

Citizen Committee on County Resources

Preamble:

During this past year, through the County's Five-Year Financial Planning process, the County identified a significant gap between its projected growth in revenues and its anticipated expenditure needs for all County services, including schools. This gap existed in all five years of the financial plan and grows more significant over the period. Projected revenue growth is based on assumptions for growth in the economy and the projected increase in property values over the five year period, as well as anticipated State and Federal support. Anticipated expenditure needs are based on a set of assumptions regarding pay and benefits for local government and school staff and an assessment by departments and the school division of their future needs to meet existing and projected growth in demand for services. The projected increase in demand for services is primarily driven by projected population and enrollment growth. Similar to other localities, this increased demand is happening in a time when revenue growth is slow given the existing economic climate. This gap between revenues and expenditures has led to discussion and consideration by Board members, staff and citizens regarding alternative approaches to assure adequate **resources** are available to meet service demands and community priorities for the future.

Committee Charge:

The charge of the committee is to understand current and future funding challenges and service demands and develop a prioritized set of strategies to meet future resource needs. Strategies may include, but are not limited to, identifying new sources of funding, considering various methods of raising funds and the potential enhancement of existing revenue sources. While examining expenditure priorities will also be an important consideration in ultimately addressing the gap, those options will be separately reviewed by the Board of Supervisors and School Board. The Committee will provide a final report to the Board of Supervisors by the Board's first regular meeting in November for consideration during the Five-Year Financial Plan process.

Committee Membership & Operation of the Committee:

The Committee will be made up of between 8-10 members with background and experience in business or government finance, economics and management and who are not currently serving in public office. Appointments will be made by the Board of Supervisors with input from the School Board.

The Committee will select its own chair to run the meetings and work with staff in coordinating and preparing for meetings. The Committee will be considered a public body and all meetings will be open to the public. Minutes of the meetings will be taken and a web site will be established to provide access to the public of the information and work of the Committee.

Committee Resources and Support

It is anticipated that background and education regarding existing financial policies and conditions and revenue and expenditure projections will be needed at the beginning of the work of the committee. In addition, background will also be provided regarding possible alternative funding sources and other

alternatives previously discussed by the Board, staff and citizens, though alternatives considered by the Committee are not limited to these previous considerations.

It is anticipated that primary support will be provided to the Committee by staff from the County Executive's Office and Office of Management and Budget, a contracted facilitator (if needed) and the County's Financial Advisor. It is also anticipated that all departments and the school division will provide support and information to the Committee as needed.

Anticipated general meeting schedule and topics for the work of the Committee:

July – Background on the Challenges Facing the County

Review and understanding of the reasons for the gap – Open public meetings to provide background for the Committee and an update for the Board of Supervisors and School Board

1. Explaining the Gap
 - a. Revenue trends, projections and assumptions
 - i. Local Revenue
 - ii. State and Federal Support
 - b. Expenditure assumptions and community changes driving expenditure growth
 - i. Operating expenditures
 - ii. Capital Program – 5-Year CIP; 10 Year Capital Needs Assessment
 - iii. Aspirations for the Future – Vision for the Future and Strategic Plans
 - c. Benchmark comparisons
 - d. Past and present efficiency studies and actions
2. Background and overview of previously discussed alternatives for 'Funding the Future'
 - a. Existing revenue alternatives
 - b. Evaluation of alternative revenue sources
 - c. Taxes by service or other districts
 - d. Voter Referendum to indicate support for tax increases for specific facilities
 - e. Diversifying the tax base - pursuit of State legislative changes
 - f. Other alternatives to enhance resources

August, September, October – Committee Deliberations

Evaluation and consideration of alternatives and development of recommendations

November – Recommendations

Final Report to the Board of Supervisors at the first meeting in November