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2 **Resolution Relating to**

RESOLUTION
Sponsor(s): Councilors Paul,
Blais, Mason, Knodell, Worden, Ayres, Siegel, Brennan

Introduced: _____
Referred to: _____
Action: _____
Date: _____
Signed by Mayor: _____

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7 STRATEGIC PLAN RE FISCAL HEALTH OF THE CITY

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12 **CITY OF BURLINGTON**

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14 In the year Two Thousand Fourteen.....

15 Resolved by the City Council of the City of Burlington, as follows:

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17 That WHEREAS, as a community we have many goals that have the potential to move our City
18 forward in terms of environmental, economic and cultural vitality; and

19 WHEREAS, just as in our own personal life, we all are acutely aware that some of these goals
20 have financial ramifications; and

21 WHEREAS, we must be the stewards of both moving our city forward and understanding the
22 financial consequences of our actions; and

23 WHEREAS, a bond rating is often the single most important factor affecting the interest cost on
24 bonds; and

25 WHEREAS, there are three major rating agencies for municipal bonds: Moody's Investors
26 Services, Standard & Poor's, and Fitch Ratings. Of the three rating agencies, Standard & Poor's and
27 Moody's rate over 80% of all municipal and corporate bonds; and

28 WHEREAS, in assigning a rating for general obligation bonds, the rating agencies assess the
29 following factors: the economy, a municipality's debt structure, a municipality's financial condition,
30 demographic factors, and management practices of the governing body and administration; and

31 WHEREAS, the City Council is the governing body of the City of Burlington along with the
32 Administration; and

33 WHEREAS, we must work to align our values, goals and vision for the City with our budgetary
34 and financial realities so we can productively and prudently manage the City on behalf of the citizens of
35 Burlington; and

36 WHEREAS, this Council acknowledges the City's financial challenges and knows it must factor
37 into its decision-making process an understanding of both the short- and long-term financial ramifications
38 of that process; and

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Resolution Relating to

STRATEGIC PLAN RE FISCAL HEALTH
OF THE CITY

WHEREAS, this Council would welcome an opportunity to plan with the Administration in collaboration with the FY 2016 General Fund budget and in FY 2017 all other City budgets to develop a longer-term picture of our finances so we and the community can truly appreciate our challenges and how we can strengthen our financial condition;

NOW, THEREFORE, BE IT RESOLVED that this Council requests that the Administration, and in particular the Chief Administrative Officer and his staff, work with the Board of Finance to develop a 3 year projection of revenues and expenditures, a proforma if you will, and strategic plan for the City assuming a balanced budget so the Council and this community can more fully understand the ramifications of the decisions in terms of their impact on our credit rating, their impact on future tax increases and their impact on our fiscal health; and

BE IT FURTHER RESOLVED that the Board of Finance in concert with the Office of the Clerk/Treasurer will work to produce this strategic plan by December 31, 2014 and present said plan to the Council in a work session at the Council's first meeting in January 2015.