



# Meeting Minutes

## Finance Committee

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Wednesday, July 12, 2017**

**5:00 PM**

**Room 207**

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**1. CALL TO ORDER**

Chair Cooper called the meeting to order at 5:05 p.m.

**2. ROLL CALL**

Committee member Bateman joined through conference call.

**Present:** 3 - Chair Jim Cooper, Committee member Jessica Bateman and Committee member Jeannine Roe

**3. APPROVAL OF AGENDA**

The agenda was approved.

**4. APPROVAL OF MINUTES**

**4.A** [17-0721](#) Approval of June 22, 2017 Finance Committee Meeting Minutes

The minutes were approved.

**5. COMMITTEE BUSINESS**

**5.A** [17-0709](#) Discussion on the Preliminary 2018 Capital Facilities Plan

Administrative Services Director Mary Verner presented the 2018-2023 Preliminary Capital Facilities Plan (CFP) overview to the Committee. The presentation included highlights of projects to be completed in 2017, new and significant projects for 2018-23, and unfunded needs not included in the CFP because there currently is no source of funding. Ms. Verner noted that, for a unified and comprehensive approach, the presentation style of the CFP has been changed to compliment the Olympia Action Plan.

City Manager Steve Hall proposed that a full 1% of the non-voted utility tax, generating approximately \$500,000/yr., be dedicated to parks, and that the first \$500,000 of any end-of-year general fund balance above reserve levels be dedicated to facilities maintenance. He provided background information about citizens' expectations for parks funding, and about the need to address a backlog of facilities

maintenance needs.

Public Works Director Rich Hoey provided updates regarding project progress as well as anticipated completion dates for projects identified in the CFP presentation. He shared insight into options for work needed at the jail for its HVAC system, sprinkler system, and electrical upgrade, taking a broader look at the safety needs of the facility.

Ms. Verner identified revenue streams that are committed to capital projects, as well as expense totals for capital projects in several categories.

Committee members commented they would like to refer to unfunded needs as Future Priority Needs and see estimated costs for these items. They also are interested in the impacts of deferring projects.

The Committee supported moving the CFP presentation along to the full Council.

**The discussion was completed.**

**5.B**     [17-0707](#)            Comparison of Municipal Taxes, Rates, and Fees in Thurston County

Fiscal Services Accountant Olivia Oudman presented her research to compare the costs of local government services for people living in Olympia compared to Lacey and Tumwater. Her presentation showed the differences among the three cities for sales taxes, property taxes, utility rates, and permits.

Committee members and Ms. Oudman discussed ways in which some costs are higher or lower in Olympia compared to the other cities. It was pointed out that the citizens of Olympia voted to create a Metropolitan Parks District to continue the care of our current parks as well as expand the number of parks in the area, and that other cities do not have this beneficial local government service.

Committee members asked Ms. Oudman if there was a way include the implicit value of parks and waterfront in a future comparison among the cities.

**The information was provided.**

**5.C**     [17-0741](#)            Direction on How to Proceed with an Analysis of Local Government Tax Regressivity

City Manager Steve Hall spoke to the Committee regarding the fact that people with lower incomes pay a higher proportion of their income to state and local taxes because Washington has sales and property taxes, but no state income tax. Mr. Hall has reached out to several organizations regarding quantifying the impact of this on

our community and citizens. Information from the Institute on Taxation and Economic Policy was provided as a starting point. Mr. Hall recommended further study on how the regressive nature of tax structure has impacts in Olympia.

Funding for this study would be through the council's budget.

Committee members commented this was a great start. It was suggested that the Washington State Budget Center may have compiled data that would be helpful.

**The discussion was completed.**

**6. REPORTS AND UPDATES - None**

**7. ADJOURNMENT**

Chair Cooper adjourned the meeting at 6:15 p.m.