

2013-2015 Long Range Financial Plan Summary

	General Fund	Water Fund	Transportation Fund	Infrastructure Systems
Issue	Expenses Increasing 3-4% Annually Revenues Increasing 1-2% Annually	Water Rates Not Generating Revenue Sufficient to Make Needed Improvements and Pay for Increasing Cost of Water	Annual Operating Deficit Accumulated Deficit	Investment Needs Exceed Existing Revenue
Strategies	Increase Operating Efficiencies Reduce Personnel Expenses Partner With Others Adjust Fees Regularly Enhance the Revenue Base Adjust the Levy As Needed Adjust Other Revenues As Needed	Restructure Water Rates Increase Rates Annually Issue a \$10 Million Bond Make Debt Payments from Rate Revenues Make Needed Improvements to System	Amend PACE Agreement to Cover All Costs Use Interest Income to Retire Accumulated Deficit	Prioritize Needs Issue \$25 Million Bond for Street Reconstructions Make Debt Payments Using Existing Revenues Use 2008 Bond Proceeds for WIIP Projects Enhance Revenues to Address \$3 MM Maintenance Gap Consider Creating a Stormwater Utility Consider Other Alternative Revenues Phase Revenues in Over Time
Key Actions Taken in Past 12 Months	Annexed 430 Properties Changed Fire Response Executed Fleet Maintenance Agreements Reduced Staffing Via Attrition Implemented Joint Dispatch Center Adjusted Fees	Restructured Water Rates in 2011 Increased Water Rates in 2011 & 2012 Issued \$10 Million Bond Making Needed System Improvements Adjusted Knottingham subdivision rates	Executed Amended PACE Agreement Interest Income Payment Budgeted	Authorized Creation of Stormwater Utility Issued \$25 Million Bond for Street Reconstructions Using 2008 Bond Proceeds for WIIP Projects Started Facilities Maintenance Plan Dedicated Local Gasoline Tax to Street Maintenance
Results	Increased Fund Balance by \$1.5 M in 2011 Balanced FY12 Budget FY12 Expenses \$1.4 Million Less than F07	Water Fund is Financially Sustainable	Annual Operating Deficit Eliminated Bus Riders and PACE Pay for All Costs Accumulated Deficit to be Retired Over Time	Addressed \$1.7 Million of \$3 Million Maintenance Gap Stormwater System Will Be Financially Sustainable Street Reconstructions Will be Completed within 3-5 Years
Next Steps	Continue to Implement Strategies	Continue to Implement Strategies Per 2010 Water Rate Study	Continue to Implement Strategies	Implement the Stormwater Utility Identify New Revenues in 2013 LRFP Sessions Phase in New Revenues Beginning in 2014