provided by the City over the course of four meetings in January through April 2018. A key document to read before these monthly meetings is the Budget Message from the City's adopted 2017-2018 Budget.

Where appropriate, updated information, will be provided to the CAG at the monthly meetings. For example, the financial forecasts for the General Fund and YFS Fund have been revised since the 2017-2018 Budget Message was drafted.

If the CAG concludes that the City's current service levels exceed the needs and desires of the Mercer Island community, the City Manager would like to discuss with the CAG "guiding principles" that would guide the prioritization of services, including the reduction or elimination of services.

Ground Rules

1. Equal Voices.
2. Commitment to Learning.
3. Speak Up.
4. Keep an Open Mind.
5. Ask Questions.
6. Speak for Oneself.
7. Civility, Courtesy and Respect.
8. Stay on Track
9. Strive for Consensus.
10. Share Information with the Broader Community.
11. Civility in Community Conversations.
12. No Surprises.
13. Come Prepared.
14. Attend Every Meeting.
15. Subgroup Meetings.
16. Feedback Encouraged.
17. Accountability.

Consensus & Recommendations

The CAG is expected to represent a wide range of Islander interests, perspectives, and opinions. Decisions on recommendations will be made by the consensus of the group.

If some CAG members find they cannot support an emerging recommendation of the entire group, they are obligated to make their concerns known, and the rest of the group is obligated to listen with an interest in resolving them. Everyone is expected to try work to address the concerns, including asking the concerned party (parties) to clarify the underlying interests or discuss other dynamics that could be interfering with an agreement. All parties are obligated to try to find an alternative that meets the interests of the concerned party (parties) as well as their own.

If it is not possible to reach consensus on particular recommendations, the potential options for resolving the issue will be documented and included in the Committee's report as a minority opinion.