

ESTIMATING IMPACTS OF INITIATIVE 1033

Assumptions outlined by the Association of Washington Cities (see more on assumptions below)
 Updated September 3, 2009

* Shaded cells should be filled out by jurisdiction

	IPD (March to March) (Note 1)	Population Growth Estimate* (Note 2)	GF Forecast w/out I-1033 (Note 3)	Forecasted Growth in GF Revenues* (Note 3)	Levy w/out "Lower City Property Tax Account" Transfer* (Note 4)	Growth in Prop Tax w/out "Lower City Property Tax Account" Transfer (Note 4)	Estimated Actual GF Revenues w/out Limit (Note 5)	Gen Fund Revenue w/ Limit (Note 6)	Lesser of GF Revenue Limit (J) or GF Actuals growing at rate in column F (I)	% Increase in Gen Fund Limit or Actual Revenues (Column K)	Amount Over/Under Revenue Limit (I-J)	Transfer to "Lower City Property Taxes Account"
CY 2009	0.50%	1.20%	600,651	0.00%	133,000		600,651	600,651	600,651			
CY 2010	1.80%	0.00%	600,951	0.05%	139,956	5.23%	600,951	610,898	600,951	0.05%	-9,947	0
CY 2011	2.00%	0.00%	606,961	1.00%	141,355	1.00%	606,961	611,768	606,961	1.00%	-4,808	0
CY 2012	1.80%	0.00%	613,030	1.00%	142,769	1.00%	613,030	619,100	613,030	1.00%	-6,070	0
CY 2013	1.80%	0.00%	619,161	1.00%	144,197	1.00%	619,161	624,065	619,161	1.00%	-4,904	0
CY 2014	1.70%	0.00%	625,352	1.00%	145,639	1.00%	625,352	630,306	625,352	1.00%	-4,953	0
CY 2015	1.70%	0.00%	631,606	1.00%	147,095	1.00%	631,606	635,983	631,606	1.00%	-4,377	0

- NOTES**
- (1) IPD estimates for CY 2009-CY 2011 are from the June 2009 Washington State Economic and revenue Forecast. Inflation estimates for CYs 2012-15 are from the June 2009 HIS Global Inflation Report.
 - (2) Population growth estimates provided are based on OFM's forecasted population increases for cities in urban counties; cities should replace with own estimates
 - (3) General fund revenues and revenue growth should reflect current forecasts without I-1033
 - (4) Growth should reflect anticipated councilmanic increases plus increases due to new construction/improvements, annexation, electric generation wind turbine facilities and state-assessed property taxes.
 - (5) CY 2010 revenue calculated as: (CY 2009 GF REV X GF forecasted growth) + CY 2009 GF REV; CY 2011 and subsequent years calculated as ((CY 2010 GF REV - transfer to Lower City Property Tax Account) X (1 + % Change Pop)) + (CY 2010 GF REV - transfer to Lower City Property Tax Account) X (1 + % Change IPD)
 - (6) CY 2010 revenue limit calculated as: CY 2009 GF REV X (1 + 2009 % Change Pop) X (1 + 2009 % Change IPD); CY 2011 and subsequent years limit calculated as: CY 2010 GF REV - transfer to Lower City Property Tax Account X (1 + % Change Pop) X (1 + % Change IPD)
 - (7) Lower City Property Taxes Account is applied to previous year's full levy, reflecting any limit factor increase (plus new construction/improvements, annexation, electric generation wind turbine facilities).

OFM GENERAL ASSUMPTIONS

CY 2010 revenue limit calculated as: CY 2009 GF REV X (1 + 2009 % Change Pop) X (1 + 2009 % Change IPD)
 CY 2010 GF revenues exceeding CY 2010 revenue limit are transferred into "Lower City Property Tax Account"
 First transfer to the "Lower City Property Tax Account" takes place in CY 2011
 First property tax levy to be reduced is levy set in CY 2011 for CY 2012 collection
 General fund revenues defined as taxes, fees and other governmental charges. Revenues coded for the general fund in the BARS chart of account included, excluding the following categories:
 Federal and state direct and indirect grants
 State shared taxes or revenues
 Charges for contracted services performed
 Charges for enterprise activities or charges that are not governmental in nature
 Inter-fund and inter-department charges
 Interest and investment earnings

AWC ADDITIONAL INFORMATION

Using the assumptions outlined in Office of Financial Management's fiscal impact statement, in addition to some of our own, AWC has developed this spreadsheet that cities can use to estimate individual jurisdiction's impacts. In building this spreadsheet, cities should note that neither OFM nor AWC is a regulatory agency, and this impact model outlines assumptions for estimating fiscal impacts only. It does not serve as an implementation guide. Once your city has estimated the impacts of I-1033, please forward this spreadsheet to Alicia Seegers Martinelli, aliciam@awcnet.org, to be included on our website.

**Property Tax
After "Lower
City Property
Tax Account"
Transfer (Note
7)**

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