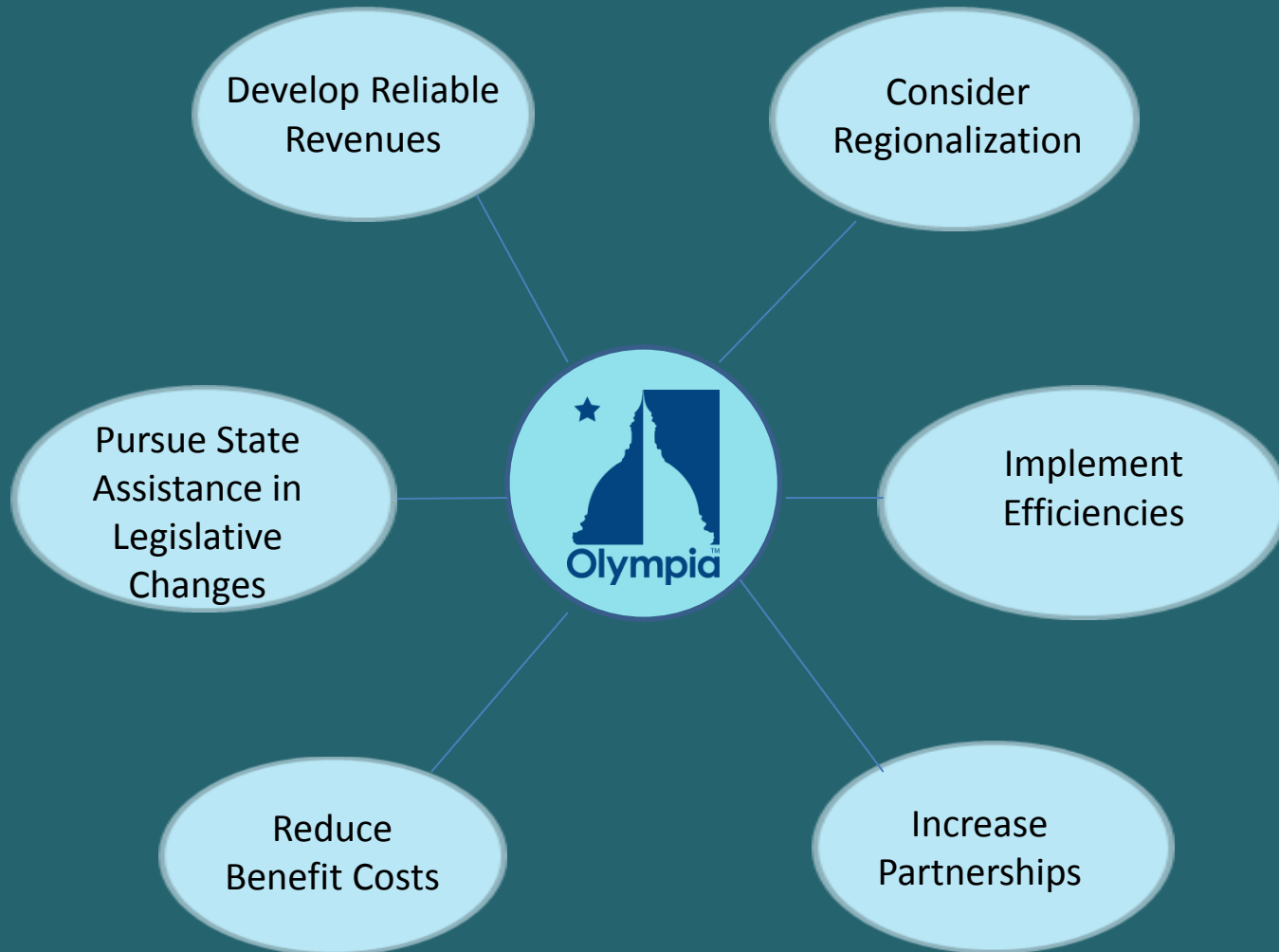


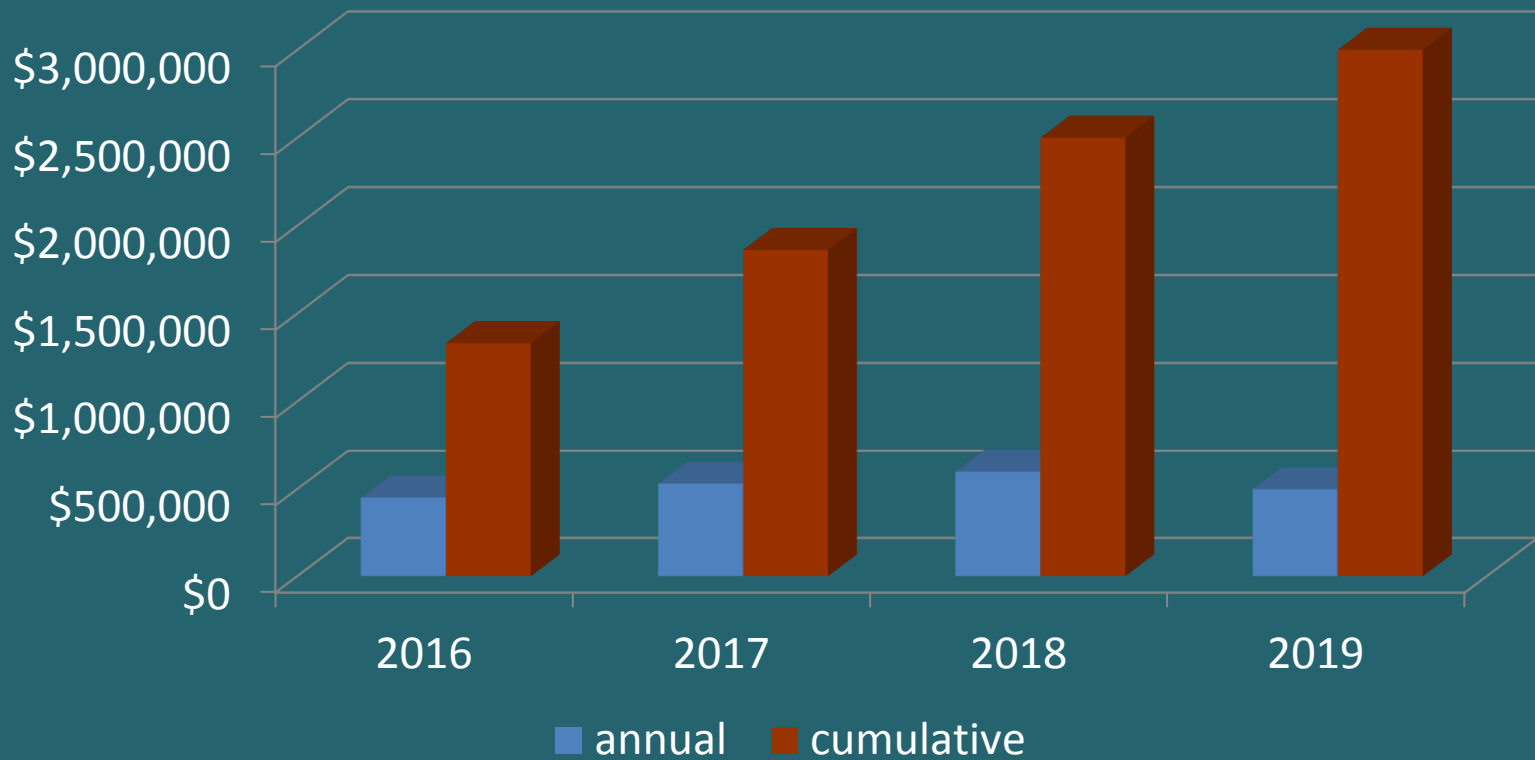
FINANCIAL OVERVIEW

BUDGET SUSTAINABILITY



General Fund Revenue Projections

Made mid year 2014



Makes no assumptions regarding ACA Cadillac tax

FUNDING GAPS – Operating Budget

- ACA- Cadillac tax
 - 2018 -\$3 million
- General Fund Gap
 - 5 year – (\$500k-\$3 million)
- Parks Operating Gap
 - 2016 - \$500k
- Pension Costs (more?)
- Declining Phone & Cable TV utility tax
- Jail?
- Technology
- Body Cams & Correspond Records issue

FUNDING GAPS – Capital Budget

- Percival Repairs
 - Immediate - \$350,000
 - \$2.7 Million Bulkheads
 - \$20 Million Replacement
- CAMMP
 - 5 years - \$3 Million
- Pavement Management
 - 2-3 Million per year
- Fire Equipment Replacement
- Building Repair/Replacement sufficient only for high priority projects
- Sidewalks – Repair/New/Replacement
- ADA
- Parks – Acquisition/Development
 - Isthmus
 - Habitat
 - Urban Forestry

REVENUE OPTIONS

- B & O
- Metropolitan Parks District
- Tax Audit on B&O and admission returns
- Uncollected Debt (parking and utilities)
- Utility tax
 - Voted (private utilities)
 - Municipal Utility Tax (MUT) on public utilities
- Indirect cost allocation??
- Bonds
 - Voted
 - Councilmanic
- Sale of City owned Assets
- Grants
- TBD Increases

REVENUES (continued)

- Marijuana Tax revenue for Local jurisdictions
- LIDs
- Annexations
- Levy LID Lift
- Economic development growth in the base
- Tax Capacity
 - B & O
 - Gambling
- Efficiencies
- New Hotels
- Construction and furnishing of state office building
- Return Liquor Tax absorbed by state
- Red Light Cameras

Pavement Condition Rating

- *Current Practice*
 - Average rating for entire street system
0 to 100 scale
 - ✓ 70 – 100 (good)
 - ✓ 50 – 69 (fair)
 - ✓ 0 – 49 (poor)
 - Funding - \$3 million per year (approx.)
 - ✓ \$1 million in grants on average
 - ✓ \$2 million - Street Repair and Reconstruction Program

Pavement Rating – Good (79)



Photo taken 4-2-15

4th Avenue between Adams and Jefferson

Pavement Rating – Fair (55)



Photo taken 4-2-15

Legion Way between Jefferson and Cherry

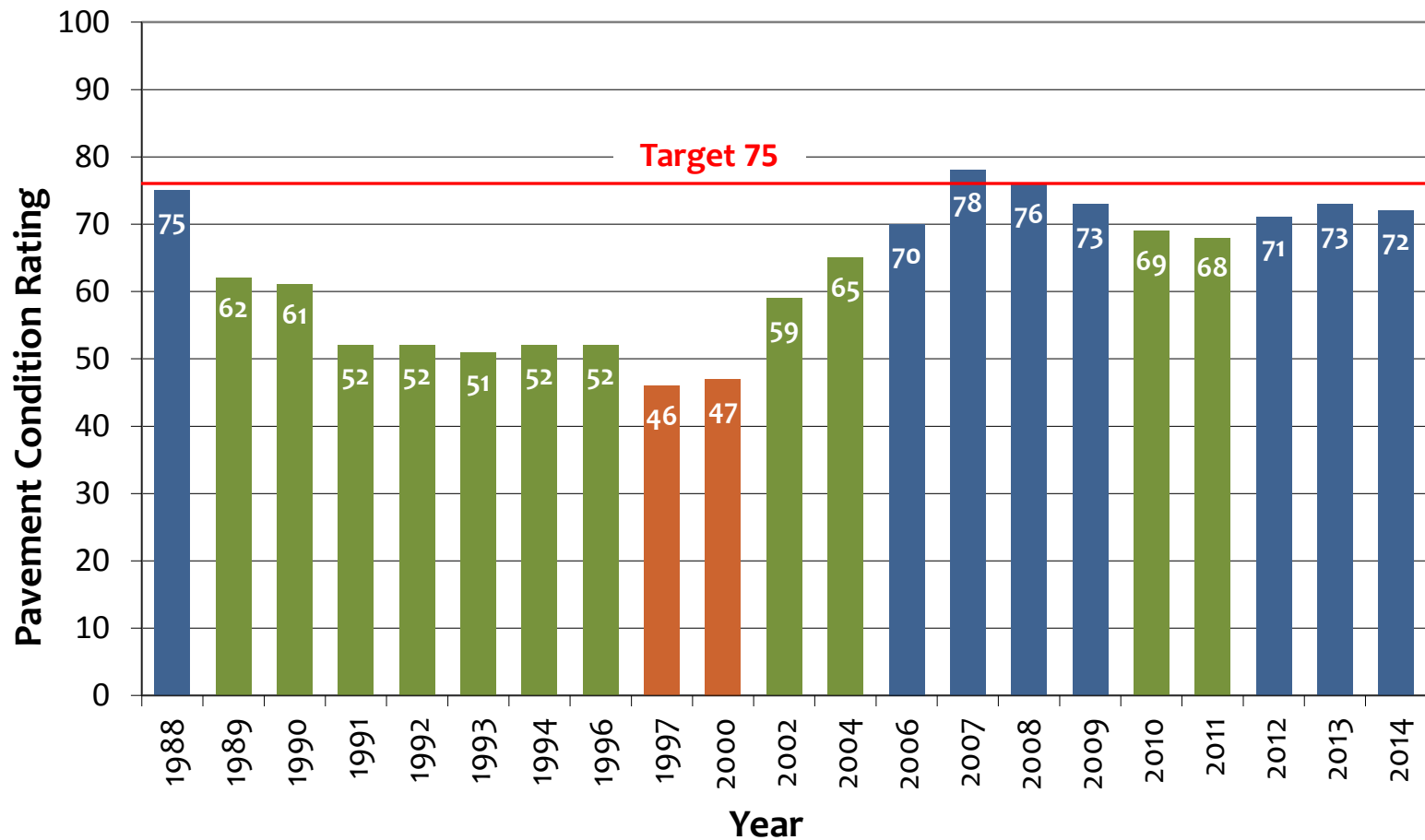
Pavement Rating – Poor (35)



Photo taken 4-2-15

Legion Way between Washington and Franklin

Average Condition Rating



Good = 70 to 100

Fair = 50 to 69

Poor = 0 to 49

Pavement Conditions and Expenditures

CURRENT AND FUTURE RATINGS	CURRENT FUNDING <i>\$3 million per year</i>		ADDITIONAL \$1 MILLION <i>\$4 million per year</i>		ADDITIONAL \$4 MILLION <i>\$7 million per year</i>	
	Rating	Backlog*	Rating	Backlog*	Rating	Backlog*
Current	72	\$48 M	72	\$48 M	72	\$48 M
20 years	59	\$85 M	63	\$56 M	74	\$0.2 M

* Backlog—total cost of needed repairs, not covered under current funding.

Facilities

- *Annual Appropriation*
 - \$1.2 Million
- *Decision-Making Criteria*
 - **High**
Life safety, permanent structural damage or eliminates use of the building
 - **Medium**
Potential to affect the structure or compromise operational continuity
 - **Low**
Interior or exterior aesthetics

Facilities– Cash Flow

FACILITY CAPITAL PROJECTS HIGH PRIORITY						
PRIORITY	2015	2016	2017	2018	2019	TOTAL
City Buildings (21)	\$ 147,022	\$ 673,582	\$1,551,979	\$ 234,775	\$3,201,404	\$ 5,808,762
EOY Balance	\$595,118	\$1,178,136	\$882,757	\$1,904,582	(\$40,222)	

FACILITY CAPITAL PROJECTS HIGH, MEDIUM, & LOW						
PRIORITY	2015	2016	2017	2018	2019	TOTAL
City Buildings (21)	\$ 556,756	\$811,857	\$5,563,477	\$234,775	\$2,968,129	\$10,134,994
EOY Balance	\$185,384	\$630,127	(\$3,676,750)	(\$2,654,925)	(\$18,465,839)	

* Includes WCPA Debt of \$235K/year

* Assumes \$1.25M annual revenue

Facilities

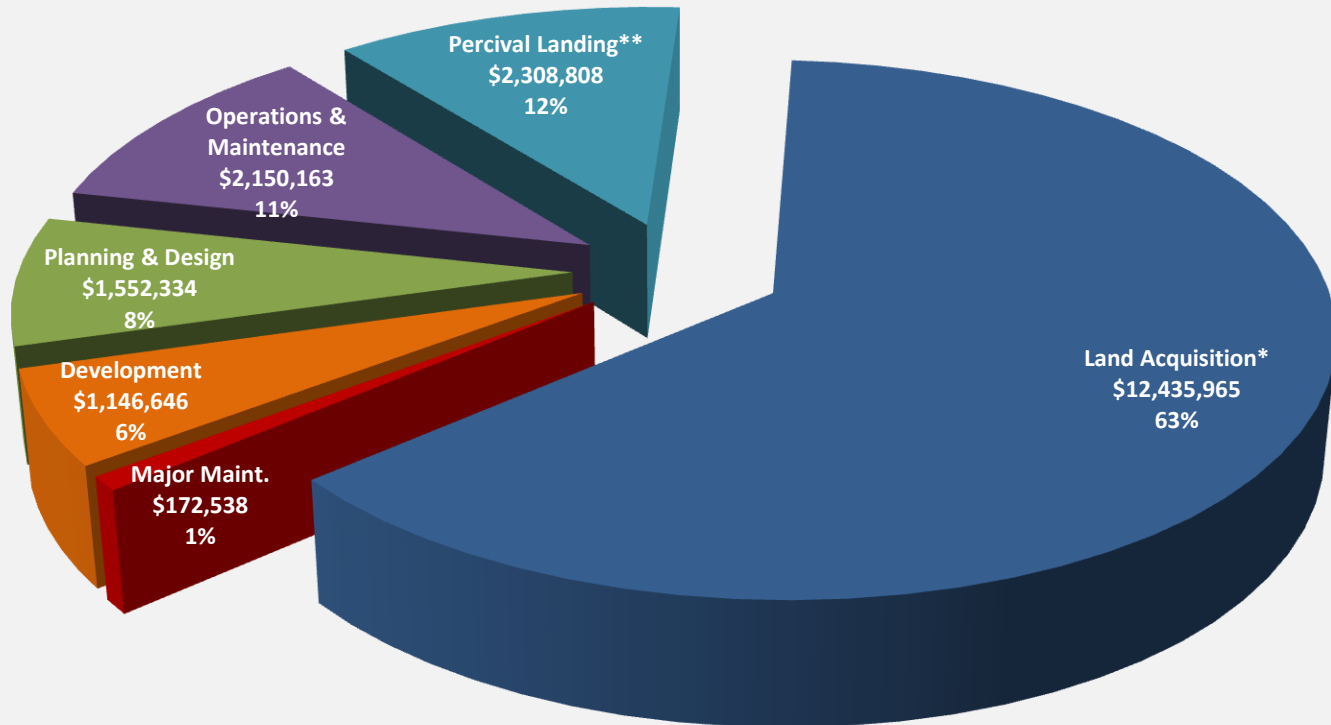
1. Current funding is improving building condition.
2. High priority projects can be funded through 2019.
3. Largest need continues to be HVAC, electrical and plumbing.
4. Most projects have a 20-year lifespan, so funds can be directed toward the Medium/Low priority projects starting in 2020.

Parks Condition Assessment & Major Maintenance Program (CAMMP)

The total asset value of the Olympia Park system (not including land or Percival Landing) is \$28 Million. Currently we have identified \$4M in deficiencies. Three approaches to address these deficiencies over a 6-year time-frame are outlined below, based upon available resources:

6-Year Annual Funding Levels	Severity Rating
\$250,000/ Year	Only High Severity Deficiencies <i>Major safety impacts, failure renders facility useless</i>
\$500,000/ Year	Medium and High Severity Deficiencies <i>Major safety impacts, affects usability and function</i>
\$750,000/ Year	All Deficiencies <i>All above, plus deficiencies having a limited effect on function and affecting aesthetics and appearance</i>

Use of Parks Voted Utility Tax 2005-2014



Numbers include bond payments through 2014:

*2006 Bond - Acquisition: \$1,196,000/Year - last payment 11/2016

**2013 Bond - Percival Landing: \$243,000/Year - last payment 12/2021

Funding Gaps

2016 Utility Tax Funding Gap Options

Option 1	Without \$300,000 Acquisition Fund (Reduced revenue collections and increased personnel costs)	(\$200,000)
Option 2	With \$300,000 Acquisition Fund	(\$502,544)
Option 3	All Maintenance & Operation removed from Utility Tax	(\$720,944)

Percival Landing Repairs

FUNDED

\$350,000 Immediate Repairs

- *Replace split decking*
- *Railing replacement*
- *Bench & planter repairs*
- *Pile caps*
- *Stringers*
- *Cross-bracing*
- *Float & bulkhead repairs*

NOT FUNDED

\$700,000 (3-5 Year Repairs)

- *Replace additional piling & pile caps*
- *Replace additional stringers & x-bracing*
- *Footing & major float repairs*

NOT FUNDED

\$90,000 (Monitoring & Assessment)

- *4 Annual condition inspections*
- *1 Structural assessment*

\$158,000 Annual Funding Required

Saving for repair project & assessments
(700K + 90K = 790K / 5 yrs. = \$158K/yr.)

Percival Landing Replacement

1. Section A, Ph. 2 – Concept Vision (2015 Estimate - \$18M)

- Sheet-pile wall \$2.5M
- Dredge & replace floats \$3.5M
- Completion of Phase 2 :
 - Upland boardwalk
 - Pavilion #3
 - Fly-over bridge
 - View platform
 - Upland boardwalk
 - Playground
 - Olympia Center parking lot
 - Expanded dredge
 - Expanded floats

2. Next Step: Confirm Design and Cost Implications

- Update design vision
- Sea level rise
- Shoreline Master Program
- CRA
- Utility infrastructure
 - Private
 - Public
- Street infrastructure

Future Replacement Phases:

Section B - \$24M

Section C - \$24M

PERCIVAL LANDING

SECTION A SITE PLAN



- NOTES:
1. HORIZONTAL DATUM IS CITY OF OLYMPIA.
 2. VERTICAL DATUM IS MEAN LOWER LOW WATER (MLLW)



SECTION A SITE PLAN