



MEMO TO: Finance, Administration, and Communications Committee of the Whole

FROM: Malisa Files, Finance Director

DATE: July 28, 2020

SUBJECT: Long-Range Financial Strategy (LRFS) Review

I. PURPOSE ☐ For Info Only ☒ Potential Agenda Item ☐ Scheduled for Council Action

II. RECOMMENDATION
Review and discuss the City's Long-Range Financial Strategy. Discuss next steps and timeline for approval.

III. DEPARTMENT CONTACTS
Malisa Files, Finance Director 425-556-2166

IV. DESCRIPTION/BACKGROUND

The Long-Range Financial Strategy was created in 2005 as a way to clarify policy guidance for future budget processes and to navigate changing fiscal conditions. A long-range financial strategy is an essential component of a long-term financial plan to achieve long-term sustainability in light of Redmond's service levels. The LRFS outlines the various philosophies around service delivery and the revenue structure that will support those services. It further defines the budget process, the choices around capital investments and the tools the City uses to manage fiscal resources.

At the beginning of each biennial budget cycle, Council reviews the strategy to confirm it is still sound vehicle for helping the City make resource allocation decisions. Along with the City's vision and mission, the Mayor and Directors Team use the strategy as one of the guideposts when balancing the budget along with the other plans, such as the Community Strategic Plan, the Capital Investment Strategy and the City's fiscal policies. The Council last reviewed the Long-Range Financial Strategy on April 21, 2020.

Attachment A contains the redlined Strategy including updated language on sustainability, resiliency, consistency with the Community Strategic Plan and the desire to include triple bottom line thinking when making strategic decisions.

V. TIME CONSTRAINTS

A proposed timeframe for reviewing and confirming the LRFS includes:

- July 28, 2020: Finance, Administration and Communications Committee of the Whole overview.
- July 28 – August 21: Council review of LRFS; gather feedback and revise strategy.
- August 25: Finance, Administration and Communications Committee of the Whole question and answer session on revised strategy with Council's comments incorporated.
- September 22: Council approval of the revised Long-Range Financial Strategy.

VI. LIST OF ATTACHMENTS

Attachment A: Redlined City of Redmond Long Range Financial Strategy