

Financial strategies 2014-2020

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Proposed expenditures - 2014 budget

				Alternative 1	Alternative 2	Alternative 3
Administration & Human Services	(\$599,860) /year		2.4%	(\$3,822,146)	(\$3,822,146)	(\$3,822,146)
Recreation & Senior Services	(\$541,430) /year		2.4%	(\$3,449,845)	(\$3,449,845)	(\$3,449,845)
Parks & Fort Steilacoom Park	(\$803,570) /year		2.4%	(\$5,120,131)	(\$5,120,131)	(\$5,120,131)
Deferred renovations (%current facilities)	\$26,734,560 value		5.0%	(\$3,232,050)	(\$3,232,050)	(\$3,232,050)
PLOS land and facility additions				(\$9,231,900)	(\$9,231,900)	(\$9,231,900)
TOTAL EXPENDITURES				(\$24,856,072)	(\$24,856,072)	(\$24,856,072)

Proposed revenues - 2014 Budget (low scenarios)

Capital facility program	Total taxes	PROS Plan	%	1.0% Inflate			
Property tax - general govt	\$5,960,000	\$1,183,730	20%	-5.0%	\$6,271,594	\$6,271,594	\$6,271,594
Sales tax	\$8,500,000	\$400,000	5%	2.4%	\$2,548,692	\$2,548,692	\$2,548,692
Utility tax/franchises	\$7,435,000	\$0	0%	2.4%	\$0	\$0	\$0
Fees, fines, licenses, oth	\$9,334,000	\$0	0%	2.4%	\$0	\$0	\$0
Pierce County Ft Steilacoom	\$100,000	\$100,000	100%	na	\$100,000	\$100,000	\$100,000
Other donations, etc	\$35,000	\$35,000	100%	2.4%	\$223,011	\$223,011	\$223,011
Park/Rctn fees/charges	\$229,000	\$229,000	100%	2.4%	\$1,459,126	\$1,459,126	\$1,459,126
Grants	\$125,000	\$125,000	100%	na	\$125,000	\$125,000	\$125,000
CFP totals	\$31,718,000	\$2,072,730			\$11,852,422	\$10,727,422	\$10,727,422
DIFFERENCE BETWEEN EXPENDITURES AND REVENUES					\$11,852,422	(\$14,128,650)	(\$14,128,650)

6-year strategy options - combine annual revenues

Option 1 - Recreation cost recover	Expenditures	Rate	Revenue			
Recreation program cost/operations	(\$541,430)	42%	\$229,000			
Deficit	\$312,430	58%				
Park/Rctn fees and charges cost recovery rate			100%	60%	65%	70%
Amount recovered first annual			\$312,430	\$95,858	\$122,930	\$150,001
Recreation program/opns cost recovered		2.4%	\$1,990,719	\$610,781	\$783,274	\$955,766

Option 2 - Growth impact fee (GIF)

	person	per/du	per sf du			
Population in city limits	58,260	1.40%	62,454	4,194	4,194	4,194
ELOS local/regional value/person	\$1,428	2.38	\$3,399	\$1,428	\$1,428	\$1,428
Percent of value assessed for fee			100%	45%	60%	75%
Fee assessed per person				\$643	\$857	\$1,071
Growth Impact fee revenue			\$5,989,031	\$2,695,064	\$3,593,419	\$4,491,773

Option 3 - Real Estate Excise Tax (REET)1 and 2

Annual average real estate sales year 20	\$195,000,000	2.4%	\$199,680,000	\$199,680,000	\$199,680,000	\$199,680,000
Assessed rate per \$1.00 sales			\$0.0050	\$0.0050	\$0.0050	\$0.0050
Annual allocation for PRO Plan projects			100%	20%	30%	40%
Annual allocation for PRO Plan projects			\$998,400	\$199,680	\$299,520	\$399,360
REET revenue with annual growth=		2.4%	\$6,361,535	\$1,272,307	\$1,908,460	\$2,544,614

Option 4 - Property Tax Levy (PTLevy)

Assessed valuation year 2010	\$4,420,933,057	2.4%	\$4,527,035,450	\$4,527,035,450	\$4,527,035,450	\$4,527,035,450
Assessed rate per \$1.00 valuation(2)			\$0.00000	\$0.00211	\$0.00173	\$0.00136
PTLevy totals			\$0	\$9,550,498	\$7,843,497	\$6,136,497
TOTAL CFP+GIF+REET+PTLevy			\$26,193,707	\$24,856,072	\$24,856,072	\$24,856,072
DIFFERENCE BETWEEN EXPENDITURES AND REVENUES				\$0	\$0	\$0

Median house value in 2010	\$100,000	\$0.00	\$35.16	\$28.88	\$22.59
	\$221,989	\$0.00	\$78.05	\$64.10	\$50.15

Note:

- (1) GMA does not allow growth requirements to be financed 100% with growth impact fees.
- (2) GO bond capitalized with financing at 6.00% interest for 6 years
- (3) Property tax levy proceeds accumulated over 6 year period with no interest.

Financial strategies 2014-2034

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Proposed expenditures - 2014 budget

				Alternative 1	Alternative 2	Alternative 3
Administration & Human Services	(\$599,860) /year		2.4%	(\$15,169,911)	(\$15,169,911)	(\$15,169,911)
Recreation & Senior Services	(\$541,430) /year		2.4%	(\$13,692,269)	(\$13,692,269)	(\$13,692,269)
Parks & Fort Steilacoom Park	(\$803,570) /year		2.4%	(\$20,321,550)	(\$20,321,550)	(\$20,321,550)
Renovations and repairs (% facility value)	\$26,734,560		16.7%	(\$10,773,500)	(\$10,773,500)	(\$10,773,500)
PLOS land and facility additions				(\$30,773,000)	(\$30,773,000)	(\$30,773,000)
TOTAL EXPENDITURES				(\$90,730,230)	(\$90,730,230)	(\$90,730,230)

Proposed revenues - 2014 Budget (low scenarios)

Capital facility program	Total taxes	PROS Plan	%	1.0% Inflate			
Property tax - gnl govt	\$5,960,000	\$1,183,730	20%	-5.0%	\$15,187,589	\$15,187,589	\$15,187,589
Sales tax	\$8,500,000	\$400,000	5%	2.4%	\$10,115,634	\$10,115,634	\$10,115,634
Utility tax/franchises	\$7,435,000	\$0	0%	2.4%	\$0	\$0	\$0
Fees, fines, licenses, oth	\$9,334,000	\$0	0%	2.4%	\$0	\$0	\$0
Pierce County Ft Steilacoom	\$100,000	\$100,000	100%	na	\$100,000	\$100,000	\$100,000
Other donations, etc	\$35,000	\$35,000	100%	2.4%	\$885,118	\$885,118	\$885,118
Park/Rctn fees/charges	\$229,000	\$229,000	100%	2.4%	\$5,791,201	\$5,791,201	\$5,791,201
Grants	\$125,000	\$125,000	100%	2.4%	\$412,500	\$412,500	\$412,500
CFP totals	\$31,718,000	\$2,072,730			\$37,140,677	\$32,492,042	\$32,492,042
DIFFERENCE BETWEEN EXPENDITURES AND REVENUES					\$37,140,677	(\$58,238,188)	(\$58,238,188)

20-year strategy options - combine annual revenues**Option 1 - Recreation cost recover**

Expenditures	Rate	Revenue			
Recreation program cost/operations	(\$541,430) 42%	\$229,000			
Deficit	\$312,430 58%				
Park/Rctn fees and charges cost recovery rate		100%	60%	65%	70%
Amount recovered first annual		\$312,430	\$95,858	\$122,930	\$150,001
Recreation program/opns cost recovered	2.4%	\$7,901,069	\$2,424,161	\$3,108,775	\$3,793,388

Option 2 - Growth impact fee (GIF)

person per/du	per sf du				
Population in city limits/urban growth	58,260 1.40%	76,936	18,676	18,676	18,676
ELOS local/regional value/person	\$1,428 2.38	\$3,399	\$1,428	\$1,428	\$1,428
Percent of value assessed for fee		100%	45%	60%	75%
Fee assessed per person			\$643	\$857	\$1,071
Growth Impact fee revenue 2003-2022		\$26,669,322	\$12,001,195	\$16,001,593	\$20,001,992

Option 3 - Real Estate Excise Tax (REET) 1 & 2

Annual average real estate sales year 20	\$195,000,000	2.4%	\$199,680,000	\$199,680,000	\$199,680,000	\$199,680,000
Assessed rate per \$1.00 sales			\$0.0050	\$0.0050	\$0.0050	\$0.0050
Annual allocation for PRO Plan projects			100%	20%	30%	40%
Annual allocation for PRO Plan projects			\$998,400	\$199,680	\$299,520	\$399,360
REET revenue 2003-2022 with annual growth=		2.4%	\$25,248,623	\$5,049,725	\$7,574,587	\$10,099,449

Option 4 - Property Tax Levy (PTLevy)

Assessed valuation year 2010	\$4,420,933,057	2.4%	\$4,527,035,450	\$4,527,035,450	\$4,527,035,450	\$4,527,035,450
Assessed rate per \$1.00 valuation(2)			\$0.00000	\$0.00856	\$0.00697	\$0.00538
PTLevy totals			\$0	\$38,763,108	\$31,553,234	\$24,343,360
TOTAL CFP+GIF+REET+PTLevy			\$96,959,691	\$90,730,230	\$90,730,230	\$90,730,230
DIFFERENCE BETWEEN EXPENDITURES AND REVENUES				\$0	\$0	\$0

Median house value in 2010	\$100,000	\$0.00	\$42.81	\$34.85	\$26.89
	\$221,989	\$0.00	\$95.04	\$77.36	\$59.69

Note:

- (1) GMA does not allow growth requirements to be financed 100% with growth impact fees.
- (2) GO bond capitalized with financing at 6% interest for 20 years
- (3) Property tax levy proceeds accumulated over 20 year period with no interest.