

Staff Report

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Version: 1

Date: 11/27/2023
Item #: 5.a.

TO: Mayor and City Council
THROUGH: Keith Stahley, City Manager
FROM: Josh Eggleston, Chief Financial Officer

SUBJECT:

Revenue Task Force discussion and information

Ward(s): All Wards
Councilor(s): All Councilors
Neighborhood(s): All Neighborhoods
Result Area(s): Good Governance

SUMMARY:

The City Council held a work session on October 25th regarding amending the FY 2024 budget and a potential Revenue Task Force. The City Council provided direction to staff on the scope and process for the Revenue Task Force. City Council provided direction that the facilitation of the task force should include:

- A robust community engagement process.
- Diverse membership to deliberate on revenue options.

If the intent is to have a revenue option(s) on the ballot in November 2024, a task force recommendation will need to be made by July 2024 to leave time for Council deliberations. Due to capacity constraints and urgency, staff worked with Moss Adams on a proposal to facilitate the process and scope.

ISSUE:

Shall the City Council approve the formation of a Revenue Task Force to explore revenue options for the General Fund?

RECOMMENDATION:

Approve the formation of a Revenue Task Force to explore revenue options for the General Fund?

FACTS AND FINDINGS:

The City Council has held multiple work sessions this year on the topic of continuation of services in the General Fund. At the last work session held on October 25, 2023, the City Council also discussed the formation of a Revenue Task Force. Staff recommend engaging with Moss Adams as there is not staff capacity to facilitate the task force. Moss Adams has prepared a scope of work (Attachment 1).

The scope of work includes:

- Project management
- Revenue consulting
- Task force facilitation
- Community engagement

In addition to Moss Adams, City staff recommend engaging with consultants for community engagement, Parachute Strategies, and statistically valid polling from DHM, who will contribute to and collaborate with the project team on community engagement strategies, community education and community surveying. Findings from this work will inform task force decision making at key milestones.

The cost estimate for DHM covers poll design, surveying, and analysis. The survey tool, available in Spanish and English, may be used following the statistically valid poll for community outreach and engagement purposes. Polling costs are driven by sample size and questionnaire length. Poll length is estimated at 12-minutes with Spanish translation and an appropriate sample size.

The cost estimate for Parachute Strategies includes consultation on the community engagement approach, synthesis of community input results at each stage, and development and implementation of a strategy to reach those who do not typically engage with the City, to provide important context and information to the task force.

Colleen Rozillis from Moss Adams will be present at the Council meeting on the November 27, 2023 and is prepared to assist council in its conversation about the proposed scope of work and next steps in this process.

Preliminary Estimated Cost Summary:

\$120,000 - Moss Adams (Project management and facilitation)
\$ 45,000 - DHM (Statistically valid polling and surveys)
\$ 55,000 - Parachute Strategies (Communications and community engagement)
\$210,000

Budget Action:

If the City Council approves the formation of a Revenue Task Force, additional budget authority will be needed. A separate staff report will be included on the City Council agenda for December 4th for

approval of General Fund contingency for the facilitation and management of the Revenue Task Force and community engagement process.

BACKGROUND:

City Council has been engaged in an ongoing conversation about next steps for the city's budget and five-year financial forecast since August 1, 2023 when a petition was submitted containing over 10,000 signatures asking for a referendum vote on the payroll tax.

Attachments:

1. Moss Adams Scope of Work