

City of Vancouver Finance Working Group Summary

Neighborhood Traffic Safety Alliance

July 12, 2005



Agenda



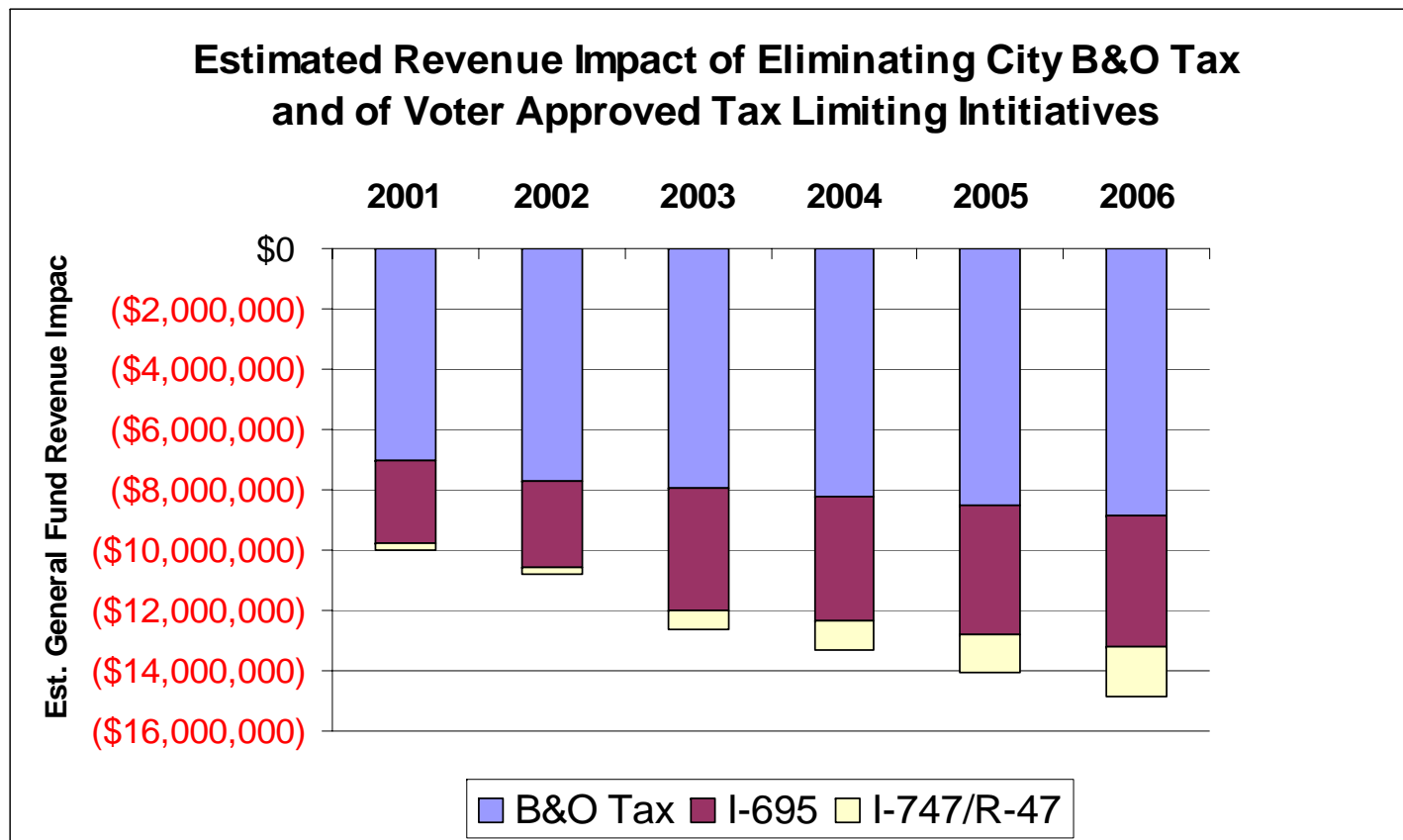
- ▶ Finance Working Group Purpose
- ▶ Major Observations
- ▶ Preferred Funding Options
- ▶ Next Steps

Working Group Purpose



- ▶ Provide City Council with options to balance funding with the cost of delivering services at desired levels of service over the next ten years
 - ▶ Focus on Police, Fire and Transportation services
 - ▶ Identify preferred levels of service and related costs
 - ▶ Identify alternative approaches to fund services at the desired levels

Major Observations





Major Observations

- ▶ \$5.7 million deficit in 2003-2004
 - ▶ \$2.8 million in cuts in administration
 - ▶ \$3.4 million in cuts to Parks, Recreation & Community Services (20%)
 - ▶ 24.5 positions eliminated; 19 positions added to Public Safety
- ▶ \$1.8 million deficit in 2005-2006
 - ▶ \$1.0 million in cuts in administration
 - ▶ \$0.7 million in cuts to low priority programs

Major Observations

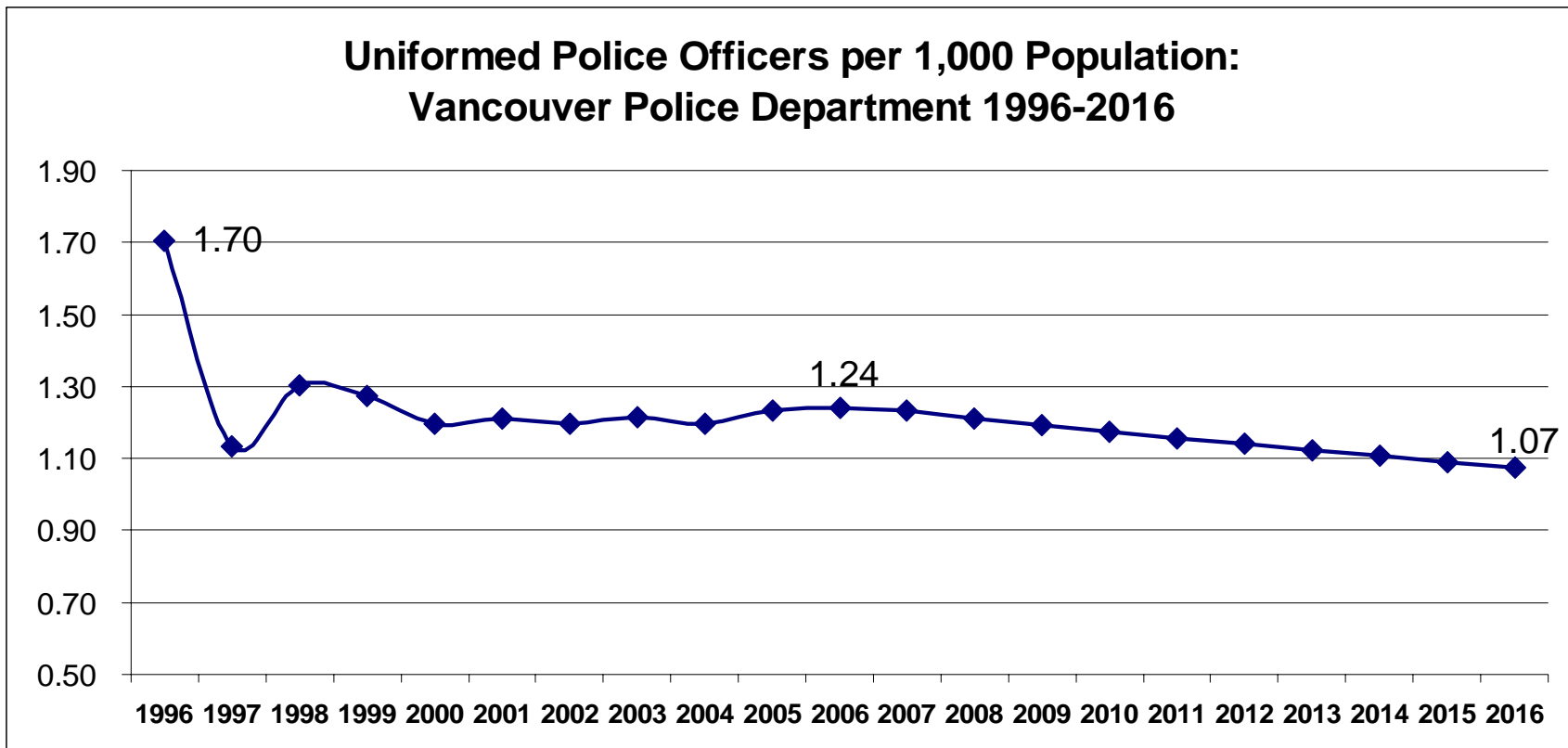


- Revenue Increases
 - Business license fee increased in 2003: \$25
 - Utility taxes increased in 2006 to fund new staffing for police and fire
 - Imposed new tax on Stormwater utility
 - Water/sewer/stormwater tax increased 1.5%
 - Increased garbage franchise fee
 - Electricity and Natural Gas taxes increased for large businesses

Major Observations



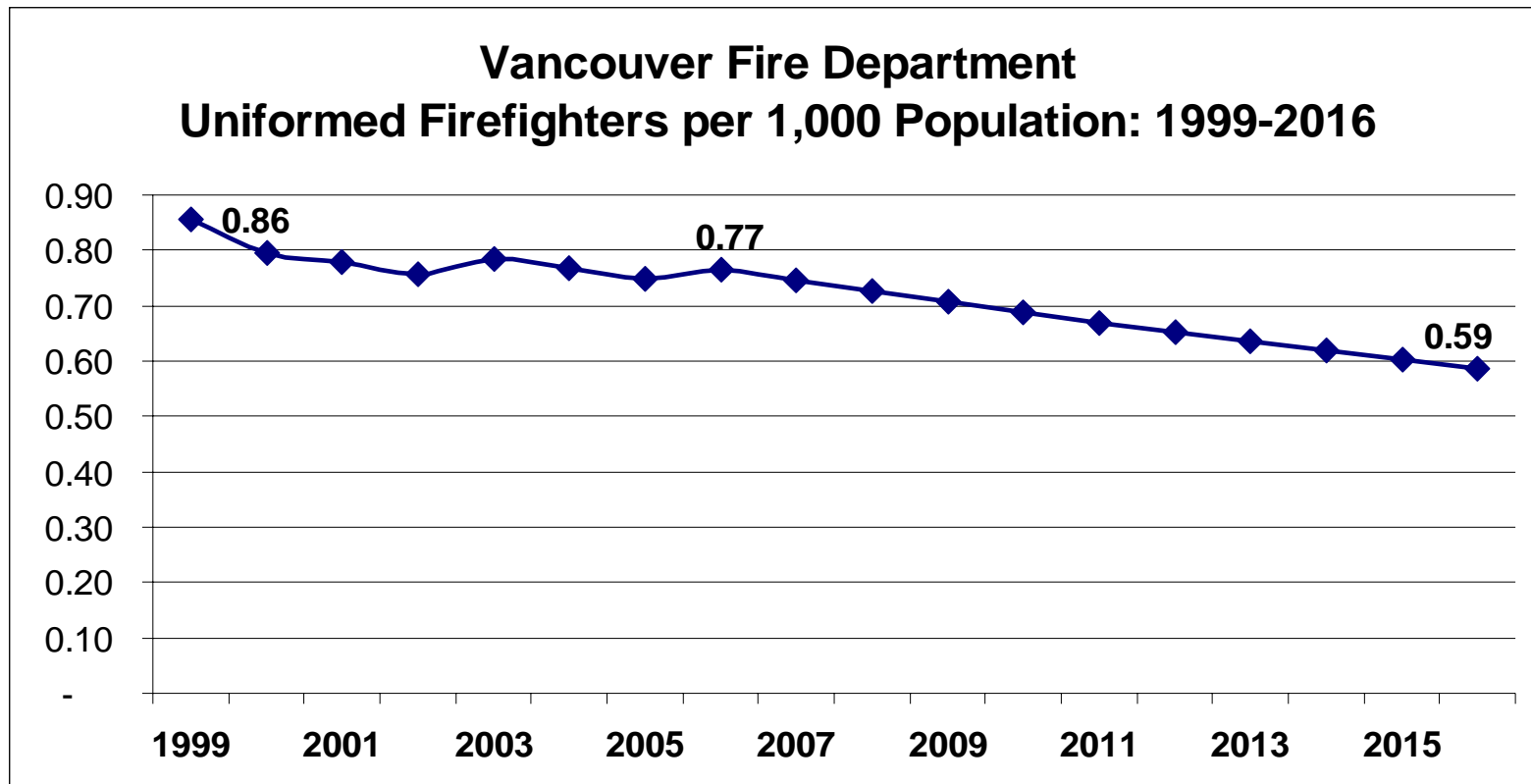
Police Resources/Service Levels



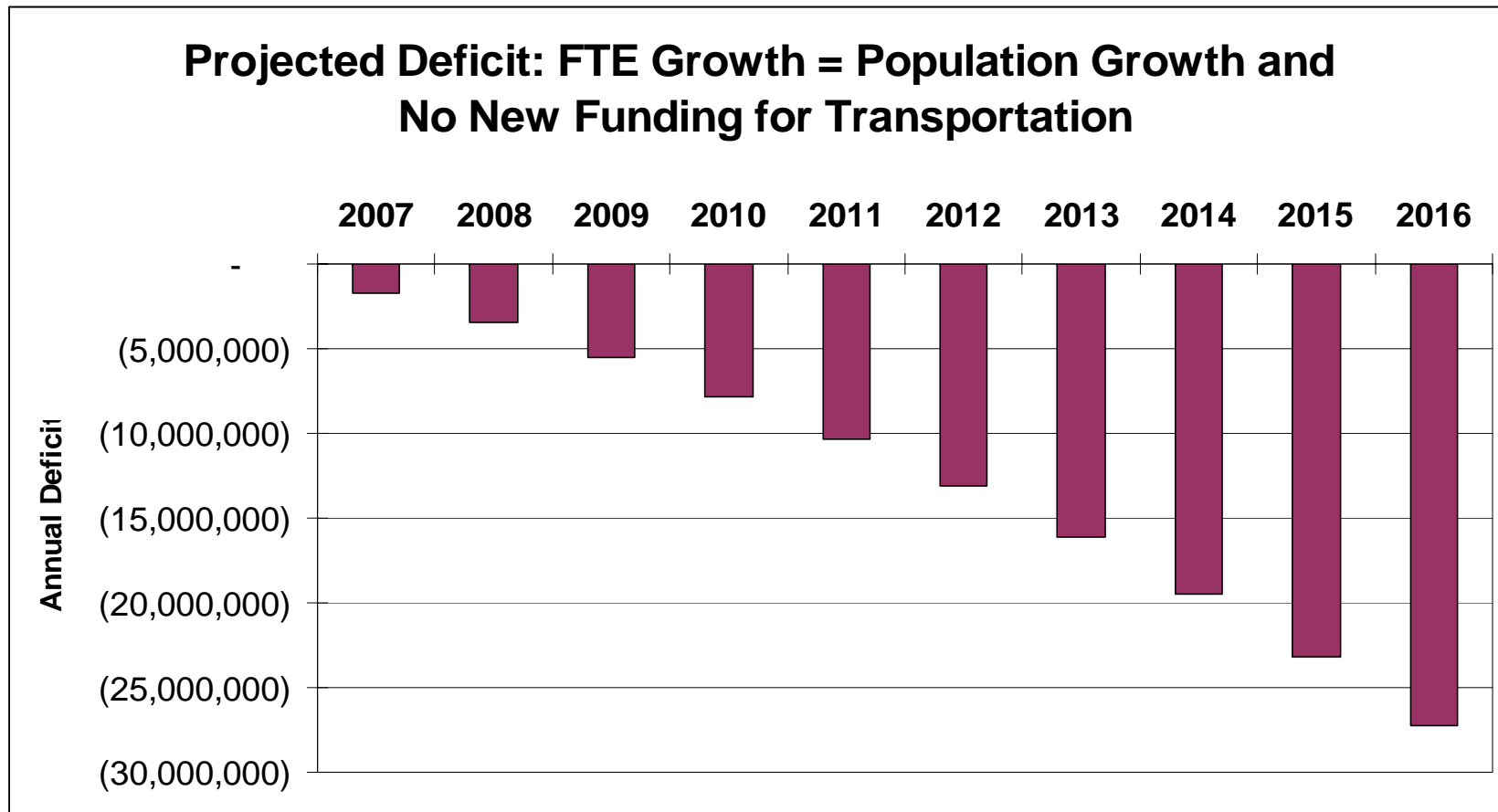
Major Observations



Fire Resources/Service Levels



Major Observations



Major Observations



Transportation Resources/Service Levels

Program Areas	Funding Scenarios			
	Current Funding Trend	\$1 - 4 M	\$5 - 9 M	\$10 - 19 M
Safety and Livability				
<i>Neighborhood Traffic Safety</i>	◐	◐	◐	●
<i>Arterial Traffic Safety</i>		○	◐	●
<i>ADA Upgrades, Sidewalks and Paths</i>			◐	●
New Capacity				
<i>New Capacity Projects</i>			◐	◐
<i>Urban Upgrade Projects</i>	○	○	◐	◐
<i>Regional Project Participation</i>				◐
System Preservation				
<i>Pavement Overlay Program</i>	◐	●	●	●
<i>Pavement Reconstruction Program</i>		◐	◐	●
<i>Traffic Signals Program</i>		○	◐	●
<i>Street Maintenance / Operations</i>	◐	◐	◐	●

KEY

- less than 1/4 funded
- ◐ 1/4 - 3/4 funded
- 3/4 to fully funded



Major Observations

- ▶ Police Department staffing for uniformed officers should increase at the same pace as population
- ▶ Fire Department should add one Medic Unit in each of the next two biennium
 - ▶ City to explore a regional approach to funding Fire & EMS over the next five years

Major Observations



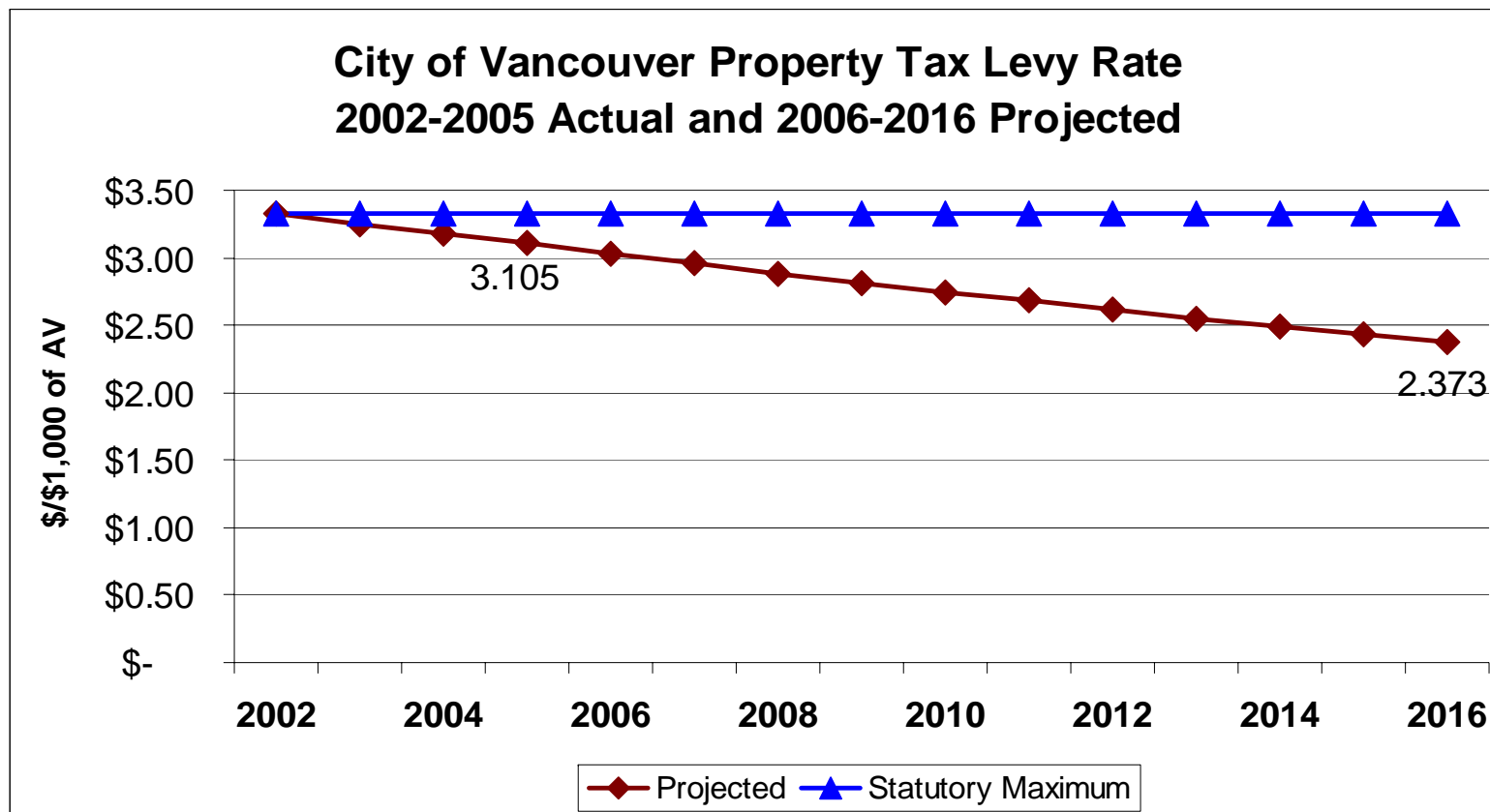
- ▶ An additional \$8.5 million per year in new funding should be provided for Transportation for (in priority order) maintenance and preservation, new capacity and safety and livability improvements
- ▶ New State shared gas tax ~\$700,000 per year for transportation

Preferred Funding Options



- ▶ Property tax levy lid lift vote
 - ▶ Votes in 2006 and 2012
 - ▶ 50% voter approval required
 - ▶ Up to \$3.325 per \$1,000 assessed value
 - ▶ Est. \$4.3 million in 2007 & \$6.5 million in 2013
 - ▶ Funds the estimated costs for new Public Safety staffing and 2004 staffing levels for other core services

Preferred Funding Options



Preferred Funding Options



- ▶ Increase sales tax 2/10% in 2005
 - ▶ To full 1.0% local option
 - ▶ \$0.20 on \$100 purchase
 - ▶ \$4.2 million in 2006
 - ▶ Dedicated to Transportation

Preferred Funding Options



- ▶ Impose an annual business license fee surcharge to generate ~\$3 million/yr.
 - ▶ Dedicated to transportation – new capacity
 - ▶ Proposed annual surcharge to vary with size of business
 - ▶ 1-5 employees = \$175
 - ▶ 6-50 employees = \$875
 - ▶ 50+ employees = \$2,500

Preferred Funding Options



Impact

- ▶ Typical household (homeowner)
 - ▶ Property tax: \$79/year or \$6.58/month
 - ▶ Sales tax: \$43/year or \$3.58/month
- ▶ Typical business (10 employees)
 - ▶ \$875 per year or ~\$73 per month

Preferred Funding Options



Other Recommendations

- ▶ Cost control & efficiency: technology, best practices and wage/benefit costs
- ▶ Align revenues with uses if able
- ▶ Economic development
 - ▶ Continue "Open for Business" philosophy
 - ▶ "Strategic" economic development plan
- ▶ More involvement/accountability

Next Steps



- ▶ Council to consider sales tax increase and business license fee surcharge later this summer
 - ▶ Public hearings to be held
- ▶ Levy Lid Lift vote: Fall 2006
- ▶ Transportation funding plan update is in process



Thank You



▶ Questions?