



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

### **2019 BUDGET**

**Prepared By:**

**Scott Deschenes**

District General Manager

### **Board of Commissioners**

**Toni Overmyer, President**

**Joe Dusenbury, Board Clerk**

**Gene Achziger**

**Eric Kasnick**

**Shane Young**

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**DES MOINES POOL METROPOLITAN PARK DISTRICT  
KING COUNTY, WASHINGTON**

**RESOLUTION NUMBER 2018 – 06**

**CERTIFYING PROPERTY TAX LEVY AND  
ADOPTING AN OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING  
JANUARY 1, 2019**

**WHEREAS**, the King County Assessor has notified the Commissioners of the DES MOINES POOL METROPOLITAN PARK DISTRICT that the estimated assessed valuation of property lying within the boundaries of said district for the year 2019 is \$4,014,749,311.00 and;


**NOW THEREFORE 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 2018, to be collected in 2019 for the DES MOINES POOL METROPOLITAN PARK DISTRICT in the amount of \$1,112,577.09 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 2019 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. \$ 1,092,397.50 to the Current Expense Fund of the District
  - B. \$175,000.00 to the Capital Reserve Fund of the District
4. That certified copies of this resolution, together with exhibits, shall be delivered to:

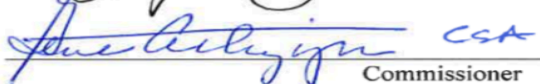
Clerk's Office  
Metropolitan King County Council  
516 Third Avenue  
Room W-1025  
Seattle, WA 98104

Accounting Division  
Department of Assessments  
500 Fourth Avenue  
Room 709  
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 20th day of November 2018.

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
District Clerk

## Budget Message from the District Manager

It is my pleasure to present the District Budget for the 2019 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.

### *2018 Accomplishments*

The District had a number of accomplishments in 2018 as it completed a number of critical repair projects, and took over self-management of the pool.

First, the District completed critical repairs to the moveable bulkhead, re-plaster of the pool, tile replacement, repairs to the filter room floor, patch of roof, replacement of clerestory windows, patch of surge tank, spalling brick repair, sewer line replacement and other pool facility components needed for continued operations.

Second, the District secured a two-year Interfund Loan (Tax Anticipatory Note) from King County to cover unforeseen, critical repairs. The District was able to pay off the Interfund Loan in half the time, and was able to only incur \$224 in interest. (Another district with similar repairs had to incur \$130,000 of interest payments over 10 years.)

Third, during the closure the District also completed improvements to lessen other future closures including the the heat exchanger, upgrading to variable frequency drive pump and automating systems to alert staff of issues to reduce closure times.

Fourth, we utilized the closure time to work on improving patrons everyday experience including deep cleaning the entire facility inside and out, removing excess equipment to free up deck and storage space, reworking shower stalls, improving plumbing in restrooms including shower trees and retiling of women's locker rooms.

Fifth, we took steps to improve safety at the pool including improved lifeguard staffing, door alarms on exterior doors, staff at entry to monitor people entering and leaving the facility and working with school district security for grounds safety.

Finally the District also received over \$86,822 in grants including:

- \$75,000 Moveable Bulkhead Replacement (King County Parks)
- \$7,500 Wibit Aquatrack (King County Parks)
- \$4,322 Door Alarms (Washington Cities Insurance Authority)



## BUDGET

### *2019 Outlook*

2019 will be the first full-year that the District will be operating the Mount Rainier Pool. This year will see the District implementing new programs and services, which will be introduced in a manner to ensure the highest quality for our patrons and residents.

First, the District was able to lower the tax rate by over 20% after paying for the unforeseen, critical repairs and amassing the funds ahead of the project. The District is starting up many new operations for the first time. As revenue comes in from these programs, there could be a continued impact reducing future levies through higher cost-recovery.

Second, the District will be introducing American Red Cross Swim Lessons. Due to the change in processes from the past system to the nationally recognized format. The District will be instituting swim lesson tests. This will require the District to start lessons later to communicate and test students. We believe this will increase the quality of the swim lessons and make it easier for students to transfer in and out of the program.

Third, the District will be instituting a number of programs throughout 2019. The goal of the District is to research what is working around the region and the country and bring those systems to the pool. The District plans on offering programming that serves all ages and demographics. Each program will be introduced as staffing levels increase.

Fourth, the District is working to revamp its staffing model to better serve the community. Our goal is to train more local youth. The District is reducing barriers to work at the pool by covering the training costs, allowing pool space for youth to develop the physical skills required to lifeguard and work with schools to recruit and develop them. Our goal is to have a large staff that reflects our community and the flexibility for these youth to focus on their academics and extracurricular activities.

Finally, the District decided to delay the Aquatic Feasibility Study until more information could be learned about capital needs of the Mount Rainier Pool and its functional, physical and economical lifecycles. We believe through these projects we developed a better picture of the future of the Mount Rainier Pool. We hope to share this with you in the fourth quarter of 2019.

Respectfully,

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.mtrainierpool.com](http://www.mtrainierpool.com)

### Mount Rainier Pool

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

Des Moines, WA 98198

Phone: 206-824-4722

Email: [info@mtrainierpool.com](mailto:info@mtrainierpool.com)

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

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*

Lauryne Bartlett  
*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.

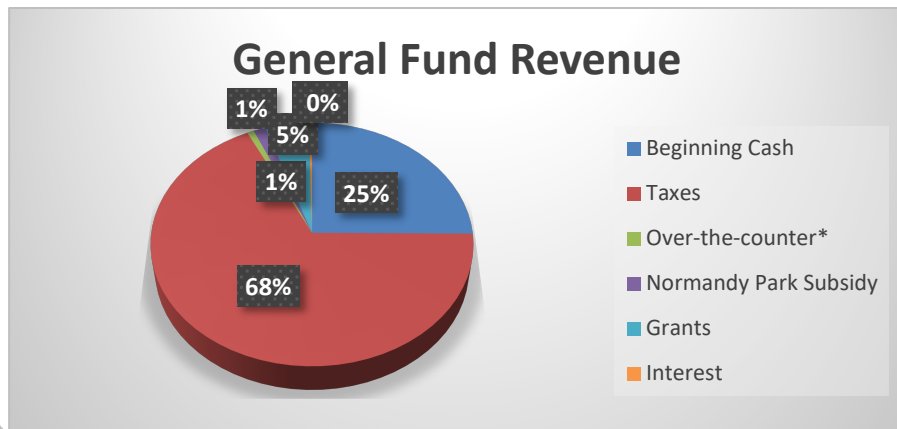
Capital Projects/Reserve Fund – This fund is used to accumulate dollars over a period of time to allow for the future purchase and/or acquisition of major equipment or aquatic facility upgrades/replacement.

Fund	2015	2016	2017	2018	2019** Budget Projections
<b>GENERAL FUND</b>					
Beginning Cash	\$296,785	\$340,194	\$572,492	\$481,467*	\$375,000
Revenues	\$594,310	\$901,837	\$1,300,817	\$1,453,874	\$1,317,577
Expenditures	\$550,901	\$669,540	\$1,541,785	\$729,150	\$1,392,577
Ending Cash	\$340,194	\$572,491	\$461,625*	\$640,206	\$300,000
<b>CAPITAL FUND</b>					
Beginning Cash	\$280,000	\$350,000	\$420,000	\$145,000	\$0
Revenues	\$70,000	\$70,000	\$70,000	\$0	\$0
Transfer from General Fund	\$0	\$0	\$0	\$421,154	\$175,000
Expenditures	\$0	\$0	\$345,000	\$566,154	\$0
Ending Cash	\$350,000	\$420,000	\$145,000	\$0	\$175,000

\*Switched Financial Process Systems between 2017 & 2018.

## General Fund Revenue

General fund revenues consist of property taxes, intergovernmental grants, charges for services through interlocal agreement and interest income from investments. DMPMPD no longer contracts for pool management which includes the operation of programs and services at Mt. Rainier Pool. 2018 through 2020 revenues will grow as services are re-established.



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 2019 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.

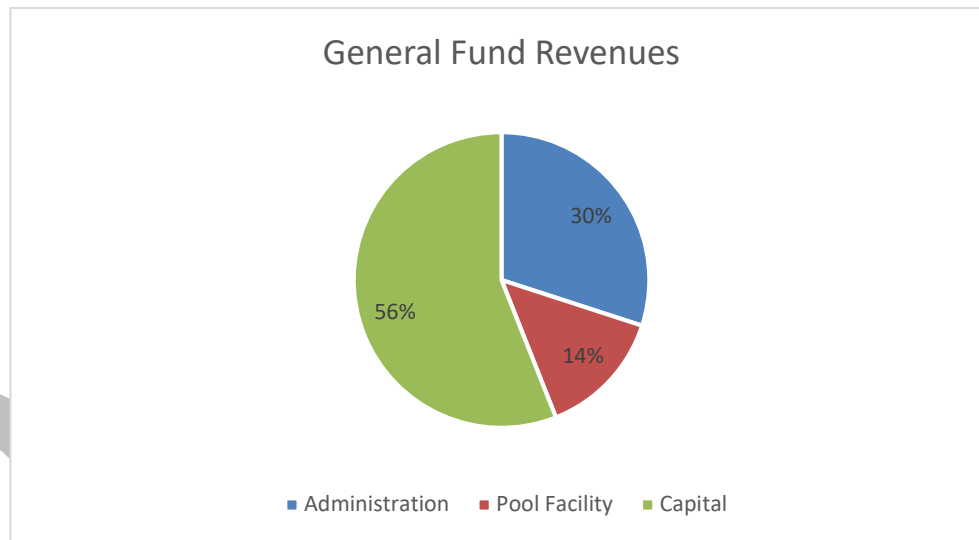
Transfer from Reserves – transfer from capital reserves for capital projects of the district in 2018.

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

Revenue by Classification	2015	2016	2017	2018	2019 Projected
Beginning Cash	\$297,255	\$340,194	\$572,492	\$481,467	\$375,000
Taxes	\$564,387	\$870,367	\$912,372	\$1,296,237	\$1,112,577
Over the Counter	\$0	\$0	\$0	\$14,408	\$180,000
Grants/Intergov’t	\$0.00	\$0	\$8,054	\$92,062	\$0
Contract-N.Park	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Interest Income	\$ 2,350	\$6,470	\$10,391	\$6,594	\$0
Reserve Transfer	\$0.00	\$0.00	\$345,000	\$0	\$0

## 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. . 2018 and 2019 included start-up expenses and indirect expenses with the pool closures. In 2019, staff expenses may increase for programming, but revenues should match the expenses to not affect future tax subsidies.



Expenditures by Category	2015	2016	2017	2018	2019 Projected Budget
Administration	\$241,867	\$255,379	\$451,075	\$276,331	\$396,000
Pool Facility	\$467,125	\$344,161	\$279,931*	\$128,336	\$752,077
Capital Projects	\$110,000	\$0	\$740,779	\$521,637	\$126,600
Transfers to Reserves	\$ 70,000	\$70,000	\$70,000	\$0****	\$175,000
Total General Fund	\$888,992	\$669,540	\$1,541,785	\$926,304*	\$1,449,677

\*Pool facility was closed for 266 of the 365 days in 2018.

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

\*\*\*Due to the delay of the project. Some project overages will be paid in 2018 and the retainage and architecture fees will be paid in 2019 for the 2017 project. This also includes non-project critical repairs including the sewer pipe, heat exchanger and circulation pump.

\*\*\*\*The General Fund Balance is low due to the 2017-2018 projects. The District will hold off on forwarding cash to reserves until the end of 2019.

## Capital Projects and Expenditures for 2019

The projects listed have been identified by the District through a pool facility evaluation completed during 2018. 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 Repair	2019-01C	\$55,000	General
Modify Front Counter to ADA	2019-02C	\$6,800	General
First Aid Cabinet Repair	2019-03FC	\$7,700	General
Robot Vacuum Replacment	2019-04E	\$5,500	General
BecSys Probe Replacement	2019-05M	\$1,100	General
Pressure Washer, Gas-Powered	2019-06E	\$1,100	General
Parking Lot Signage	2019-07E	\$500	General
Lobby Tables & Chairs	2019-08E	\$1,100	General
Misc. Pool Equipment*	2019-09	\$5,000	General
Scoreboard and Timing Pads	2019-10E	\$8,000	General
<b>Total Projects - 2019</b>		<b>\$91,800</b>	

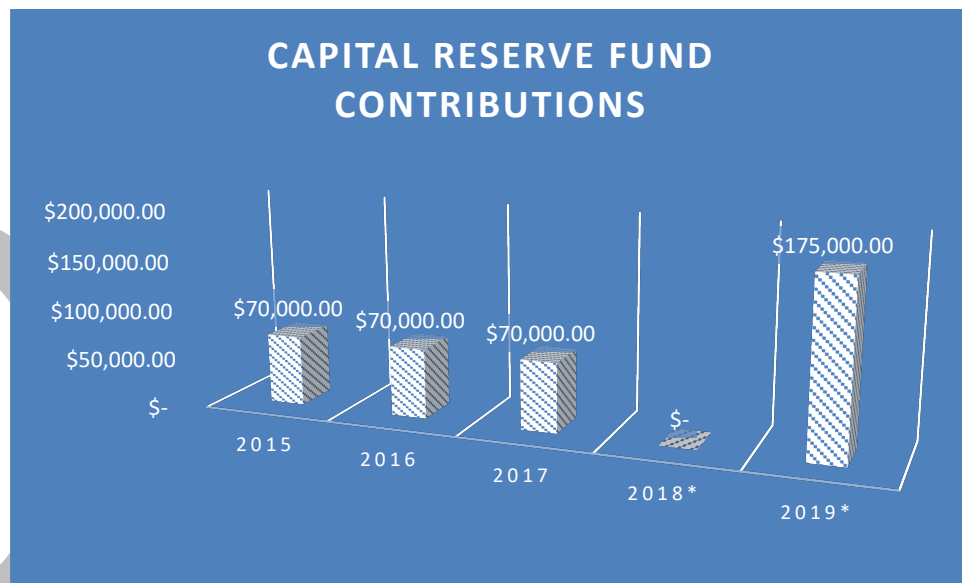
The District Board hired a consultant to determine the Capital needs of the Mount Rainier Pool. A report was made that reflected upcoming Capital, Equipment, Repair and Replacement and Future Projects. This report helped determine the direction and scope of future capital decisions.

## Capital Project Reserve Fund

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

In 2017, critical, mandatory repairs were needed to keep the doors of the pool open. The Capital Reserve Funds were used to cover most of the costs. At the end of 2018, this fund's balance was at \$0.

In 2019, the District will set aside \$175,000 towards the Capital Reserve Fund. The increased amount is to cover the potential age-related repairs and replacement that could occur to the 44 year old facility.



\*In 2018 the Board of Commissioners decided to fund \$175,000 a year for future capital needs.

## 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.

DRAFT