

INFORMATIONAL MEMORANDUM

MPD

TO: Tukwila Pool MPD Board President

FROM: Craig Zellerhoff, Fiscal Coordinator

DATE: November 15, 2012

SUBJECT: Tukwila Metropolitan Park District (MPD) 2013 Budget Resolution and 5 year plan

ISSUE

Adopt the 2013 annual budget by the end of December.

BACKGROUND

The proposed budget for 2013 was presented to the Board on October 1, 2012. Since that time, the budget has been discussed at the MPD Meeting on October 15, 2012; and reviewed by the Tukwila Pool Advisory Committee on October 3, November 4, and November 10, 2012.

DISCUSSION

The proposed 2013 budget includes revenues and expenditures for normal operations as well as capital improvements to the Tukwila Pool for energy efficiencies and economic viability over the next 20 years. Additional assumptions included in the budget are as follows:

- Program revenues in 2013 are forecasted to exceed 2011 and 2012 revenues based on increased revenues in 2012 and the reopening of the pool upon completion of the capital improvements.
- Tax Levy revenue collection begins in 2013 for an estimated \$680,186.
- Repayment of the City Loan obtained to fund operations during the formation of the MPD begins in June 2013 with payments of \$88,245 in 2013 and \$121,458 annually thereafter through May 2023.
- Pool capital improvement loan repayment begins in 2013 and extends over a 15 year period ending in 2028.
- Public utility expense reduction of \$30,000 achieved through energy efficiencies.

The proposed 2013 budget is the direct result of 2012 forecasted results with the goal of improving the pool while being fiscally responsible. The 5-year projection is the result of improving conditions in 2012 and provides the basis for the pool operations from 2013-2017. The projections for 2014-2017 are based on the following:

- Programs fees increase at 1%.
- Tax revenues increase at 2%.
- Operating expenditures increase at 4%.
- Advertising decrease by 25% after new marketing campaign initiated upon completion of pool capital improvement project.
- Required reserve balance of 15% achieved.

RECOMMENDATION

TPAC: At the November 10, 2012 TPAC meeting, a motion was passed to recommend the MPD Board adopt the 2013 Budget as presented with the following requests:

- Addition of a line item for a scholarship program (\$5,000) with recommended details/guidelines to be worked out by TPAC, Staff and MPD Board in the future.
- Budget includes/assumes similar programs and scheduling as 2012, with a minimum of three special events.

STAFF: Staff recommends the Board approve the 2013 Metropolitan Park District budget resolution at the November 19, 2012 Regular Board meeting.

ATTACHMENTS

Draft 2013 Budget Resolution
5-Year Projection

Tukwila Metropolitan Park District

Resolution No. _____

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TUKWILA METROPOLITAN PARK DISTRICT ADOPTING THE ANNUAL BUDGET OF THE METROPOLITAN PARK DISTRICT FOR THE FISCAL YEAR 2013.

WHEREAS, the City of Tukwila has submitted to the Board of Commissioners a budget and estimate of monies required to meet public expenses for the Tukwila Metropolitan Park District for the year 2013; and

WHEREAS, a public hearing on the proposed budget was advertised and held on November 19, 2012;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE TUKWILA METROPOLITAN PARK DISTRICT HEREBY RESOLVES AS FOLLOWS:

Section 1. The Board of Commissioners of the Tukwila Metropolitan Park District hereby adopts the document entitled "Metropolitan Park District 2013 Budget," incorporated by this reference as if fully set forth herein.

Section 2. The total of the estimated revenues and appropriations for the Tukwila Metropolitan Park District is \$2,543,523.

Section 3. A complete copy of the final budget for 2013, as adopted, together with a copy of this adopting resolution, shall be kept on file in the City Clerk's Office, and a copy shall be transmitted by the City Clerk to the Division of Municipal Corporations of the Office of the State Auditor and to the Association of Washington Cities.

PASSED BY THE BOARD OF COMMISSIONERS OF THE TUKWILA METROPOLITAN PARK DISTRICT at a Regular Meeting thereof this _____ day of _____, 2012.

ATTEST/AUTHENTICATED:

Kathy Hougardy, Clerk of the Board

Verna Seal, President, Board of Commissioners

APPROVED AS TO FORM BY:

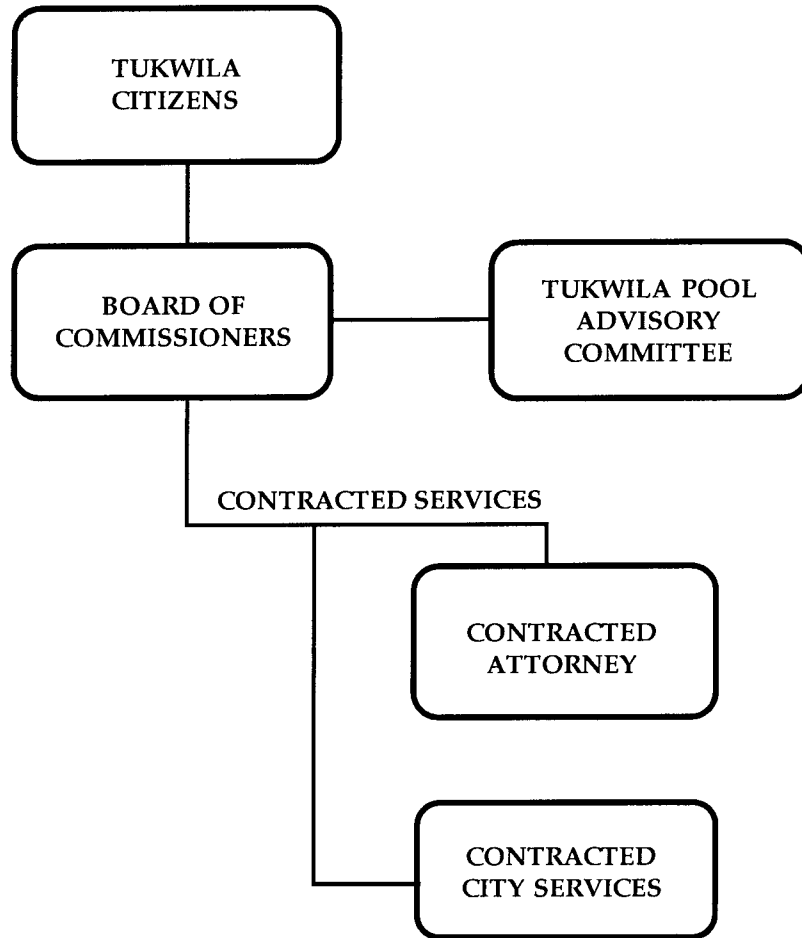
Filed with the Clerk: _____
Passed by the Commission: _____
Resolution Number: _____

Lisa M. Marshall, Commission Attorney

Attachment: Metropolitan Park District 2013 Budget

2013 PROPOSED BUDGET

Metropolitan Park District



Goals & Accomplishments

DEPARTMENT: N/A

FUND: Agency

RESPONSIBLE MANAGER: Verna Seal

DIVISION: N/A

FUND NUMBER: 630

POSITION: Board President 2012

Description

The mission of the Tukwila Pool Metropolitan Park District (TMPD) is to promote and provide social, cultural, physical and safe swimming activities, lessons, and events for participants of all ages and abilities during their leisure time.

The Tukwila Pool Metropolitan Park District will provide lessons and open swims year-round. The aquatic staff, which include both part and full-time employees, are contracted resources used to conduct these water and swimming services and programs for the community. Fees are collected in an effort to offset operational costs.

2012 Accomplishments

- ◆ Aquatic Program fee revenue is 19% ahead of 2011 through September 2012.
- ◆ Increased cost program recovery to meet council direction.
- ◆ Implemented non-resident fee structure for programs.
- ◆ Offered after school Special Olympics Swim Team program for Tukwila and other local area school district students in the spring. Eighteen athletes participated on this year's team.
- ◆ Increased the program offerings for Teens with Teen Late Night at the Pool and additional Open Swim offerings.
- ◆ Researched, educated, and confirmed approval for entering into the Energy Savings Performance Contracting (ESPC) program with Washington State Department of Enterprise Services.
- ◆ Completed Planning and Design work of the ESPC and solicited bids.
- ◆ Received grant from Department of Commerce for the construction of the ESPC.
- ◆ Began capital improvement to the facility through ESPC.

2013 Program Goals

- ◆ Increase Aquatic Program fee revenue by 5%.
- ◆ Implement new TMPD resident and non-resident fee structure for passes.
- ◆ Implement new TMPD employee handbook.
- ◆ Increase number of participants in after school Special Olympics Swim Team program for Tukwila and other local area school district Students in the spring.
- ◆ Develop a long term marketing plan for the Pool and its programs.
- ◆ Continue to develop the Tukwila Pool Scholarship Program so that it supports the community needs and develop community support for fundraising efforts to sustain the scholarship program.
- ◆ Develop an afterschool swimming fitness program for Spring 2013 geared toward Middle School Age youth.

Tukwila Metropolitan Park District

Description	2011 BUDGET	2011 ACTUALS	2012 BUDGET	2013 BUDGET
Beginning Fund Balance	\$ -	\$ -	\$ 63,491	\$ 197,605
REVENUE				
Tax Levy	-	-	-	680,186
Program Fees	35,000	32,375	128,570	180,000
Rentals	9,615	12,604	29,000	31,000
Donations	-	168	-	-
State Grant	-	-	-	416,666
Tax Exempt Lease Program - Loan	-	-	-	1,000,000
General Fund Loan	191,294	191,294	870,640	38,066
REVENUE TOTAL	\$ 235,909	\$ 236,441	\$ 1,028,210	\$ 2,345,918
EXPENDITURE				
10 Salaries & Wages	\$ 77,740	\$ 66,024	\$ 246,568	\$ 259,684
20 Personnel Benefits	28,434	20,408	78,807	81,775
30 Supplies	8,036	7,687	15,047	15,179
40 Other Services & Charges	90,928	78,831	273,674	257,122
60 Capital	-	-	-	1,416,666
70 Debt Service	-	-	-	173,850
00 Other-Life Cycle Replacement	-	-	250,000	-
00 Other-CIP Reserve	-	-	30,000	30,000
EXPENDITURE TOTAL	205,138	172,950	894,096	2,234,276
Ending Fund Balance	30,771	63,491	197,605	309,247
Required Reserve - Fund Balance (15% of Expenditures)			134,114	122,642
Change in Fund Balance	30,771	63,491	134,114	111,642
Metropolitan Park District Proposed Budget			\$ 894,096	\$ 2,543,523

* 2011 activity is based on the formation of the MPD effective 9/14/2012.

Salaries and Benefits

Salaries are based on actual costs for existing positions and include a cost of living adjustment per contract agreements.

PERSONNEL	2012 FTE	2012 Budgeted		2013 FTE	2013 Budgeted	
		Salaries	Benefits		Salaries	Benefits
Aquatics Program Coordinator	1	\$ 79,416	\$ 34,791	1	\$ 82,872	\$ 34,097
Aquatics Program Specialist	1	53,652	24,519	1	58,812	24,501
Extra Labor		113,000	19,497		118,000	23,177
Overtime	-	500	-	-	-	-
Department Total	2	\$ 246,568	\$ 78,807	2	\$ 259,684	\$ 81,775

Professional Services

Professional services and contracts for the Metropolitan Park District include communications, security and fire monitoring, operating lease, utilities, memberships, as well as contracted legal and City services.

Account Number	Purpose	2012	2013
630.00.576.200.41.00	Consultants	\$ 300	\$ 100
630.00.576.200.42.00	Phone, security and fire monitoring	4,000	4,000
630.00.576.200.43.00	Mileage, meals, lodging, parking for WRPA conferences, training	400	-
630.00.576.200.44.00	Advertising banners, newspaper job listings	400	4,000
630.00.576.200.45.00	Rental of scissor lift for lights and ballasts	500	400
630.00.576.200.45.00	School Lease	10,950	10,950
630.00.576.200.47.00	Gas, electricity, sewer, and water	128,000	103,120
630.00.576.200.48.00	Pest control, HVAC service, boiler repair and maintenance, misc.	25,000	20,000
630.00.576.200.49.00	Permit fees, memberships, education and training	2,224	5,000
630.00.576.200.49.00	Contract Legal services	5,000	6,240
630.00.576.200.49.00	Contract City services	90,000	90,000
630.00.576.200.49.00	WCIA Insurance	5,000	9,912
630.00.576.200.49.08	Credit card charges	1,900	3,400
	Total Professional Services	\$ 273,674	\$ 257,122

Performance Measures

Parks & Recreation Aquatics Recreational Services	2009 Actual	2010 Actual	2011 Actual	2012 Projection	2013 Projection
Membership visits	14,234	14,585	13,527	11,607	15,000
Drop-in: lap, family & public swim	115,453	10,276	9,969	9,365	10,000
Swimming Lesson Registrants	2,129	2,150	2,146	2,174	2,300
Facility rentals	1,937	2,063	2,067	1,400	2,000
Rental attendance	56,735	56,370	35,164	35,000	36,000

**Revenue and Expenditures
5-Year Financial Plan
2013 Tax Estimate; and
\$250K + \$1.416M Capital**

**Tukwila
Metropolitan Park District**

**Attachment 2
\$1M @ 2.42% 15-Years**

ANNUAL ESTIMATED REVENUE					CITY to 9/11/11	MPD 9/12 to 12/31	1% increase per year in Fee Revenue and 2% for New Construction & Property Tax revenue			
	2011	2011	2011	2012 YR END Projections	2013	2014	2015	2016	2017	
18 BEGINNING FUND BALANCE	0	0	0	37,016	266,724	381,709	408,782	426,457	433,466	
1 PROGRAMS ⁽¹⁾	\$ 157,000	\$ 131,654	\$ 32,543	\$ 166,750	\$ 180,000	\$ 181,800	\$ 183,618	\$ 185,454	\$ 187,309	
2 RENTALS ⁽¹⁾	\$ 48,000	\$ 28,731	\$ 12,604	\$ 29,150	\$ 31,000	\$ 31,310	\$ 31,623	\$ 31,939	\$ 32,259	
3 BRIDGE LOAN ^(2a)			\$ 191,294	\$ 870,640	\$ 38,066					
4 TAX REVENUE ⁽³⁾	323,169	220,005	Sept 2012 Est. =>		680,186	693,790	707,666	721,819	736,256	
5 TOTAL REVENUE	528,169	380,390	236,441	1,066,540	929,252	906,900	922,907	939,213	955,823	
Revenue + Fund Balance	revised to 2011 adopted budget		236,441	1,103,556	1,195,976	1,288,609	1,331,689	1,365,669	1,389,289	
ANNUAL ESTIMATED EXPENDITURES					City	MPD	4% increase per year			
	2011	2011	2011	2012 YR END Projections	2013	2014	2015	2016	2017	
OVERHEAD & CAPITAL										
7a City Contract	\$7500 max	0	26,475	90,000	90,000	93,600	97,344	101,238	105,287	
7b MPD Attorney	Contracted	0	2011 Actual	6,000	6,240	6,490	6,749	7,019	7,300	
7c INSURANCE (WCIA)		0	Moved to	9,531	9,912	10,309	10,721	11,150	11,596	
7d School Lease	Due October	0	Operations	10,950	10,950	10,950	10,950	11,498	11,498	
7 OVERHEAD	TOTAL	0	26,475	116,481	117,102	121,348	125,764	130,905	135,681	
8 BRIDGE LOAN ^(2b)	\$1.1M (2% 10 years)	0	-	\$1.1M	88,245	121,458	121,458	121,458	121,458	
9 CIP & Life-Cycle Replacement ^(2b)		0	-	250,000						
10 CIP RESERVE	Future CIP	0	-	30,000	30,000	30,000	30,000	30,000	30,000	
11 BOND PAYMENT - Capital Projects ⁽⁴⁾		0	LTGO BOND = \$82.263/YEAR	\$1M @ 2.42%	82,263	82,263	82,263	82,263	82,263	
CAPITAL	TOTAL	0	-	280,000	200,508	233,721	233,721	233,721	233,721	
Total Overhead	revised to 2011 adopted budget		26,475	396,481	317,610	355,069	359,485	364,626	369,402	
OPERATIONS					City	MPD	4% increase per year			
	2011	2011	2011	2012 YR END Projections	2013	2014	2015	2016	2017	
12a FT SALARIES ^(1, 5)	172,392	119,673	38,804	121,979	141,684	148,848	154,802	160,994	167,434	
12b EXTRA LABOR ^(1, 6)	120,000	73,433	27,220	111,000	118,000	125,000	130,000	135,200	140,608	
12c OVERTIME	500	99	-	-	-	-	-	-	-	
12 SALARIES & WAGES	292,892	193,205	66,024	232,979	259,684	273,848	284,802	296,194	308,042	
13a FICA ^(1, 5)	22,155	14,735	5,031	16,197	19,773	20,895	21,731	22,600	23,504	
13b PERS ^(1, 5)	16,045	8,766	3,598	11,365	15,106	17,679	18,386	19,122	19,887	
13c IND. INSURANCE ^(1, 5)	2,848	9,400	3,251	9,818	14,694	15,920	16,557	17,219	17,908	
13d MED/DENTAL/LIFE/VISION ^(1, 5)	1,517	1,239	331	5,382	1,263	1,392	1,447	1,505	1,565	
13e SELF-INSURED MED. & DENTAL ^(1, 5)	35,420	30,079	8,197	22,911	30,938	32,176	33,463	34,801	36,193	
13 PERSONNEL BENEFITS	77,985	64,219	20,408	65,673	81,775	88,062	91,584	95,248	99,058	
14a OFFICE & OPER. SUPPLIES	9,000	3,980	5,989	7,500	8,679	10,368	10,783	11,214	11,662	
14b CHEMICALS (additional chemicals needed)	5,000	2,852	1,698	5,000	6,500	7,375	7,670	7,976	8,295	
14c CENTRAL SUPPLIES (Combinded with 14a)	468	219	-	-	-	-	-	-	-	
14 SUPPLIES	14,468	7,051	7,687	12,500	15,179	17,742	18,452	19,190	19,958	
15a PROFESSIONAL SERVICES	300	-	1,563	100	100	104	108	112	117	
15b COMMUNICATION	4,000	1,783	815	4,000	4,000	4,160	4,326	4,499	4,679	
15c TRAVEL	400	-	-	-	-	-	-	-	-	
15d ADVERTISING (new marketing program)	400	95	-	500	4,000	3,000	3,120	3,245	3,375	
15e OPERATING RENTALS & LEASES	500	-	10,950	-	400	416	433	450	468	
15f PUBLIC UTILITY SERVICES ⁽⁷⁾	110,000	94,707	52,163	101,000	103,120	107,245	111,535	115,996	120,636	
15g REPAIRS & MAINTENANCE ⁽⁸⁾	25,000	13,840	6,639	16,000	20,000	20,800	21,632	22,497	23,397	
15h MISCELLANEOUS	2,224	2,823	6,124	5,300	5,000	5,200	5,408	5,624	5,849	
15i CREDIT CARD CHARGES		2,666	577	2,300	3,400	4,180	4,347	4,521	4,702	
15 OTHER SERVICES & CHARGES	142,824	115,915	78,831	129,200	140,020	145,105	150,909	156,945	163,223	
Total Operations	\$ 528,169	\$ 380,390	\$ 172,950	\$ 440,352	\$ 496,658	\$ 524,757	\$ 545,747	\$ 567,577	\$ 590,280	
16 TOTAL EXPENDITURES	\$ 528,169	\$ 380,390	\$ 199,425	\$ 836,833	\$ 814,268	\$ 879,827	\$ 905,233	\$ 932,203	\$ 959,683	
SUMMARY										
5 TOTAL REVENUE	\$ 528,169	\$ 380,390	\$ 236,441	\$ 1,103,556	\$ 1,195,976	\$ 1,288,609	\$ 1,331,689	\$ 1,365,669	\$ 1,389,289	
16 TOTAL EXPENDITURES	\$ 528,169	\$ 380,390	\$ 199,425	\$ 836,833	\$ 814,268	\$ 879,827	\$ 905,233	\$ 932,203	\$ 959,683	
18 YEAR END BALANCE	0	(0)	\$ 37,016	\$ 266,724	\$ 381,709	\$ 408,782	\$ 426,457	\$ 433,466	\$ 429,607	
17 15% Fund Balance		15%	\$ 30,771*	\$ 125,525	\$ 122,140	\$ 131,974	\$ 135,785	\$ 139,830	\$ 143,952	
Fund Balance Reserve			\$ 141,199	\$ 259,568	\$ 276,808	\$ 290,672	\$ 293,636	\$ 285,654		

NOTES

- (1) Revenue/Expenditures adjusted for construction closure January 2013
- (2a) Bridge loan - borrowed \$1.1M from City until Tax is collected
- (2b) CIP Bridge loan being used to match CIP grant; Life Cycle Replacements = scheduled replacements anticipated
- (2b) Heat Exchanger 2018; painting (int. & Ext) 2019; Pool Cover 2020 & 2027; Diving Board 2022; Starting Blocks 2023; Chemical Feeding System 2026; ADA Chair Lift 2028
- (3) Tax Revenue - November 2012 projection for bond
- (4) Bond Payment - payments to City for Capital Projects LTGO Bond
- (5) 3/4 time Aquatic Program Assistant to be left vacant
- (6) Extra Labor increased for added programs
- (7) \$30K energy efficiency through CIP (based on 2011 utilities)
- (8) Replace items not accomplished through CIP