

Draft outline

Aug. 9 Council Presentations

July 25, 2022

Proposed Outline: Aug. 9 Council Presentations

I. Recap

- What's an RFA?
- Why are the cities exploring this? What are anticipated benefits?
- Work to date/ schedule ahead.

II. Standing up a new unit of local government

- Administration, Cash Flow, Reserves

III. Governance Recommendation

- Option 4 / Rationale

IV. Organization Chart

V. RFA Finances

- Main funding sources for the RFA
- 7-year finance plan.
- Purpose.

VI. Legal & Policy Implications for city property tax capacity

- Legal tax capacity reduction of \$1.00 / compared to current rates
- City council policy decision Fall 2022.
- Assumption: each city will reduce its general levy by \$1.00 – the equivalent of the RFA fire levy

Proposed Outline, cont'd

VI. Finance Plan key assumptions

- No annexations. No new fire stations.
- Loan of working capital (\$8M from Olympia).
- Transfer of Tumwater Levy funds for future apparatus purchase.
- “Councilmanic bond” (\$3.2M), debt service beginning in year 2025, to purchase two fire trucks.
- Voted Levy lid lift (restore fire levy to \$1.00) in year 2027 (imposed beginning 2028 if approved).
- No new contracts with other governments in model.

VII. Finance Plan key findings

- Total budget, growth rate over time
- Levy & FBC revenue shares contributing to total budget.
- Tax rate assumptions & levy lid lift.
- FBC classifications, weights.
- Net cost to taxpayers. Examples.

VIII. Discussion/Direction

- Proceed?
- Modifications needed?

IX. Next steps

- Public outreach (Aug. 15)
- Finalize draft plan (Oct. 2022)
- Council deliberation (Oct. 2022)