

Appendix: 5-10 Year Financial Sustainability Checklist

- ☐ **Forecasting:** Do we have a realistic multi-year forecast? Do we prepare it at least annually? Do we have a policy that guides its production?
- ☐ **Reserves:** Do we have an appropriate reserve policy? What guides targets, deposits, and withdrawals? Are these practices adopted as policy?
- ☐ **One-Time Revenues:** Are we distinguishing one-time and ongoing revenues? Do we have a policy that appropriately guides the use of one-time revenues?

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- ☐ **Revenue Growth:** Are recurring revenues keeping pace with recurring expenditures? Do we have internal practices in place to review these trends and spot issues?
- ☐ **Personnel Costs:** Do we understand our long-term labor and benefit costs? Are both considered together in labor negotiation processes? Is this process carefully linked to our budget and forecasting processes?
- ☐ **Capital Needs:** Are we addressing capital and deferred maintenance needs? If not, do we know what our backlogs and do we have plans to address them over time?

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- ☐ **Structural Gaps:** Do we have a plan for any structural deficit, or to address specific long-term challenges? Do these plans stretch beyond the 12-month budget?
- ☐ **Identifying Risks:** Do we have internal management practices to identify new risks and discuss options to address them? Do we engage the governing board in these discussions?
- ☐ **Preserving Options:** Are we identifying problems and creating plans for them early enough to preserve meaningful choices? Do we have practices with the board to do the same? Is the budget process linked to them?