

## **Long-Range Financial Planning Policy**

The purpose of the Long-Range Financial Planning Policy is to establish a consistent practice for financial planning that result in stable tax rates and services to the community over a multi-year period.

Timing and Scope: In preparation for both the Capital Improvement Program and the Annual Budget, long-term financial forecasting models will be updated to analyze the impact of budget decisions on the City's future financial condition.

The financial plans will forecast revenues, expenditures, debt, long-term liabilities, reserve levels when applicable, and financial position for ten years into the future for the General Fund, Enterprise Funds, Capital and Operating Funds.

Principles: The financial plans will start with a baseline assumption that current service levels will be maintained and include meaningful analysis of ongoing and one-time trends and conditions to allow consideration of long-term financial implications of current spending patterns.

If future issues are identified through long-term financial planning, possible solutions should be identified and discussed, with the ultimate goal of structurally balanced plans (ongoing revenues support ongoing expenditures) that supports fiscal sustainability for many years into the future.