



## **DES MOINES POOL METROPOLITAN PARK DISTRICT**

### **2018 BUDGET**

**Prepared By:**

**Scott Deschenes**

District General Manager

### **Board of Commissioners**

**Toni Overmyer, President**

**Joe Dusenbury, Board Clerk**

**Gene Achziger**

**Eric Kasnick**

**Shane Young**



# BUDGET

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## BUDGET

DES MOINES POOL METROPOLITAN PARK DISTRICT  
KING COUNTY, WASHINGTON

## RESOLUTION NUMBER 2017 – 09

Certifying Property Tax Levy and  
Adopting an Operating Budget for the Calendar Year Beginning January 1, 2018

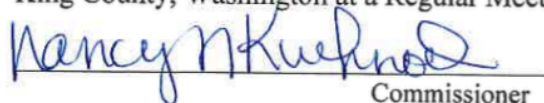
WHEREAS, the King County Assessor has notified the Commissioners of the Des Moines Pool Metropolitan Park District of the estimated assessed valuation of property lying within the boundaries of said district for the year 2017 is \$3,775,208,295 and;

**BE IT RESOLVED** by the Board of Commissioners of the Des Moines Pool Metropolitan Park District as follows:

1. That the Honorable King County Council, be and is hereby requested to make a regular Property tax levy for 2017, to be collected in 2018 for the Des Moines Pool Metropolitan Park District in the amount of \$1,297,740.50 plus new construction and any increase in state-assessed property.
2. That the Treasurer of King County, Washington be and is hereby authorized and directed to deposit and sequester the monies received from the collection of the tax levy specified in Section 2 above into the General (Current Expense) Fund of the Des Moines Pool Metropolitan Park District.
3. The budget of the Des Moines Metropolitan Park District, for the year 2018 hereby adopts at the fund level in its final form and content as set forth in the comprehensive budget document, copies of which are on file in the office of the district, the following:
  - A. \$ 1,297,740.50 to the Current Expense Fund of the District
  - B. \$0 to the Capital Reserve Fund of the District
4. That certified copies of this resolution, together with exhibits, shall be delivered to:

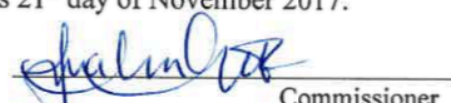
Clerk's Office	Accounting Division
Metropolitan King County Council	Department of Assessments
516 Third Avenue	500 Fourth Avenue
Room W-1025	Room 709
Seattle, WA 98104	Seattle, WA 98104

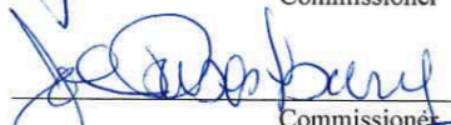
ADOPTED by the Board of Commissioners of the Des Moines Pool Metropolitan Park District, King County, Washington at a Regular Meeting this 21<sup>st</sup> day of November 2017.

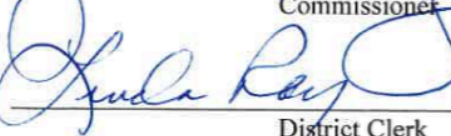
  
Commissioner

  
Commissioner

  
Commissioner

  
Commissioner

  
Commissioner

  
District Clerk

## **Budget Message from the District Manager**

**Dear Citizens,**

It is my pleasure to present the District Budget for the 2018 fiscal year. The district's budget serves three main purposes: formation of public policy, control of spending and a written financial plan that reflects the District's ongoing commitment to providing aquatic programs for patrons of all ages in a fiscally responsible and sustainable fashion.

### *2017 Accomplishments*

The District worked with Barker Rinker Seacat (BRS) in an Aquatics Feasibility Study. This included an evaluation of the current facility, the Mount Rainier Pool, and two potential new sites: Steven J. Underwood and Des Moines Elementary. This study was to assist the District in developing long-term goals and was expected to be completed in October 2017. The 2017 closure for repairs, extended the finalization of the feasibility study. The District wanted the repair work to be included in the study.

The 2017 closure to replace the pool liner, replace the bulkhead, repair the filter room floor, along with other miscellaneous items. The project originally was estimated around \$634k. The Mount Rainier Pool is a 42 year old structure, once construction began, it unveiled additional critical issues that extend the closure until April 2018.

The District was able to get \$82,500 in grants to help support the District in 2018. Grants include \$75,000 from King County for the bulkhead and \$7,500 from King County for an afterschool program.

### *2018 Outlook*

The additional critical repair resulted in \$667k increase of costs in 2018. The scope of work was replacement of the main drain and supply line repairs, sewer line replacement, additional repair to the pool shell infrastructure.

To cover the additional cost the District secured an Interfund Loan (Tax Anticipatory Note) from King County and raised the levy to repay the loan in 2018.

The District will continue to explore ways to improve its aquatic services, and fiscal management throughout the budget year. Our goal is to maximize taxpayers investment in our services.



## BUDGET

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It is also working to finalize the Aquatic Feasibility Study, which will have important elements that will be included in the District's Master Plan, which will be completed later this year.

We welcome feedback on the district budget and its content. Feel free to contact me via email ([scott.deschenes@desmoinespool.org](mailto:scott.deschenes@desmoinespool.org)), telephone (206) 429-3852 or make an appointment to stop by our office at 22015 Marine View South, Des Moines.

We look forward to serving you this year.

Respectfully,

A handwritten signature in black ink that reads "Scott Deschenes". The signature is written in a cursive style with a horizontal line extending from the end.

Scott Deschenes  
District General Manager  
Des Moines Pool Metropolitan Park District

## **Vision, Mission, Values and Goals**

### **Vision Statement**

**A water-safe community that honors our aquatic heritage**

### **Mission Statement**

**To enhance our community's quality of life by providing access to  
and promoting participation in aquatic programs.**

## **Core Values**

**Accountability to the public we serve**

**Act with Integrity**

**Take Responsibility**

**Transparency**

**Treat people with dignity & respect**

## **Goals**

**Understand & support our community's changing needs**

**Continue prudent use of taxpayer's funds**

**Promote & support aquatics programs**

**Provide a safe & functional facility**

**Communicate with the people we serve**

**Create a positive customer experience in terms of cost, quality, delivery, safety and morale**

## **District Contact Information**

### **Des Moines Pool Metropolitan Park District**

**22015 Marine View Drive South**

**Des Moines, WA 98198**

**Phone: 206-429-3852**

**Email: [scott.deschenes@desmoinespool.org](mailto:scott.deschenes@desmoinespool.org)**

**Web site: [www.desmoinespool.com](http://www.desmoinespool.com)**

### **Mount Rainier Pool**

**22722 19<sup>th</sup> Ave. S.**

**Des Moines, WA 98198**

**Phone: 206-824-4722**

**Web site: [www.mountrainierpool.com](http://www.mountrainierpool.com)**



## **Organizational Chart**

### **DISTRICT ADMINISTRATION OFFICES**

*22015 Marine View Dr. S. #2B*

*Des Moines, WA 98198*

*(206) 429-3852*

### **BOARD OF COMMISSIONERS**

Toni Overmyer  
*President*

Joe Dusenbury  
*Clerk of the Board*

Gene Achziger  
*Commissioner*

Eric Kasnick  
*Commissioner*

Shane Young  
*Commissioner*

### **DISTRICT ADMINISTRATION STAFF**

Scott Deschenes  
*District G.M.*

Linda Ray  
*District Clerk*

Vacant  
*Financial Analyst*

Brian Snure  
*Legal Counsel*

### **MOUNT RAINIER POOL STAFF**

*22722 19<sup>th</sup> Ave S.*

*Des Moines, WA 98198*

*(206) 824-4722*

Dominic Finazzo  
*Aquatics Manager*

Kaitlyn Andrews  
*Aquatics Coordinator*

## District Funds

The accounting rules applicable to the District requires the use of “fund accounting”, wherein the money received (revenues) and the money spent (expenditures) are accounted for in separate funds. This is done to ensure that money collected or designated by the District for a special purpose is spent for the purpose intended. The District budget has two major funds:

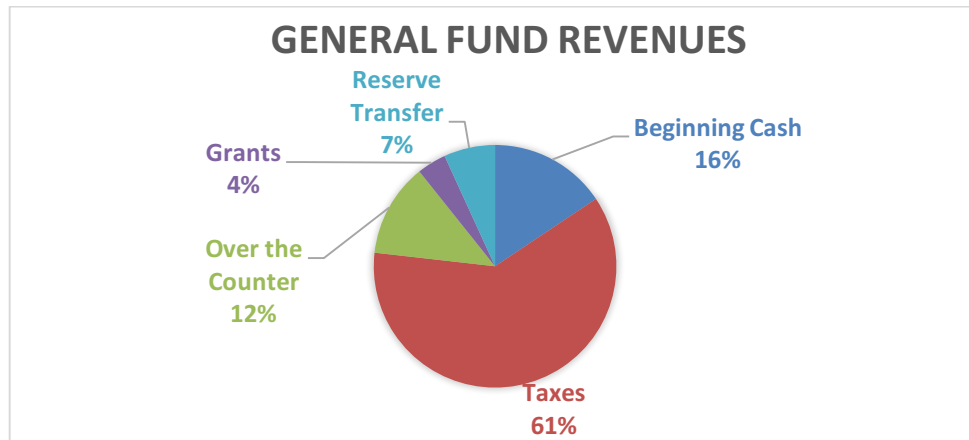
General Fund – This fund is used to account for the District’s ongoing activities. It includes aquatic programming, administration, planning, and facility maintenance. The General Fund accounts for the majority of the Des Moines Pool budget.

Capital Projects/Reserve Fund – This fund is used to accumulate dollars over a period of time to allow for the future purchase and/or acquisition of major equipment or aquatic facility upgrades/replacement.

Fund	2014	2015	2016	2017	2018 Budget Projections
<b>GENERAL FUND</b>					
Beginning Cash	\$274,754	\$296,785	\$340,194	\$572,492	\$331,625
Revenues	\$599,673	\$594,310	\$901,837	\$1,873,409	\$1,550,240
Expenditures	\$577,642	\$550,901	\$669,540	\$1,541,785	\$1,420,240
Ending Cash	\$296,785	\$340,194	\$572,491	\$461,625	\$250,000
<b>CAPITAL FUND</b>					
Beginning Cash	\$207,958	\$280,000	\$350,000	\$420,000	\$145,000
Revenues	\$72,042	\$70,000	\$70,000	\$70,000	\$0
Expenditures	\$0	\$0	\$0	\$345,000	\$145,000
Ending Cash	\$280,000	\$350,000	\$420,000	\$145,000	\$0

## General Fund Revenue

General fund revenues consist of property taxes, intergovernmental grants, charges for services through interlocal agreement and interest income from investments. DMPMPD contracts for pool management which includes the operation of programs and services at Mt. Rainier Pool.



Beginning Cash - represents the carry forward amount from the previous fiscal year.

Property Taxes – the primary revenue source for the district.

Intergovernmental Revenues (grants) – the 2017 budget does not anticipate grant income

Charges for Services – reflects a contractual agreement between DMPMPD and the City of Normandy Park for aquatic facility access.

Interest and Miscellaneous Income – interest earnings from King County Treasurer’s office.

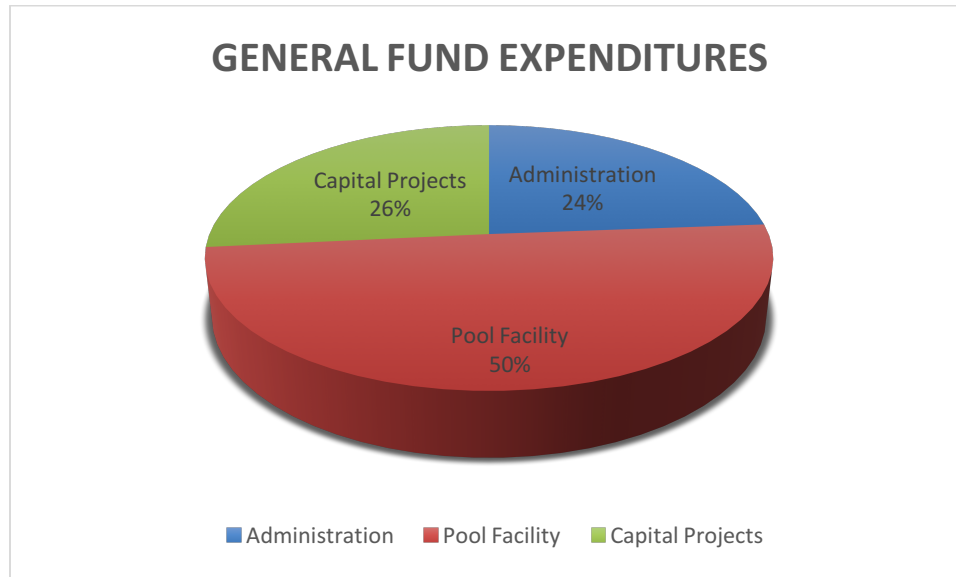
Transfer from Reserves – transfer from capital reserves for capital projects of the district in 2017.

Over the Counter (Revenues) – in 2018 the District will take over operations of the pool and it will be the first time it receives revenues for usage of the Mount Rainier Pool.

Revenue by Classification	2014	2015	2016	2017	2018 Projected
Beginning Cash	\$436,956	\$297,255	\$340,194	\$572,492	\$331,625
Taxes	\$562,095	\$564,387	\$870,367	\$912,372	\$1,297,740
Over the Counter*	\$0	\$0	\$0	\$0	\$265,000
Grants/Intergov't	\$9,976	\$0.00	\$0	\$8,054	\$82,500
Contract-N.Park	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Interest Income	\$2,603	\$ 2,350	\$6,470	\$10,391	\$0
Reserve Transfer	\$0	\$0.00	\$0.00	\$345,000	\$145,000

## General Fund Expenditures

General Fund expenditures are used to support the ordinary operations of the District including aquatic programs, facility maintenance and all other central operations and services.



Expenditures by Category	2014	2015	2016	2017	2018 Projected
Administration	\$230,200	\$241,867	\$255,379	\$451,075	\$337,864
Pool Facility	\$216,784	\$467,125	\$344,161	\$279,931*	\$704,877**
Capital Projects	\$58,616	\$110,000	\$0	\$740,779	\$377,050***
Transfers to Reserves	\$70,000	\$ 70,000	\$70,000	\$70,000	\$0****
Total General Fund	\$577,642	\$888,992	\$669,540	\$1,541,785	\$1,420,240

\*Pool facility was closed for 168 of the 365 days in 2017.

\*\*2018 will be the first year that the District will self-manage the Mount Rainier Pool, which will generate revenue to offset operations.

\*\*\*Due to the delay of the project. Some project overages will be paid in 2018 for the 2017 project. This also includes non-project critical repairs including the sewer pipe, heat exchanger and circulation pump.

## BUDGET

### Capital Projects and Expenditures for 2018

The projects listed have been identified by the District through a pool facility evaluation completed during 2017. The District intends to fund all projects identified and listed below through the General fund budget.

Project Name	Project #	Project Budget	Funding Source
Heat Exchanger Engineering*	2018-01HE	\$5,399	General
Heat Exchanger Repair*	2018-02HE	\$54,993	General
Circ Pump Replacement*	2018-01CP	\$10,846	General
ADA Pool Stairs	2018-01AC	\$7,500	General
Relamp Bulbs	2018-02AC	\$6,136	General
Total Projects - 2018		\$79,475	

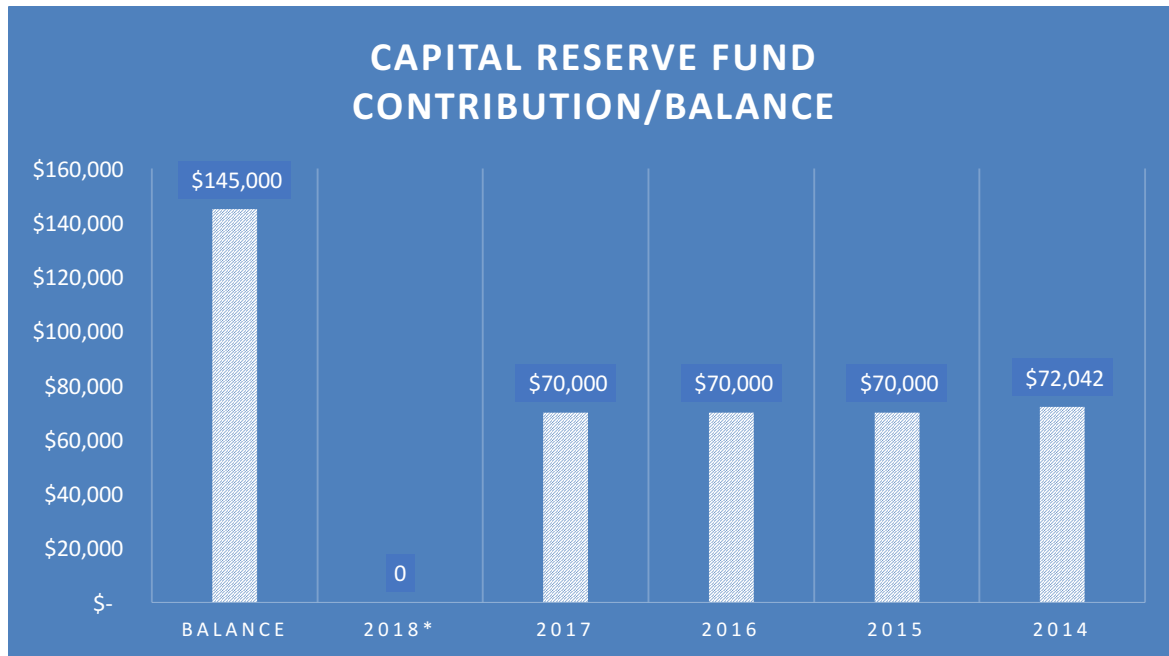
The District Board hired a consultant to determine the Capital needs of the Mount Rainier Pool. A report will be made to the board in the third quarter of 2018. This report will determine the direction and scope of future capital decisions.

\*The heat exchanger and circ pump repairs were discovered during the restarting of the pool in the First Quarter of 2018. A budget amendment will be made in the Fourth Quarter of 2018.

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## Capital Project Reserve Fund

The District has established and committed to increasing its capital project reserve fund to meet the future capital needs of the districts aquatic facility. Annual contributions are made from the general fund to a separate reserve fund. This annual commitment to reserves is currently set at \$70,000.



\*The 2017-2018 Closure Project was an estimated \$795k over budget due to critical repairs discovered underneath the shell of the pool, and other repairs that occurred during start-up due to the age of the pool.

## Glossary of Terms

**APPROPRIATIONS** - A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

**BUDGET** - A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

**CAPITAL ASSETS** - Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have a cost greater than \$5,000 and an initial useful life extending beyond a five years.

**CAPITAL PROJECTS FUND** - Funds used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets

**CAPITAL OUTLAYS** - Expenditures which result in the acquisition of or addition to capital assets.

**INTERFUND TRANSFERS** - flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment

**MAINTENANCE** – routine, regularly scheduled events which extend the life of a capital item

**NON-CAPITALIZED ASSETS** – Building improvements, machinery, equipment, works of art, infrastructure, and all tangible or intangible assets that are used in operations with an initial cost less than \$5,000 and a useful life of less than 5 years.

**PROJECT MANAGEMENT SYSTEM** – DMPMPD uses Job Numbers to organize and track costs related to specific projects. The nomenclature is each new project number will be identified by the year plus the chronological numbering of projects for that year. As an example, the first project of 2014 will be identified with 2014-01. DMPMPD will further differentiate between projects by assigning the following suffix:

- C for Capital
- R for Repair/replacement
- M for Maintenance
- E for Equipment Purchase
- A for Administrative projects/purchases
- P for Professional Services (consultants, engineers, etc.,)

## BUDGET

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**PUBLIC WORK** – To ensure DMPMPD meets the State’s requirements for labor, construction, alternation, repair or improvement other than ordinary maintenance the District must adhere to elements of Washington State’s definition of a Public Work found in RCW 39.04.010. Public Work rules do not apply to equipment purchased or work contracted for services such as consultants.

**REPAIR** – corrects or prevents a failure of machinery, equipment or infrastructure and is expected to extend its useful life.

**SMALL AND ATTRACTIVE ASSETS** – see definition of “Non-Capitalized Assets”.

**TAX ANTICIPATION NOTES (TANS)** – AKA Interfund Loan. Notes issued in anticipation of future tax receipts, such as receipts of ad valorem taxes that are due and payable at a set time of year.