



DES MOINES POOL METROPOLITAN PARK DISTRICT

2020 BUDGET

Prepared by:

Scott Deschenes

District General Manager

and

Linda Ray

District Clerk

Board of Commissioners

Shane Young, president

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Statement of Significant Event (COVID-19)

In February 2020, Washington Gov. Jay Inslee declared a state of emergency in response to the spread of the deadly new COVID-19 virus. Since then, precautionary measures to slow the spread of the virus have been ordered and frequently updated. These measures have included closing schools, colleges, and universities; canceling public events; prohibiting public and private gatherings; and requiring people to stay home except for essential functions.

Mount Rainier Pool and the Des Moines Pool Metropolitan Park District administration office were initially closed as a result. The pool has reopened, the district office has not.

On March 23, 2020, the governor issued Proclamation 20-25 "Stay Home, Stay Healthy" (extended by 20-25.1, 20-25.2 and 20-25.3 until Phase 3 of the Safe Start Plan, which requires all non-essential service personnel to stay home. The District Commissioners issued a declaration of emergency on April 21, 2020, closed its facilities and only staffed essential services until directed by the governor's proclamation.

Mount Rainier Pool re-opened on Aug. 2, 2020 with limited services and additional staff for cleaning and a state-required social distancing officer. The District ran limited services including lap swims with one-person per lane, water walking and water exercise. All swims were appointment-only with breaks in-between for cleaning and disinfection for user safety.

During this time, many municipal pools around the state remained closed. For community safety, the District delayed services including swim lessons, open and family swims, swim teams (restarted December 2020) and other programming that did not allow for social distancing.

At this time, the time of this report, the district is in Phase 3 of the state of Washington's Road to Recovery Plan for COVID-19. Although vaccinations are occurring, herd immunity is not projected until Fall 2021. The projected budget numbers on this report reflect a full year of uninterrupted services, but reality will prove otherwise. Any updated projections will be included in budget packets for planning for the 2022 Budget and Levy Certification.

Sincerely,

Scott Deschenes

Scott Deschenes, District General Manager
Des Moines Pool Metropolitan Park District

BUDGET

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

**RESOLUTION NUMBER 2019 – 04
AMENDED**

**CERTIFYING PROPERTY TAX LEVY AND
ADOPTING AN OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING
JANUARY 1, 2020**

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 2020 is \$4,645,333,100.00 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 2019, to be collected in 2020 for the DES MOINES POOL METROPOLITAN PARK DISTRICT in the amount of \$1,055,089 which includes new construction of \$20,593, any increase in state-assessed property and refunds in the amount of \$2,514.
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 2020 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. \$980,089 (\$ 959,496.00 in Levy and \$20,593 in New Construction) to the Current Expense Fund of the District
- B. \$ 75,000.00 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

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ADOPTED by the Board of Commissioners of the DES MOINES POOL METROPOLITAN PARK DISTRICT, King County, Washington at a Regular Meeting this 17th day of December 2019.



Commissioner



Commissioner



Commissioner



Commissioner



Commissioner



District Clerk

BUDGET

Budget Message from the District Manager

It is my pleasure to present the district budget for the 2021 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.

2020 Issues/Accomplishments

Although 2020 was a challenging year with COVID-19, the District dealt with a number of issues and still had accomplishments.

The District started the year by offering swim lessons on four weeknights and Saturday mornings. It also has served school and private swim teams, hosted monthly special events, and grown its schedule to seven days a week. It also instituted different ways to keep swimming affordable including expanding the scholarship program, adjusting rates and accepting insurance programs for memberships and fitness classes. The District had grown its programming to seven days a week and also grown its staff to 55 from its original five.

The District was forced to close the pool on March 17, 2020 due to COVID-19. During this time staff developed Continuity of Operations Plans, Safety Plans and other processes that became the framework of developing safe operations for the remainder of the pandemic.

Once it was safe to have essential staff in the facility, we deep-cleaned and retro-fitted the pool to operate with social distancing to ensure people in our community had a safe place to exercise during the pandemic, including lap swimming, water exercise and water walking to help older adults fight the effects of aging. Also during this time staff completed critical repairs including repairing the heat exchanger and caulking and regrouting the men's showers. Staff was also retrained to execute new social distance operations processes including check-in, rescue techniques and working with customers who may not take the pandemic seriously.

On Aug. 2, 2020, we re-opened the pool for limited services and have slowly added programming as conditions improved. At the end of 2020, services now include larger water exercise classes and swim teams.

Finally, throughout 2020, we had no COVID-19 outbreaks at the pool. This is a testament to our staff's sacrifices in and out of work. Many of them were dedicated to ensuring the safety of the rest of their team and patrons by social distancing inside and outside of work.

2021 Outlook

Although we are not out of the woods, it appears prospects are improving. As vaccination rollouts have begun throughout the country, there remain a lot of unknowns as I write this letter. At the time of writing this, the state of Washington is estimated to reach herd immunity (70 percent) by early Fall 2021.

BUDGET

First, 2021 will be the year that we resume programming throughout the year. Our goal is to reinstitute the programs, but ensure they are provided in a safe environment that meets the standards of our community. There are still many factors and mandates to come from the state, but we will push to balance these with quality programming and customer service.

Second, the district has lowered its levy rate for the third year in a row to \$.2094 in 2021 from its highest level of \$.3438 in 2018, which was due to the unforeseen repairs. The District continues to work to find value for the services it provides.

Third, the district plans on fully utilizing the scoreboard and timing system it received in a grant during 2019. The system will allow for fewer volunteers to be in the pool, which will help the school district and other local swim teams perform their swim meets to ensure proper COVID-19 safety.

Fourth, we are working to build the capacity of our lifeguard and swim instructors. As summer approaches, our goal is to dramatically increase our capacity to offer swim lessons, other programming and overall operational hours. Staff will continue to recruit and train local staff members in-house to ensure we are hiring from our community. Through this rapid growth, our goal is to not compromise the quality of customer service we have instilled over the last couple of years.

Finally, Mount Rainier Pool is entering its 45th year of operation. The district has contracted with Stemper Architects as its Engineer of Record. Stemper has an extensive background that includes a comprehensive study of the City of Seattle's seven Forward Thrust pools and an ADA study of their community centers. The district hopes to work with them to help modernize Mount Rainier Pool or develop alternatives for the future of aquatics in the Des Moines area. Updates will be available on the district's website and via our email notification system.

Respectfully,

Scott Deschenes

Scott Deschenes
District General Manager
Des Moines Pool Metropolitan Park District

Vision, Mission, Values and Goals

Mission Statement

The Des Moines Pool Metropolitan Park District is the operator of Mount Rainier Pool.

- We provide aquatic programs and services for our constituents, affiliates and the interested public.
- We value all members of the swimming community, and the staff and volunteers who serve them.
- We are committed to excellence and the proliferation of swimming.
We are committed to providing a safe and positive environment for all members of our community, regardless of race, gender, ethnicity, belief or economic circumstance.

Vision Statement

To create a healthy community by embracing swimming as an essential life skill.

Core Objectives

The Des Moines Pool Metropolitan Park District's mission is to grow and strengthen the activity of swimming. Specifically, we seek to:

- Rigorously strive to eliminate implicit bias in swimming
- Increase our reach by expanding participation in swimming throughout the community. Our goal is that every child will have the opportunity to swim.
- Promote swimming as a healthy lifestyle and encourage participation in aquatic endeavors.
- Restore and sustain the competitive success of local swimming affiliated teams on both local and regional levels.

Cultural Values and Operation Principles

The organizational and business culture of the Des Moines Pool Metropolitan Park District is founded upon a strong value system. This value system is the cornerstone for the attitude and work ethic to which we are all committed. In short, we will continue to:

- 1) Embrace the responsibilities of leadership and strive for excellence in everything we do.
- 2) Conduct business with integrity, transparency, and a spirit of stewardship - act in the best interests of swimming and our constituents.
- 3) Be service-oriented with our constituents, customers and each other.
- 4) Engage in disciplined planning, but not be afraid to act intuitively to confront challenges and seize opportunities.
- 5) Identify clear priorities and allocate our time and resources accordingly.
- 6) Hold ourselves and each other accountable to the highest standards of professionalism and transparency; treat others fairly and with respect.
- 7) Exhibit an entrepreneurial spirit, enthusiasm for expanding access, and a positive "I can do" attitude.
- 8) Encourage environments in which our patrons are safe.
- 9) Eliminate implicit bias and promote the importance of diversity and inclusion.
- 10) Strive to learn

District Contact Information

Des Moines Pool Metropolitan Park District

22015 Marine View Drive South, #2B

Des Moines, WA 98198

Phone: 206-429-3852

Email: scott.deschenes@desmoinespool.org

website: www.mtrainierpool.com

Mount Rainier Pool

22722 19th Ave. S.

Des Moines, WA 98198

Phone: 206-824-4722

Email: info@mtrainierpool.com

website: www.mtrainierpool.com

Organizational Chart

DISTRICT ADMINISTRATION OFFICES

22015 Marine View Dr. S. #2B

Des Moines, WA 98198

(206) 429-3852

BOARD OF COMMISSIONERS

Shane Young
President

Joe Dusenbury
Clerk of the Board

Gene Achziger
Commissioner

Eric Kasnick
Commissioner

Shane Stender
Commissioner

DISTRICT ADMINISTRATION STAFF

Scott Deschenes
District G.M.

Linda Ray
District Clerk

Brian Snure
Legal Counsel

MOUNT RAINIER POOL STAFF

22722 19th Ave S.

Des Moines, WA 98198

(206) 824-4722

Lauryne Thurmond
Aquatics Manager

Quentin Knox
Aquatics Coordinator

BUDGET

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 Metropolitan Park District budget.

Capital Projects/Reserves 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	2017	2018**	2019*	2020****	2021 Budget Projections
GENERAL FUND					
Beginning Cash	\$572,492	\$336,467*	\$491,811	\$915,890	\$875,000
Revenues	\$1,300,817	\$1,437,823	\$1,473,355	\$1,157,288	\$1,173,201
Interfund Loan**	-	\$182,718	-	-	-
Expenditures	\$1,541,785	\$1,477,951	\$936,549	\$780,804	\$1,498,201****
Ending Cash	\$461,625	\$614,205	\$853,697	1,292,374	\$475,000
CAPITAL FUND					
Beginning Cash	\$420,000	\$145,000	\$0	\$175,000	\$214,079
Revenues	\$70,000	\$0	\$0	\$0	\$0
Transfer from General Fund	\$0	\$0	\$175,000	\$122,500	\$75,000****
Expenditures	\$345,000	\$145,000	\$0	\$83,421	\$0
Ending Cash	\$145,000	\$0	\$175,000	\$214,079	\$289,079****

*Switched Financial Process Systems between 2017 & 2018. Prior period adjustment of \$9,852.

**In 2018, District received Interfund Loan from King County.

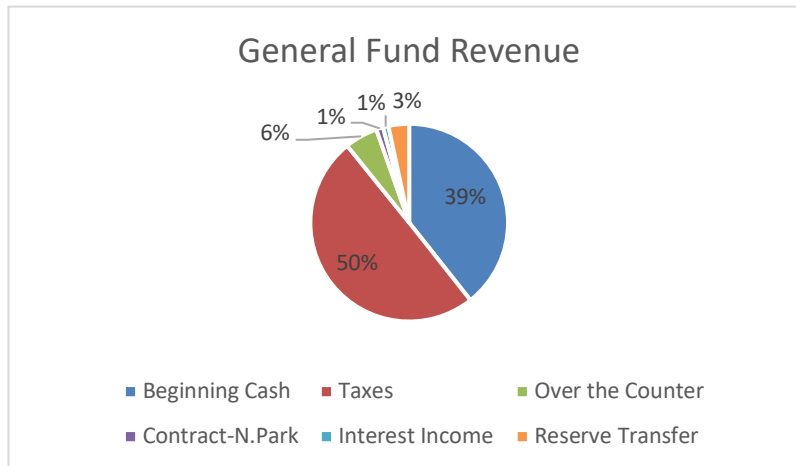
***COVID-19 will affect revenues, expenses and cost-recovery actuals in 2020.

****The District has allocated \$150k in emergency maintenance for 2021 due to age of facility.

Unused budgeted monies from this account will be transferred to capital at the end of 2021.

General Fund Revenue

General fund revenues consist of property taxes, intergovernmental grants, charges for services through interlocal agreement and interest income from investments. Due to the COVID-19 pandemic, revenues will be lower than forecasted due to closures and lower participation due to COVID-19.



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 2020 budget does not anticipate grant income

Charges for Services – reflects a contractual agreement between DMPMPD and the Normandy Park Metropolitan Park District 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 2019.

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

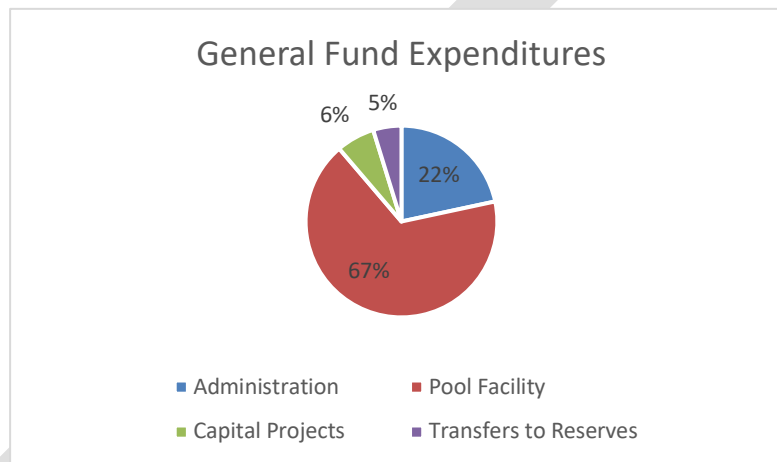
Revenue by Classification	2017	2018	2019*	2020**	2021 Budget Projections
Beginning Cash	\$572,492	\$336,467	\$481,467	\$915,890	\$875,000
Taxes	\$912,372	\$1,296,237	\$1,299,184	\$1,003,785	\$1,108,201
Over the Counter	\$0	\$8,893	\$14,408	\$64,028	\$120,000
Grants/Intergov’t	\$8,054	\$82,500	\$82,500	\$0	\$0
Contract-NPMPD	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Interest Income	\$10,391	\$5,641	\$6,594	\$17,320	\$20,000
Miscellaneous Income	-	\$92,062	\$9,562	\$24,171	\$0
Reserve Transfer	\$345,000	\$0	\$145,000	\$122,500	\$75,000**

*COVID-19 will affect revenues, expenses and cost-recovery actuals in 2020.

** For the 2020 Budget, the District allocated \$75,000 to go directly to the capital reserve fund and any unused monies budget of the \$150,000 for emergency maintenance due to the age of the facility.

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. The years 2018 and 2019 included start-up expenses and indirect expenses with the pool closures. Fiscal year 2020 was supposed to be the District's first full-year of operations, but due to the COVID-19 pandemic, the District will have lower staffing expenses, higher COVID-19 safety measure expenses and a lower cost-recovery than projected. Fiscal year 2021 will see the District reintroducing services that are anticipated be back to full-service by Fall 2021.



Expenditures by Category	2017	2018*	2019	2020	2021
Administration	\$451,075	\$276,331	\$396,000	\$338,121	\$340,493
Pool Facility	\$279,931	\$128,336*	\$752,077	\$431,844****	\$1,055,708*****
Capital Projects	\$740,779	\$521,637	\$126,600**	\$166,841	\$102,000 *****
Transfers to Reserves	\$70,000	\$0***	\$175,000	\$122,500	\$75,000*****
Total General Fund	\$1,541,785	\$926,304*	\$1,449,677***	\$928,103	\$1,498,201

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

**Due to the delay of the project. Some project overages were paid in 2018, while the retainage was paid in 2020 and architecture fees are estimated to be paid in 2021 for the 2017 project. This also includes non-project critical repairs including the sewer line, heat exchanger and circulation pump.

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

****Due to COVID-19, the Mount Rainier Pool was closed from March 19 to Aug. 2 and on reduced services for the remainder of 2020.

*****Due to age of Mount Rainier Pool and end of HSD lease, \$150,000 for emergency maintenance has been set aside. This money is allocated to operations, but some of it may be transferred to capital projects, while the remaining balance will be transferred to the Capital Projects/ Reserves Fund.

BUDGET

Capital Projects and Expenditures for 2021

Due to the facility age and the looming renegotiation of the lease for Mount Rainier Pool, the District is putting all capital projects on hold. The District is finalizing steps with an Engineer of Record to develop longer-term plans that will better utilize expenses toward a long-term solution. A sum of \$150,000 was placed in an emergency maintenance fund to cover any emergency repairs during 2021.

The 10-year lease with the Highline School District was expected to be renewed in 2021, but both agencies have agreed to a one-year extension to get past the COVID-19 pandemic and have a deeper discussion about the long-term future of Mount Rainier Pool.

Project Name	Project #	Project Budget	Funding Source
No Projects Listed*			
Total Projects - 2021		\$0	

The District also has allocated \$25,000 for architecture and \$1,500 for permits that if unused will be added to the Capital Projects/Reserves Fund.

BUDGET

Capital Projects/Reserves Fund

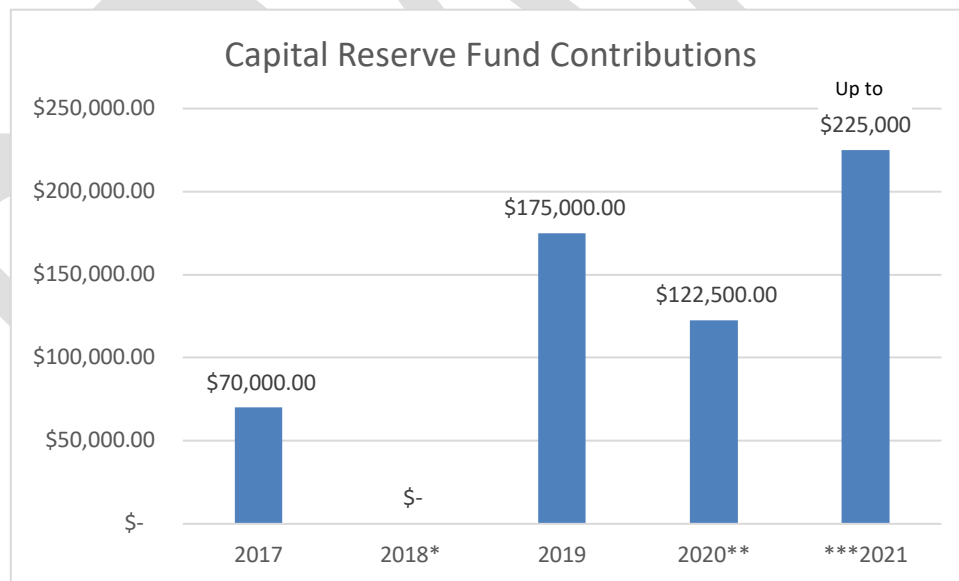
The District had established and committed to increasing its Capital Projects/Reserves Fund to meet the future capital needs of the district's aquatic facility. Annual contributions were made from the general fund to a separate reserve fund. This annual commitment to reserves was set at \$70,000.

In 2017, critical, mandatory repairs were needed to keep the doors of the pool open. Capital Projects/reserves 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 set aside \$175,000 towards the Capital Projects/Reserves Fund. The increased amount is to cover the potential age-related repairs and replacement that could occur to the then 44-year-old facility.

In 2020, the District allocated \$75,000 plus an additional \$47,500 of unused maintenance funds to the Capital Projects/Reserves Fund.

In 2021, the District also allocated \$75,000 towards the Capital Projects/Reserves Fund. It increased its allocation for unforeseen repairs to \$150,000, provided that any unused funds would be allocated to the Capital Projects/Reserves Fund at the end of the year.



*2018 Capital Projects/Reserves Funds were used to pay for unforeseen repairs to Mount Rainier Pool.

**2020 \$122,500 was transferred to the Capital Projects/Reserves Fund (\$75,000 budgeted plus unused maintenance funds).

***Up to \$225,000 will be transferred into Capital Projects/Reserves Fund including up to \$150,000 of unused maintenance funds.

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 five years.

CAPITAL PROJECTS/RESERVES 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 was 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

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 the state of Washington’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