

AGENDA

WILLIAM SHORE MEMORIAL POOL DISTRICT BOARD of COMMISSIONERS

Clallam County Courthouse, Room 160

Port Angeles, Washington

November 24, 2015

3:00 p.m.

COMMISSIONERS

MICHAEL CHAPMAN, BRAD COLLINS, CHERIE KIDD, ANNA MANILDI, BILL PEACH

CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

REQUEST FOR MODIFICATIONS/APPROVAL OF AGENDA

PUBLIC COMMENT – Agenda Items Only

ACTION ITEMS

- 1a Minutes of September 22, 2015
- 1b Levy Resolution for 2016 (attached)
- 1c Resolution for Adopting 2016 Annual Budget (Attached)
Additional Attachments relating to Budget: 2016 Budget, 2016 Budget at a Glance

ITEMS FOR DISCUSSION

- 2a Executive Director Report
- 2b Financial Report
- 2c Staff Report
- 2d Advisory Committee Report

PUBLIC COMMENT

NEXT MEETING DATE

The next WSMPD meeting will be held on January 26, 2015 at 3:00 p.m. in the Clallam County Commissioners Board Room, Room 160.

ADJOURNMENT

MINUTES

WILLIAM SHORE MEMORIAL POOL DISTRICT BOARD of COMMISSIONERS

Clallam County Courthouse, Room 160

Port Angeles, Washington

September 22, 2015

3:00 p.m.

COMMISSIONERS

MICHAEL CHAPMAN, BRAD COLLINS, CHERIE KIDD, ANNA MANILDI, BILL PEACH

CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

Commissioner Brad Collins called the meeting to order at 3:00 pm. Also present were Commissioners Manildi, Peach, and Chapman. Commissioner Kidd was excused.

REQUEST FOR MODIFICATIONS/APPROVAL OF AGENDA

ACTION TAKEN: CMC approved the agenda as presented, CAMs, mc

PUBLIC COMMENT – Agenda Items Only

None

ACTION ITEMS

1a Minutes of August 25, 2015

ACTION TAKEN: CBPm to approve, MCs, mc

1b Ratification of the September 16, 2015 bill payment in the amount of \$25,950.98

ACTION TAKEN: CMCm to approve, AMs, mc

ITEMS FOR DISCUSSION

2a Executive Director Report

Steve Burke shared the following:

- Steve shared that it's now 'budget time of the year'- He will be sending out an email to the finance committee to discuss meeting in the next two weeks in regard to the 2016 budget and projected capital projects.
- Lodging Tax for Expansion Study- Currently on the agenda for the next Lodging Tax Committee Meeting, on October 5th, to discuss getting a grant for expansion study. If they meet the criteria for the lodging tax they will begin fairly quickly afterwards.
- Received letter from escrow project. Since the energy project finished, they've verified through measurements that the last two years have exceeded the guarantee amount by 130%, saving \$30,000 the first year and \$70,000 the second. Steve will be giving out a copy of the press release to Commissioners.
- Steve will be attending the next school district meeting to thank them for being a part of the 'Everybody Swims' program. They are starting to work out details to get the program started.
- Work needs to be done on the Advisory Committee. Need them reengaged in this process and need to replace Mike Jacobson, who has recently resigned.

2b Financial Report

Charlie McClain explained the budget and finance report in detail and answered questions from the board. Steve mentioned the impact the closure of the pool has on the revenue, which is also partly a result of being a facility with no growth room at this time.

MINUTES for the Meeting of September 22, 2015
WILLIAM SHORE MEMORIAL POOL DISTRICT BOARD OF COMMISSIONERS
Page 2

2c Staff Report

Christi Wojnowski shared the following:

- Programs are going well. Christi spoke with Amity at Franklin, and the School Board has approved them to start the 'Everybody Swims' program. Christi mentioned they are planning to begin the week of October 4th, but have not received conformation from the school just yet. Planning is well on it's way and they are moving forward with details.
- Christi shared that Amity would also like to see a special needs program and the possibility of that in the future.
- The 'Homeschool PE' program is still doing well and there is a great possibility of expanding the program.
- Christi mentioned that the private swim lessons are packed. Despite thoughts of losing participants, there are still morning and afternoon participants at this time.
- Luau, led by Leah, was a success.
- New Assistant Manager, James, will be starting October 1st and will be taking on a lot of the responsibilities that Leah had. It's expected to be a very smooth transition.
- Christi and Commissioner Collins discussed possibilities of tracking how many kids involved in the 'Everybody Swims' program eventually become swim members

2d Advisory Committee Report

No comment from Advisory Committee. However, the commissioners mentioned that it would be nice to acknowledge and give thanks to Mike Jacobson for all of the contributions that he has made.

PUBLIC COMMENT

None

NEXT MEETING DATE

The next WSMPD meeting will be held on November 24, 2015 at 3:00 p.m. in the Clallam County Commissioners Board Room, Room 160.

ADJOURNMENT

Brad Collins adjourned the meeting at 3:35 pm.

PASSED AND ADOPTED this twenty-third of June 2015

William Shore Memorial Pool District Commissioners

Brad Collins, President

ATTEST:

Rachelle Sires, Administrative Asst.



Ordinance / Resolution No. _____
RCW 84.55.120

WHEREAS, the _____ of _____ has met and considered
(Governing body of the taxing district) (Name of the taxing district)
its budget for the calendar year _____; and,

WHEREAS, the districts actual levy amount from the previous year was \$ _____; and,
(Previous year's levy amount)

WHEREAS, the population of this district is more than or less than 10,000; and now, therefore,
(Check one)

BE IT RESOLVED by the governing body of the taxing district that an increase in the regular property tax levy
is hereby authorized for the levy to be collected in the _____ tax year.
(Year of collection)

The dollar amount of the increase over the actual levy amount from the previous year shall be \$ _____
which is a percentage increase of _____% from the previous year. This increase is exclusive of
(Percentage increase)

additional revenue resulting from new construction, improvements to property, newly constructed wind turbines,
any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Adopted this _____ day of _____, _____.

If additional signatures are necessary, please attach additional page.

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the total amount to be levied by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: <http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc>.

To ask about the availability of this publication in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users, please call (360) 705-6718. For tax assistance, call (360) 534-1400.

William Shore Memorial Pool District

225 E. 5th St.
Port Angeles, WA 98362-3015
Fax: 360.417.2493

COMMISSIONERS

MICHAEL CHAPMAN, BILL PEACH, ANNA MINALDI, BRAD COLLINS, CHERI KIDD

RESOLUTION N^o _____, 2015

A RESOLUTION FOR ADOPTING 2016 ANUAL BUDGET

THE WILLIAM SHORE MEMORIAL POOL DISTRICT BOARD OF COMMISSIONERS find as follows:

1. The District Executive Director and District Treasurer has recommended a balanced annual budget and estimate of monies required to meet public expenses for the 2016 calendar year.
2. The Clerk of the Board, in accordance with RCW 84.55.120, gave notice that the Board would have a regular meeting on November 24, 2015 giving taxpayers the opportunity to be heard regarding the proposed 2016 annual budget.
3. The Board of Commissioners conducted public hearing at the regular meeting on November 24, 2015, to consider all relevant evidence and testimony regarding the 2016 annual budget.
4. The 2016 annual budget does not exceed the lawful limit of taxation as allowed to be levied by the William Shore Memorial Pool District for the purposes set forth in this budget, the estimated expenditures set forth in this budget being necessary to provide for the safe operation of the William Shore Pool facility and its programs during the 2016 calendar year
5. In accordance with RCW 84.55.120, a budget and levy public hearing was conducted on November 24, 2015.

NOW, THEREFORE, BE IT RESOLVED by the William Shore Memorial Pool District Board of Commissioners, in consideration of the above findings of fact:

1. Approve and adopt the 2015 Annual Budget in the amounts of **\$1,016,369.00** in resources and **\$956,676.00** in expenditures.
2. Details of the budget are noted in exhibit A attached to and incorporated to this resolution.

PASSED AND ADOPTED this _____ day of _____ 2015

WSMPD PRESIDENT

ATTEST:

Rachelle Sires, Board Clerk

BRAD COLLINS, President

CC: Clallam County Treasurer, Budget Director and Auditor



2015 Cardboard Boat Race

William Shore Memorial Pool District 2016 Annual Budget

2016 Annual Budget

Prepared By:

Steven D. Burke
Executive Director

Christi Wojnowski
Aquatics Manager

Charlie McClain
District Treasurer

Rachelle Sires
District Clerk

Finance Committee and Citizens Advisory Committee
William Shore Memorial Pool District

TABLE OF CONTENTS

BUDGET AWARDS	5
BUDGET PRESENTATION AWARDS.....	5
READER'S GUIDE TO THE BUDGET	7
SECTION 1: BUDGET MESSAGE	9
SECTION 2: BUDGET SUMMARY	11
2016 BUDGET BY FUND	11
2016 BUDGET HIGHLIGHTS	12
DISTRICT FUND BALANCES	12
BUDGET REVENUE BY CATEGORY (ALL FUNDS).....	13
BUDGET EXPENDITURES BY CATEGORY (ALL FUNDS).....	14
SECTION 3: AGENCY PROFILE	16
MISSION, VISION AND CORE VALUES.....	17
ORGANIZATIONAL CHART	18
AGENCY PROFILE	19
SECTION 4: STRATEGIC GOALS AND ACCOMPLISHMENTS	21
AWARDS/AUDITS RECEIVED IN 2015.....	21
THE 2015-2020 STRATEGIC PLAN	21
2015 GOAL ACCOMPLISHMENTS	22
SECTION 5: BUDGET PROCESS AND FINANCIAL POLICIES	24
FINANCIAL ASSUMPTIONS USED IN THE BUDGET PROCESS	24
OVERVIEW OF BUDGET STRUCTURE	24
BASIS OF BUDGETING	26
BUDGET PROCESS	26
OPERATING BUDGET POLICIES	27
BUDGETARY CONTROL POLICIES	28
REVENUE POLICIES	28
INVESTMENT POLICY	28
DISTRICT FUNDS	29
DEBT MANAGEMENT POLICIES	29
SECTION 6: GENERAL FUND	30
GENERAL FUND BALANCES.....	30
2016 GENERAL FUND REVENUE	30
2016 GENERAL FUND EXPENDITURE.....	33
SECTION 7: CAPITAL FUND	39
2016 CAPITAL FUND REVENUES	39
2016 CAPITAL FUND EXPENDITURES	39
SECTION 8: CAPITAL IMPROVEMENT PLAN AND FINANCIAL FORECASTING	41
CAPITAL IMPROVEMENT PLAN	41
CAPITAL IMPROVEMENT PLAN PROJECT EVALUATION CRITERIA	41
CAPITAL IMPROVEMENT PLAN UPDATE AND AMENDMENT	41
STEPS IN THE CAPITAL IMPROVEMENT PLAN PROCESS	41
FINANCIAL FORECASTING	42
EXPANSION IN 2020.....	42
FINANCIAL FORECASTING FOR EXPANSION	43
ANNUAL CAPITAL IMPROVEMENT PLAN SUMMARY	46
STATUS OF CAPITAL IMPROVEMENT PLAN PROJECTS	46

2016 CIP PROJECTS EFFECT ON OPERATING COSTS..... 46

SECTION 9: TAXING AUTHORITY 48

DISTRICT STATUTORY TAXING CAPACITY 48

HISTORICAL PROPERTY TAX FOR DISTRICT AND ALL LEVY AMOUNTS 48

2016 LEVY 48

SECTION 10: LONG TERM DEBT..... 50

DEBT MANAGEMENT POLICY 50

DISTRICT STATUTORY DEBT LIMITS AND AVAILABLE CAPACITY 50

SECTION 11: PERSONNEL..... 51

GLOSSARY OF TERMS 52

APPENDIX..... 56

APPENDIX #1: 2016 BUDGET-AT-A-GLANCE 56

APPENDIX #2: 2016 BUDGET RESOLUTION..... 58

APPENDIX #3: 2016 LEVY CALCULATION SHEET 59

APPENDIX #4: 2016 LEVY CERTIFICATION 61

APPENDIX #5: 2016 LEVY RESOLUTION 62

APPENDIX #6: 2016 PRICING SCHEDULE..... 63

TABLE OF CHARTS AND GRAPHS

CHART 1: 2016 SUMMARY OF BUDGET BY FUND..... 11

CHART 2: GENERAL FUND BALANCES BY YEAR..... 12

CHART 3: CAPITAL FUND BALANCES BY YEAR 12

CHART 4:ALL FUNDS BALANCES BY YEAR 12

CHART 5: FUND BALANCE BY YEAR GRAPH 13

CHART 6: 2016 REVENUE BY CATEGORY (ALL FUNDS) 13

CHART 7: 2016 REVENUE BY CATEGORY GRAPH (ALL FUNDS)..... 14

CHART 8: 2016 EXPENDITURES BY CATEGORY (ALL FUNDS)..... 14

CHART 9: 2016 EXPENDITURES BY CATEGORY GRAPH (ALL FUNDS) 15

CHART 10: BUDGET PROCESS TIMELINE 26

CHART 11: GENERAL FUND BALANCES BY YEAR..... 30

CHART 12: GENERAL FUND BALANCES BY YEAR GRAPH 30

CHART 13: 2016 GENERAL FUND REVENUE BY CATEGORY DETAILS..... 30

CHART 14: 2016 GENERAL FUND REVENUE BY CATEGORY GRAPH 32

CHART 15: YEARLY COMPARISON BETWEEN PROPERTY TAX REVENUE AND EARNED REVENUE 32

CHART 16: GENERAL FUND REVENUE YEARLY COMPARISON BY CATEGORY 33

CHART 17: 2016 GENERAL FUND EXPENDITURES BY CATEGORY DETAILS 34

CHART 18: 2016 GENERAL FUND EXPENDITURE BY CATEGORY GRAPH..... 36

CHART 19: GENERAL FUND EXPENDITURE YEARLY COMPARISON BY CATEGORY..... 36

CHART 20: 2016 CAPITAL FUND REVENUE..... 39

CHART 21: 2016 CAPITAL FUND EXPENDITURES 39

CHART 22: REVENUE AND EXPENDITURE FORECAST WITH NO EXPANSION..... 44

CHART 23: REVENUE AND EXPENDITURE FORECAST WITH EXPANSION 44

CHART 24: CAPITAL IMPROVEMENT PROJECTS 46

CHART 25: PROPERTY VALUES AND LEVY RATES BY YEAR..... 49

CHART 26: LAWFUL AND ACTUAL LEVY RATES COMPARISON BY YEAR GRAPH 49

CHART 27: DEBT LIMITS AND AVAILABLE CAPACITY..... 50

CHART 28: EMPLOYEE CLASSIFICATION DETAIL..... 51

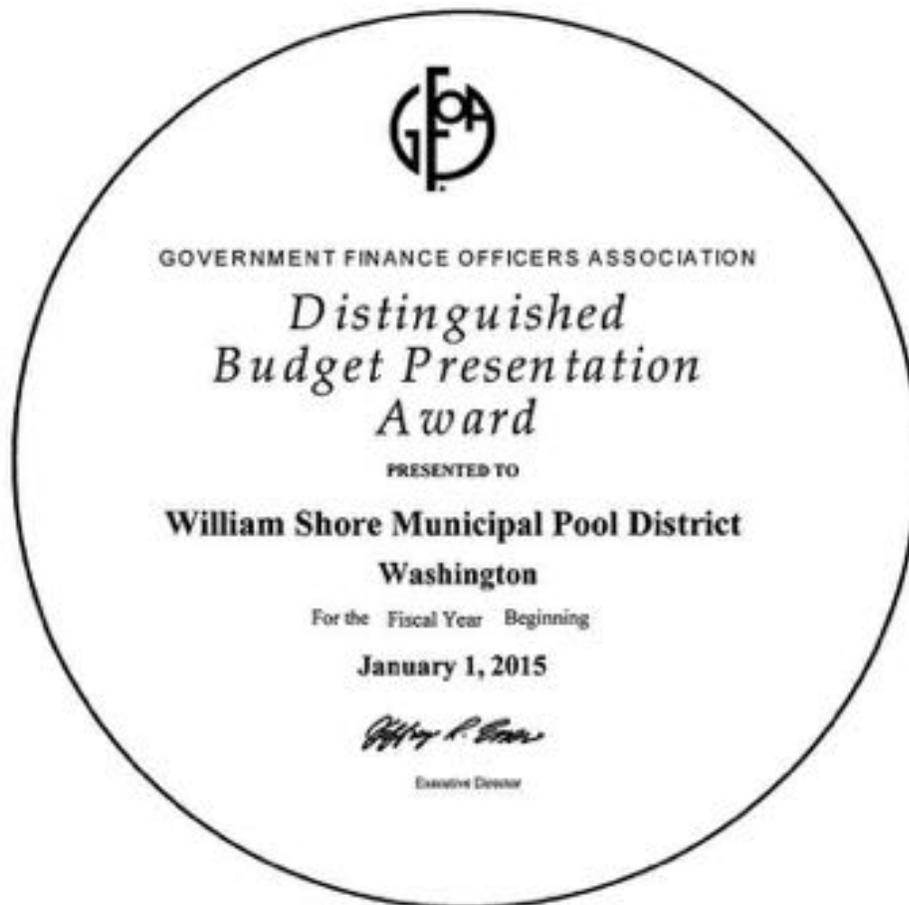
CHART 29: FTE'S BY PERSONNEL CATEGORY YEARLY COMPARISON 51

Budget Awards

BUDGET PRESENTATION AWARDS

GOVERNMENT FINANCE OFFICERS ASSOCIATION BUDGET AWARD

The Government Finance Officers Association is a nonprofit professional association serving over 17,600 government finance professionals throughout North America. The GFOA's Distinguished Budget Presentation Awards Program is the only national awards program in governmental budgeting. The William Shore Memorial Pool District 2015 Budget Report received the Distinguished Budget Presentation Award from GFOA. The 2016 budget will be submitted to the GFOA to qualify for the Distinguished Budget Presentation Award.



WASHINGTON FINANCE OFFICERS ASSOCIATION BUDGET AWARD

The Washington Finance Officers Association is a nonprofit professional association serving over 17,600 government finance professionals throughout North America. The WFOA's Distinguished Budget Presentation Awards Program is the only national awards program in governmental budgeting. The William Shore Memorial Pool District 2015 Budget Report received the Distinguished Budget Presentation Award from WFOA. The 2016 budget will be submitted to the WFOA to qualify for the Distinguished Budget Presentation Award.



Reader's Guide to the Budget

This guide is intended to aid understanding the format of this document and information presented in this budget document.

PURPOSE OF THE BUDGET DOCUMENT

The District budget document serves two purposes. The first purpose is to provide our community and the District's Board of Commissioners with a clear picture of the services provided by the William Shore Memorial Pool District, (WSMPD) the cost of those services, and the policy decisions underlying the District's financial decisions. The second purpose of the budget document is to provide the District's management with a financial and operating plan that complies with regulatory requirements for Metropolitan Park Districts in the State of Washington and exemplifies best practices in budgeting and financial reporting.

ORGANIZATION OF THE BUDGET DOCUMENT

WSMPD's budget is divided into the following sections:

Budget Message

An overview of the Executive Director's budget recommendations to the Board of Commissioners and the community.

Budget at a Glance

A new addition to the budget documentation is the Budget at a Glance. This document is intended to provide a one-page overview of the District's annual budget and financial position in an easy to understand and simplified format. The Budget at a Glance is available on line and a printed version to all District residents.

Budget Summary

This section provides an overview of the District's fund balances and revenue and expenditures for the current fiscal year.

District Overview

This section of the budget document provides an overview of the district including: governance, values, mission, and vision for the future, services provided, boundaries, organization and staffing.

Strategic Goals and Accomplishments

This section of the budget document provides an overview of the accomplishments for the current fiscal year.

Strategic Plan Goals and accomplishments

This section of the budget document provides an overview of our Strategic Plan goals and our accomplishments.

Budget Process and Financial Policies

This section provides the overview of our budget process, budget preparation timeline, our financial policies, District's revenue streams, budget assumptions, budget organization and process, basis of accounting and financial policies.

General Fund and Capital Fund

This section provides the details of revenue and expenditures for each of the District's funds, including assumptions, major changes, and challenges.

Capital Improvement Pan

This section covers our Capital Improvement Plan and how it affects our current and future budget priorities. It also covers a ten-year financial forecast.

Taxing Authority

This section covers the details of our taxing authority and our levy amounts.

Long-Term Debt

This section covers our current debt position and how it affects current and future budget priorities

Personnel

This section provides an overview of our personnel and FTE requirements.

Section 1: Budget Message

I am pleased to present for your consideration the proposed 2016 William Shore Memorial Pool District budget for the fiscal year beginning January 1, 2016 and ending December 31, 2016. The District budget serves three primary purposes: formation of public policy, control of spending, and written financial plan. It is a documented means of providing financial accountability to the public as the District aims to maintain high quality service levels at the lowest possible cost while addressing the goals in the Strategic Plan. The District's budget is in compliance with the provisions of the Washington State Revised Code (RCW) and District policy. All required hearings have been held or are scheduled with the appropriate notice provided.

Budgeting is not an exclusive process, as other planning efforts such as strategic planning and capital improvement planning help drive budget development. Therefore, the Board and staff review these other processes during our budget development process. The budget represents our fiscal priorities for the upcoming twelve months of operation based on our Strategic and Capital Improvement Plans, which moves the District closer to achieving its mission and vision. Approval of the annual budget is one of the most important responsibilities of the Board due to its comprehensive nature, including outlining the range of services offered, prioritizing the allocation of government resources and the time invested by both the Board and staff in future planning.

The District was honored to receive a Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada (GFOA) and the Washington Finance Officers Association (WFOA) for its annual budget for 2015. This award represents a significant achievement by the District. It reflects the commitment of our Board of Commissioners and District staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the District had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well the District's budget serves as a policy document, financial plan, operations guide, and communications device. The District continues this commitment to excellence by improving the 2016 budget document based on feedback from the GFOA and WFOA.

In 2016, the District's budget will decrease by 5%. This decrease is in large part due to decrease in the loan and bond principle payment for 2016. The 2016 District budget provides for improvement over current service delivery levels with a substantial increase in volunteer staffing.

Overall the District is fiscally healthy. The District has sufficient revenue to meet operational needs, debt service and maintaining an adequate ending balance in the General Fund for our required reserves. In 2014, the District set our bond payment reserve level to equal one year of bond payments (\$150,000) and have 10% operating expenditure (\$60,000) in reserves. Current bond debt will be \$889,630 at the end of 2016. The District is on schedule to retire this bond by 2022. The bond was used to upgrade our mechanical and electrical components at our facility. A two-year study concluded that our improvements continue to save the District over \$70,000 in energy savings per year.

Due to the possible closing of the Sequim Aquatic Recreation Center (SARC), the District Board of Commissioners will be approving a new pricing schedule that will start charging patrons based upon living either inside or outside the District boundaries. The out of District rates will be double the in District pricing. This is required so our District tax-payers are not subsidizing program rates for non-District users.

New to this budget report is our look at a possible expansion in 2020. With programming reaching the maximum potential due to space constraints and the possibility of the Sequim Aquatic Recreation Center closing at the end of 2015, the District will be analyzing facilities long-term requirements and capital

funding strategies, as current revenue would be insufficient to address both operational expenses and facilities expansion. In section 8, details of the expansion planning process, costs, cash flow forecasting, and financing are shown.

The assessed value (AV) of taxable property within the District has decreased 23% since 2009. However, loss of AV has slowed over the last two years and in 2015 the AV is estimated to increase 3.15%. In 2015, new construction is estimated to increase to \$17,416,403. With this in mind, the 2016 budget recommends to maintain our District tax levy at \$0.179 per \$1,000 of assessed value, estimated at \$495,000. This modest increase of \$15,000 is still \$30,000 less than what was authorized (\$525,000) when the District was established in 2009.

We welcome feedback on the design of the budget document and its content. Feel free to contact me via e-mail (sburke@williamshorepool.org), telephone (360) 417-9767 or stop by our office at 225 E. 5th St., Port Angeles.

I look forward to working with the Board of Commissioners in the coming year.

Respectfully,



Steven D Burke, AFO
Executive Director
William Shore Memorial Pool District

Section 2: Budget Summary

The District strives to maximize effectiveness, efficiency, and value to the community. In addition we endeavor to be transparent in our decision-making and financial affairs to allow our taxpayers and the District's voters to have the ability to assess if we are making efficient use of public funds and providing good value for the cost of our services.

In 2015, the District had to close the facility for 30 days for repairs to the pool surface. While the pool was drained the ceiling was painted as well. This closure affected our earned revenue, which is why our 2015 estimated earned revenue is lower than our 2015 budgeted earned revenue. The largest impact was our pass sales and admissions. The swim lesson program, which lost a whole session, was able to make up some of the losses with higher than normal program participation for the remainder of the year.

BOND OBLIGATIONS

The District has a General Obligation Bond and two Washington State LOCAL Loans that require a 2016 payment of \$128,265 for principle and interest. In the 2016 budget, we continue to maintain one year of loan and bond payments (\$150,000) in reserves to ensure greater financial stability in these uncertain economic times.

STABILIZED OPERATING EXPENSES

As a result of our capital improvement investments over the last two years the annual operating expenses have stabilized and should remain consistent for the next 3-5 years with the exception of annual inflation adjustments.

NON-TAX REVENUE

The District is close to reaching its maximum revenue potential, which is limited by the size of the current facility. As a result, the double-digit revenue increases each year are not sustainable and will stabilize around \$320,000 to 340,000 per year.

CAPITAL IMPROVEMENTS

The Capital Improvement Plan projects will continue to be modest in the 2016 budget. This is a result of long-range expansion plans that started in 2015 and will continue in 2016. In order to not duplicate projects, we have decided to limit capital spending to areas not associated with future expansion.

2016 BUDGET BY FUND

The 2016 total District budget is \$1,016,369 in revenue and \$956,676 in expenditures. The following is a breakdown by Fund:

Chart 1: 2016 Summary of Budget by Fund

FUND	Beginning Balance	2016 Revenue	2016 Expenditures	Ending Balance
General Fund (001):	\$227,285	\$849,250	\$779,557	\$296,978
Capital Fund (301):	\$0	\$177,119	\$177,119	\$0
Total:	\$227,285	\$1,016,369	\$956,676	\$296,978

This proposed spending plan reflects a disciplined operating philosophy and a responsible maintenance strategy for our facility.

2016 BUDGET HIGHLIGHTS

The 2016 Budget highlights are:

- \$5,000 increase in tax revenue
- \$48,500 in capital improvement projects
- Maintaining a one year bond payment reserve of \$150,000
- Continued operational reserves of 10% of operational expenditures (\$60,000)
- Bond debt service payment of \$128,256 and ending bond debt of \$889,630 for 2016.
- An ending General Fund balance of \$296,978

DISTRICT FUND BALANCES

The District fund balances have consistently improved as a result of a very controlled approach to both revenues and expenditures. At the start of 2015 the District had a total funds balance of \$232,221. By the end of 2015, the estimated balances for all funds are to be \$227,285. The budgeted 2016 ending balance for all funds are to be \$296,978, a 23% increase.

The General Fund balance is in compliance with the District's Financial Management Policy, which requires the reserved fund balance to be 10% of operational expense (\$60,000) and a loan and bond payment reserve of \$150,000 for a total of \$210,000 in reserves. This gives the District General Fund an unreserved balance of \$86,978.

The District a General Fund budget surplus of \$69,693, a 53% increase over the 2015 estimated budget surplus of \$28,952.

Chart 2: General Fund Balances by Year

General Fund	2012	2013	2014	2015 Est.	2016 Budget
Beginning Balance	\$190,503	\$243,132	\$229,719	\$232,221	\$227,285
Revenues	\$755,507	\$791,992	\$831,647	\$817,363	\$849,250
Expenditures	\$735,986	\$782,831	\$819,598	\$821,368	\$779,557
Accrued Liabilities*	\$33,018	-\$22,574	-\$9,547	-\$931	-\$931
Ending Balance	\$243,132	\$229,719	\$232,221	\$227,285	\$296,978

*Accrued Liabilities due to modified accrual Basis accounting.

Chart 3: Capital Fund Balances by Year

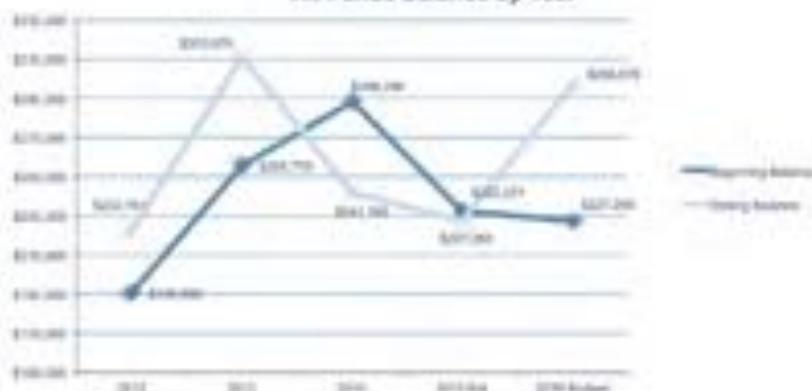
Capital Fund	2012	2013	2014	2015 Est.	2016 Budget
Beginning Balance	0	\$12,647	\$58,577	\$0	\$0
Revenues	\$532,250	\$1,067,267	\$415,612	\$183,329	\$177,119
Expenditures	\$519,603	\$1,021,307	\$474,189	\$183,329	\$177,119
Ending Balance	\$12,647	\$58,577	\$0	\$0	\$0

Chart 4: All Funds Balances by Year

All Funds	2012	2013	2014	2015 Est.	2016 Budget
Beginning Balance	\$190,503	\$255,779	\$288,296	\$232,221	\$227,285
Revenues	\$1,287,757	\$2,459,259	\$1,247,259	\$1,000,692	\$1,016,369
Expenditures	\$1,255,589	\$2,404,168	\$1,293,787	\$1,004,697	\$956,676

Ending Balance | \$222,761 | \$310,870 | \$241,768 | \$227,265 | \$296,978

Chart 5: Fund Balance by Year Graph
All Funds Balance by Year



BUDGET REVENUE BY CATEGORY (ALL FUNDS)

Property tax revenue continues to be the largest revenue category. The District estimates it will receive 58% of total revenue from property taxes for 2016. The average Washington State Park District received 83% of total revenue from property taxes in 2014.

Several non-levy tax revenues relating to timber and excise taxes continue to be difficult to predict, which makes its very difficult to budget for from year to year.

Chart 6: 2016 Revenue by Category (All Funds)

Fund	Property Taxes	Harvest Sale Cap	Permits	Activities Programs	Salaries	Misc./ Interest	Grants / Gifts	Interfund Transfers	Total by Fund
General Fund	\$495,000	\$13,500	\$44,250	\$287,000	\$8,000	\$1,500	\$0	\$0	\$849,250
Capital Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$28,500	\$148,619	\$177,119
Total:	\$495,000	\$13,500	\$44,250	\$287,000	\$8,000	\$1,500	\$28,500	\$148,619	\$1,026,369

Chart 7: 2016 Revenue by Category Graph (All Funds)

**BUDGET EXPENDITURES BY CATEGORY (ALL FUNDS)**

In 2016, it will mark two years since the last major capital project. The District will continue the debt service payments for the Energy Improvement Capital Project. Operational expenses have stabilized as a result of the capital improvement projects. The debt principle payment schedule changes year to year as much as \$25,000, which makes up our largest increase or decrease in budgeting.

Chart 8: 2016 Expenditures by Category (All Funds)

Fund	Wages/ Benefits	Supplies	Services	Sales Tax	Debt Principle	Debt Interest	Capital Projects	Interfund Transfers	Total by Fund
General Fund	\$434,313	\$51,250	\$135,375	\$10,000	\$0	\$0	\$0	\$148,619	\$779,557
Capital Fund	\$0	\$0	\$0	\$0	\$89,660	\$38,959	\$48,500	\$0	\$177,119
Total:	\$434,313	\$51,250	\$135,375	\$10,000	\$89,660	\$38,959	\$48,500	\$148,619	\$956,676

Chart 9: 2016 Expenditures by Category Graph (All Funds)

2015 Expenditures by Category (All Funds)



Section 3: Agency Profile

DISTRICT OFFICES
225 E. 5th St.
Port Angeles, WA 98362

BOARD OF COMMISSIONERS

Brad Collins
President

Anna Manildi
Vice President

Bill Peach
Commissioner

Mike Chapman
Commissioner

Cherie Kidd
Commissioner

CITIZEN ADVISORY COMMITTEE

Greg Shields
Chairperson

Chris Murray

Linda Fairchilds

Todd Clayton

Bill Roberds

Ryan Johnson

STAFF

Steven Burke
Executive Director

Christi Wojnowski
Aquatics Manager

Charlie McClain
District Treasurer

Craig Miller
District Attorney

James Shultz
Assistant Aquatics Manager

Rachelle Sires
District Clerk

MISSION, VISION AND CORE VALUES

DISTRICT MISSION STATEMENT

To provide high quality, safe, and accessible aquatic programs, services, and facilities that enhances the quality of life for all ages, cultures, and abilities, which encourages health, wellness, learning and fun.

DISTRICT VISION STATEMENT

To provide a well-functioning and well-maintained aquatic center that enhances quality of life by offering a diversity of recreational opportunities for people of all ages and needs.

DISTRICT CORE VALUES

- **People Focused:** *Provide the aquatic recreational needs of our community that strengthens the body, sharpens the mind, and renews the spirit of current and future generations.*
- **Sustainable Excellence:** *Deliver the highest quality sustainable product, service, facility and experience financially possible.*
- **Integrity:** *Operate with an objective, honest, and balanced perspective.*
- **Collaborative:** *Work in cooperation with all stakeholders including residents, communities, public and private organizations, and policymakers.*
- **Diversity:** *Support the public we serve, and offer suitable programs, activities, and services that are accessible.*
- **Dedication:** *Commit to getting the job done the right way, no matter what it takes.*
- **Fun:** *Provide fun and enjoyable activities for all ages and abilities.*

ORGANIZATIONAL CHART



AGENCY PROFILE

HISTORY OF WILLIAM SHORE MEMORIAL POOL DISTRICT

The William Shore Pool was built in 1961 and opened in May of 1962. The facility was dedicated to the memory of William Shore who was a coach and swim teacher in Port Angeles. From 1962 to 2008 the City of Port Angeles owned and operated the pool facility. In 2008, the City of Port Angeles no longer wanted to operate the pool facility and planned on shutting the facility down. A group of pool users decided to try to keep the pool open by suggesting the pool facility be separated from the city and be operated and owned by a newly established Park District. City and county officials approved the matter to be brought to the people for a vote.

The voters established the Park District in 2009. It is a separate governmental entity known as a "Metropolitan Park District" and serves all of the residents who live within the District's service area, which is currently the Port Angeles School District boundary.

The William Shore Memorial Pool District is a governmental agency responsible for operating, maintaining and improving the William Shore Memorial Pool facility. The District also plans, develops, and implements a wide range of recreational programs and activities that reflect the interests of all age groups.

Pool District operations are funded by revenue generated through program fees, tax dollars, grants, donations, and interest. These funds pay the staff members who care for the facility, plan and supervise programs, and help you register for classes. They also pay for all the materials, supplies, utilities, and other resources required to keep the facility functional, attractive, and safe. Your Pool District responsibly uses available funds to plan, design, and construct new features and programs at the facility, renovate and upgrade the existing facility for you and your neighbors to enjoy.

A board of five appointed Commissioners set policy and carry out the official business of the District. All Board Commissioners serve without pay.

DISTRICT BOUNDARIES

The William Shore Memorial Pool District is structured by the same boundaries as the Port Angeles School District.

DISTRICT FACTS

- The William Shore Pool District founded: June 2009
- Type of Government: Metropolitan Park District
- Governing Body: Board of Commissioners (5)
- Board of Commissioners Positions: Ex-officio, non-paid, appointed members
- Geographic Size of District: 347 Sq./Miles
- Population of District: 28,000
- Registered Voters in District: (2014) 19,207
- Age Profile: Median age: 49
- Racial Diversity Profile: (2014)
 - 73.5% White
 - 5.8% Hispanic
 - 5.6% Native American
 - 1.7% Asian
 - 1.0% Black
 - 10.3% two or more races.

SCHOOLS LOCATED WITHIN THE DISTRICT

There are 5 elementary schools, one middle school and one high school in the District with a total enrollment of 3,832 (2015). The District is also home to the Peninsula Community College with total enrollment of 5,169 (2014-2015).

MAJOR EMPLOYERS LOCATED WITHIN DISTRICT

The District has several major employers:

- Olympic Medical Center: 1062 employees
- Peninsula College: 544 employees
- Port Angeles School District: 505 employees
- Clallam County: 466 employees
- Westport Shipyard: 416 employees
- United States Coast Guard: 400 servicemen and employees
- Nippon Paper Industries: 190 employees

ECONOMIC STATICS FOR DISTRICT AREA

- Median Household Income: \$46,033 (2013)
- Median Housing Price: \$197,720 (2013)

Section 4: Strategic Goals and Accomplishments

AWARDS/AUDITS RECEIVED IN 2015

- Washington Finance Officers Association Budget Presentation Award
- Government Finance Officers Association Budget Presentation Award
- Star Guard Unannounced Safety Review
- Washington Cities Insurance Association 2015 Compact for completion of risk reduction
-

THE 2015-2020 STRATEGIC PLAN

We started our new five-year strategic plan in 2015 (2015-2020). The first Strategic Plan (2010-2013) was designed to get the District up and running with all the needed repairs and capital improvements finished. The 2015-2020 Strategic Plan is composed of four strategic initiatives that address our core functional areas and maintain our strategic values:

- ***Exceeding Customer Expectations***
- ***Long Term Financial Stability***
- ***Operational Excellence and Safety***
- ***Team Development***

These initiatives are based upon work and input from the Citizens Advisory Committee, staff, customers and community. These strategic initiatives are core to the mission and vision of the District and do not change from year to year. They are areas that we will always continue to pursue and improve.

These initiatives are broken down into 13 goals and 32 action tasks. Each goal and action task will have measured outcomes to evaluate our performance in achieving the outcomes desired. I will be reporting to the Board of Commissioners on a quarterly basis on the progress with each Initiative.

A critical piece of the process included input from the District Board of Commissioners, Advisory Committee members and staff. The input included assessing the District's strengths, weaknesses, opportunities, and threats (SWOT). Through roundtable discussions and SWOT analysis we refined our four strategic initiatives and developed the goals to be accomplished. The action items to accomplish the goals were developed using the Specific, Measurable, Attainable, Realistic, Timely (SMART) principles to identify specific action plans and key performance indicators designed so the goals can be measureable, precise and able to be managed on an ongoing basis.

While this Strategic Plan represents a final product, it is a living document and the strategic planning process is ongoing. An evaluation of our strategic initiatives and goals relative to established metrics for achievement takes place annually during the budget process.

- **STRATEGIC INITIATIVE #1: EXCEEDING CUSTOMER EXPECTATIONS**
 - *Goal #1: Increase the number of programs and events for all ages and socio-economic groups to increase the use of the District facility*
 - *Goal #2: Develop on-going training for customer service and financial transactions*
 - *Goal #3: Find opportunities to increase positive cooperative relationships and partnerships*
 - *Goal #4: Establish electronic and Social Media presence to distribute District information*

- **STRATEGIC INITIATIVE #2: LONG TERM FINANCIAL STABILITY**
 - *Goal #1: Increase earned revenue to reduce reliance on tax revenue*
 - *Goal #2: Maintain adequate reserved balance fund levels*
 - *Goal #3: Create sinking fund to provide for long-term equipment replacement*
 - *Goal #4: Implement Best Practices in Finance and Accounting*

- **STRATEGIC INITIATIVE #3: OPERATIONAL EXCELLENCE AND SAFETY**
 - *Goal #1: Provide the safest possible environment for the public and employees*
 - *Goal #2: Increase the use of Certified Instructors for programming*
 - *Goal #3: Increase compliance with Accessibility and ADA Standards with the facility*

- **STRATEGIC INITIATIVE #4: TEAM DEVELOPMENT**
 - *Goal #1: Increase staff retention*
 - *Goal #2: Increase certification and training opportunities for job development*

2015 GOAL ACCOMPLISHMENTS

Annually, management and staff collaborate on the initiatives, which are essentially the goals for the next fiscal year. During this process, timelines and expectations are set forth, agreed upon, and documented. Quarterly, the Executive Director and Managers evaluate their progress on their objectives. The following lists of accomplishments include strategic plan objectives from both Strategic Plans that have been met. These objectives have been noted with a checkmark (✓).

The District uses four core functional areas as the starting foundation when developing strategic initiatives and goals. These areas are:

- ***Customer Service and Programming***
- ***Long Term Financial Stability***
- ***Operational Excellence and Safety***
- ***Team Development***

Based upon these core functions, the 2015 highlights are as follows:

CUSTOMER SERVICE AND PROGRAMMING

- ✓ Increase in people who receive our email newsletter to 2000
- ✓ Increase looks and responses from our Facebook page
- ✓ Added additional exercise and therapy classes
- ✓ Increased private swim lesson program
- ✓ Increased private lessons
- ✓ Certified additional exercise instructors
- ✓ Assistant Manager went to the WRPA Business Management School

The District started what we hope to be a legacy program for our District in 2015. The District has committed to teaching each child in our District how to swim for no cost. To accomplish this we partnered with the Port Angeles School District and are having every 2nd grade class come to the pool for 4 weeks as part of the school PE program. The District is covering the cost of the lessons and the school district is covering the cost of transportation. Our local hospital is funding the cost of shirts that are given to each child when they graduate. If the kids where the shirts to the pool on weekends they can swim for free to practice.

The District continues to participate with several organizations to provide specialized programming, including:

- United State Coast Guard
- Port Angeles Swim Club
- Port Angeles School District
- Olympic Medical Center
- Peninsula College
- Therapeutic Associates
- Local hotels and motels
- Lower Elwha Tribe
- North Olympic Peninsula Library

FINANCIAL STABILITY

- ✓ Fully funded our two reserves, which total \$210,000
- ✓ Stabilized operational costs
- ✓ Received GFOA and WFOA budget presentation awards
- ✓ Developing an expansion plan and determining the costs of expansion

OPERATIONAL EXCELLENCE AND SAFETY

- ✓ Reduced our utility expense by \$70,000 each of the last two years.
- ✓ Participated in a unannounced Star Guard lifeguard review and received a 4 out of 5 stars.
- ✓ Added additional lifeguard training instructor
- ✓ Added a junior lifeguard program

TEAM DEVELOPMENT

- ✓ Participated in the following training and certification programs
 - Aquatic Facility Operators School
 - Starfish Aquatics International
 - Aquatic Exercise Association Certification (all our exercise instructors participated)
 - Washington Recreation and Park Association Aquatic Management School
 - Certified National Recreation and Parks Executive and Professional
- ✓ Instituted new longevity pay scale
- ✓ Updated our Employee Handbook
- ✓ Created a separate Benefited Employee Handbook

Section 5: Budget Process and Financial Policies

This budget builds on our priorities and community values. Developing a budget is a shared effort that involves people throughout the District organization.

FINANCIAL ASSUMPTIONS USED IN THE BUDGET PROCESS

REVENUE

There are several revenue limitations based on the provisions of the Washington State Constitution and Revised Code of Washington (RCW). These limitations are accepted as given within the context of the budget process:

The Revised Code of Washington (RCW) limits Metropolitan Park Districts to a maximum regular property tax rate of \$0.75/\$1000 of assessed value (RCW 36.61.210).

The following four revenue assumptions were used in developing the district budget:

- **Assumption R1:** The District will continue to increase levy by \$5,000 per year over the next 5 years or maintain the \$0.18 per \$1,000 of assessed value (AV) if values increase.
- **Assumption R2:** The District's Assessed Value (AV) will likely increase slightly over the next 3-5 years.
- **Assumption R3:** The District will collect 98% of property taxes in the year in which they are levied (based on historical data for tax collection within the District).
- **Assumption R4:** Programming revenue will remain steady at \$330,000 to \$350,000 due to lack of programming space and no fee increases for the next several years.

EXPENSES

The following three expense assumptions were used in developing the district budget.

- **Assumption E1*:** The Consumer Price Index (CPI) is likely to increase between 2% and 3% per year over the next several years.
- **Assumption E2*:** The cost of supplies and services not included in the CPI are also likely to increase between 2% and 3% per year over the next several years.
**Assumptions E1 and E2 are supported by historical Consumer Price Index data for Western Washington.*
- **Assumption E3:** Regional increases in minimum wage to \$15.00/hour and potential for an increase in the state minimum wage may have a direct or indirect impact on personal services expense for the District's part-time staff (and potentially full-time staff due to compression between the lower and higher pay grades). The District's part-time staff is currently paid above minimum wage and compensation is targeted to start about \$1.00 over minimum wage for new lifeguards, since lifeguards are required to maintain a lifeguard certificate.

OVERVIEW OF BUDGET STRUCTURE

The Washington State Auditor prescribes budgeting, accounting and reporting requirements for all local governments (RCW 43.09.200). The Washington State Budgeting and Reporting System (BARS) Manual for Metro Park Districts includes a uniform chart of accounts, accounting and budgeting policies, guidance for preparing financial statements and instructions for preparing supplemental schedules required as part of the annual report to the State Auditor (RCW 43.09.230).

The Washington State BARS is designed to allow formal integration of budgeting and accounting for all fund types in a governmental accounting system. The District prepares comprehensive budget document including all anticipated resources and outlays on an annual basis.

For the District, annual budgeting begins with general direction provided by the District Board of Commissioners. The District budget process serves the function of creating a framework to implement the policies set forth by that Board to administer the District organization and deliver the services to the community. Under the general guidance of the Finance Committee, the District Treasurer and the Executive Director have the primary responsibility for formulating budget proposals in line with the Board of Commissioner's priorities.

Budgeting begins with an understanding of the needs and issues important to the community that the District serves. General goals and priorities are identified in order to apply the available financial resources of the District to specific funding proposals. Previous budgets are considered in this process, thereby providing continuity with previous programming.

By law, the budgeted expenditures must be balanced with either revenues and/or unreserved fund balances. The 2016 budget not only addresses operating expenditures for 2016 but also incorporates capital outlays to be undertaken during the year. These capital outlays will stay minor since our long term direction includes expansion in 2020.

During the course of the year the budget may need to be amended as necessary. The District Treasurer and the Executive Director have the authority to transfer budgeted amounts between programs within any fund; however, the Board of Commissioners must approve any revisions that alter the total expenditures of a fund. When the Board of Commissioners determines that it is in the District's best interest to increase or decrease the appropriation for a particular fund, it may do so by resolution.

FUNDS

The accounts of the District are organized on the basis of funds groups, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. The District's resources are allocated to and accounted for in individual funds depending on what they are to be spent for and how they are controlled. The District budgets each fund individually. The District currently budgets with the following funds:

- General Fund (001).
- Capital Fund (301)

DIVISIONS

The District's Operating Budget is organized in accordance with the Washington State Budgeting and Reporting System (BARS) as prescribed by the Washington State Auditor and as such includes revenue and expenditure divisions:

- **Revenue:**
 - Property Tax Revenue
 - Excise Tax Revenue
 - Intergovernmental Revenue
 - Sale Merchandise Revenue
 - Programming Revenue
 - Rent and Contract Revenue
 - Misc. Revenue
- **Expenditures:**
 - Operations:
 - Salary and Wages
 - Personnel Benefits
 - Supplies
 - Services

- o Non-operational:
 - Administration
 - Advisory Services
 - Professional Services
 - Debt Service
 - Capital Expenses

BASIS OF BUDGETING

The District utilizes Governmental Funds and no Proprietary or Enterprise Funds. The Governmental Fund types (i.e., the General Fund, Capital Improvement Fund) are budgeted on a modified accrual basis.

The District uses a cash basis of accounting standards when submitting annual financial reports to the Washington State Auditor Office. The District utilizes a modified accrual basis of accounting for presenting our Annual Budget and Annual Report. As a result, annual budgets and the monthly/annual financial reports may be directly comparable, but the annual financial reports submitted to the State Auditors Office may not be comparable to our Annual Report and Annual Budget.

The modified accrual basis differs from the accrual basis in the following ways:

1. Purchases of capital assets are considered expenditures.
2. Redemptions of long-term debt are considered expenditures when due.
3. Revenues are recognized only when they become both measurable and available to finance expenditures of the current period.
4. Inventories and prepaid items are reported as expenditures when purchased.
5. Interest on long-term debt is not accrued but is recorded as an expenditure when due.
6. Accumulated unpaid vacation and sick pay and other employee benefits are considered expenditures when paid.
7. Depreciation is recorded on an accrual basis only.

BUDGET PROCESS

The budget process is the single most comprehensive analysis of available resources and the allocation of those resources to fund services for District's citizens. The budget document is designed to illustrate clearly the resources that are available for appropriation, an analysis of the decisions about the allocation of resources, and the resulting budget plan.

This budget document is developed in a manner to study and review the direction of the District. This document outlines the manner in which financial resources will be managed during the year. The course the District is taking can be changed through the allocation of financial resources. The major groups who participated in the budget process were the Finance Committee, District Treasurer, Executive Director, District staff and interested District residents.

The District budget is adopted by resolution in accordance with the requirements and time limitations as mandated in state law Revised Code of Washington (RCW 35.61). The budget must be adopted as a balanced budget and must be in place prior to the expenditure of any District funds. The calendar for the District 2015 Budget was as follows:

Chart 10: Budget Process Timeline

Budget Steps	July	Aug	Sept	Oct	Nov	Dec
1. Review New and Current Programs and Requests	X	X				
2. Executive Director Prepares Revenue and Expenditures			X			
3. Review of Budget by Finance Committee			X			
Budget Steps	July	Aug	Sept	Oct	Nov	Dec

4. Review of Budget by District Treasurer			X			
5. Preliminary Budget Submitted to Clerk				X		
6. Public Hearings held at Board Meetings				X	X	
7. Certification of Levy					X	
8. Budget approved by Board before Dec 31.						X

OPERATING BUDGET POLICIES

The operating budget will define the District's annual financial plan as developed by the District Board and the Finance Committee in establishing goals and objectives for the ensuing year. The intent of the budget is that one-time and routine expenditures will be financed with current resources.

OPERATING BUDGET PRIORITIES

The budget will give first consideration to ongoing mission led programs before the addition of any new program. Budgets associated with any proposed new program should be submitted and reviewed at least four months prior to adoption and incorporation into the budget. Additional personnel should be recommended only after the need has been fully substantiated. The Board must approve personnel not authorized in the budget.

OPERATING BUDGET REVENUE

The budget will reflect the projection of all revenues from all sources.

OPERATING BUDGET EXPENDITURES

Current operating expenditures will be paid from current revenues and cash carried over from the prior year after reserve requirements are met. The District will avoid budgetary and accounting practices that balance the current budget at the expense of future budgets. The District will maintain a level of expenditures that will provide for the public well-being and quality of life for the residents of the community.

OPERATIONS RESERVE

As part of the District's financial policy, the District is to hold in reserve 10% of our operational expenditures, currently \$60,000. This reserve is held in the General Fund as restricted funds.

BOND PAYMENT RESERVE

As part of the District's financial policy, the District is to hold in reserve one-year of payments for our outstanding loans and bonds, currently at \$150,000. This reserve is held in the General Fund as restricted funds.

YEAR-END SURPLUS FUNDS

Year-end surpluses in the General Fund may be used for nonrecurring emergency capital expenditures or dedicated to the Capital Improvement Plan. The following criteria must be met to qualify any portion of the General Fund surplus for these purposes:

- There are surplus balances remaining after all reserves and fund allocations are made;
- An analysis has occurred assuring that the District has an adequate level of short and long-term resources to support the proposed use of surplus balances; and
- The Board specifically appropriates the funds.

BUDGETARY CONTROL POLICIES

BALANCED BUDGET

The District adopts a 12-month balanced calendar year budget. The balanced budget means budgeted expenditures will not exceed the available resources of the beginning fund balance plus new revenues. The adopted budget is for a 12-month fiscal period with annual financial reporting.

BALANCING THE OPERATING BUDGET

RCW 35.33.07 requires that the District adopt a balanced budget based on the following requirement: *“Appropriations shall be limited to the total estimated revenues contained therein including the amount to be raised by ad valorem taxes and the unencumbered fund balances estimated to be available at the close of the current fiscal year.”*

The District adopts a *statutorily* balanced budget, but also seeks to adopt a *structurally* balanced budget. A budget is *statutorily* balanced when total estimated resources (beginning fund balance plus revenues) equal the total appropriation (expenditures plus ending fund balance). In a *statutorily* balanced budget, beginning fund balance may be used as a revenue source. In contrast, in a *structurally* balanced budget, the total expenditure appropriation is limited to the annual estimated revenues. In a structurally balanced budget, beginning fund balance may not be used as a revenue source.

BUDGET MONITORING AND REPORTING

The District will maintain a system for monitoring the District’s budget performance. Accounting and reporting practices will be maintained to provide accurate and timely monitoring of the District’s budget performance. The District Treasurer or his or her designee will issue monthly budget reports on the actual performance compared to budget estimates to the District Commissioners. This reporting includes provisions for amending the budget during the year in order to address unanticipated needs or emergencies.

FUND ALLOCATION

The budget is adopted at the fund level with allocations made for administrative control. Reallocation of existing appropriation does not change the adopted budget “bottom-line.” It may become necessary to shift allocations between line items, programs to meet unanticipated needs, emergencies or changes in work plan. As long as the total fund budget is not changed, the adjustment can be done administratively with the authorization of the Finance Committee and approval of the Executive Director.

REVENUE POLICIES

REVENUE SOURCES

The District will try to maintain a stable revenue system to protect against short-term fluctuations in any one revenue source. The District depends on the property tax levy passed by the voters in May 2009. Although the District seeks to increase programming and admission revenue to supplement the tax levy revenue, the revenue generated by programming and admissions is not sufficient to maintain the facility or its programs.

REVENUE ESTIMATES

Because revenues, especially those of the General Fund, are sensitive to local and regional economic conditions, revenue estimates will be conservative and will be made by an objective, analytical process.

INVESTMENT POLICY

Investment funds, by RCW mandate, are managed by the District Treasurer (see District Investment Policies).

DISTRICT FUNDS

Under fund accounting rules, which the District is required to use (known as “fund accounting”), the money received (revenues) and the money spent (expenditures) are accounted for in what amount to separate legal entities (funds). This is done to ensure that money collected for a special purpose is spent for the purpose intended. The District budget has two budgeted funds:

- **General Fund (001)** – This fund is used to account for the District’s ongoing activities. It includes such things as recreation programming, aquatics programming, financial management, legal services, planning and facility and park maintenance. The General Fund accounts for the majority of the District budget.
- **Capital Fund (301)** – This fund accounts for major capital construction projects and payments for outstanding loans and bonds.

DEBT MANAGEMENT POLICIES

The basic objectives of the District’s debt management policy are:

- To achieve the lowest possible cost for borrowing;
- If needed, to ensure access to the loan or bond market to adequately provide the capital needed to finance public improvement and other long-term development objectives. Debt can be used as a mechanism to equalize costs of needed improvements to both present and future citizens and as a way to reduce the costs of substantial public improvements;
- To maintain strong and sound credit demonstrated by its commitment to meet all obligations in a timely fashion;
- To maintain a level and structure of outstanding indebtedness that does not lead to excessive debt service requirements, thereby avoiding unnecessary strains on the operating budget; and
- To maintain the confidence of lending markets and the taxpayers.

The District Commissioners approval is required prior to the issuance of debt. The District Treasurer or his or her designee has the authority to act as debt manager in the duties of debt issuance and related repayment activities.

SHORT TERM DEBT

It is the District’s policy to avoid the use of short-term indebtedness to the extent possible. Short-term borrowing (one year or less) will only be used to meet the immediate financing needs of a project for which long-term financing has been secured but not yet received or to cover temporary cash flow shortages resulting from delay in receipting tax revenues or to finance capital construction.

Inter-fund loans may be used to meet short-term cash flow needs as an alternative to outside debt instruments. Inter-fund loans will be permitted only if an analysis of the lending fund indicates excess funds are available and that the use of these funds will not adversely affect current operations.

LONG TERM DEBT

The District will not use long-term debt to support current operations. Prior to the issuance of debt, the District will prepare revenue projections to ensure there is adequate revenue to make principal and interest payments. The District will confine long-term borrowing to capital improvements that cannot be financed from current revenues.

Section 6: General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial revenue and expenditures of the District, which are not accounted for in other funds. Taxes and earned revenue are the major sources of revenue.

GENERAL FUND BALANCES

Chart 11: General Fund Balances by Year

General Fund	2012	2013	2014	2015 Est.	2016 Budget
Beginning Balance	\$190,503	\$243,132	\$229,719	\$232,221	\$227,285
Revenues	\$755,507	\$791,992	\$831,647	\$817,303	\$849,250
Expenditures	\$735,966	\$782,831	\$819,598	\$821,308	\$779,557
Accrued Liabilities*	\$33,018	-\$22,574	-\$9,547	-\$931	-\$931
Ending Balance	\$243,132	\$229,719	\$232,221	\$227,285	\$296,978

*Accrued Liabilities due to modified accrual Basis accounting.

Chart 12: General Fund Balances by Year Graph



GENERAL FUND BALANCE ANALYSIS AND ASSUMPTIONS

General Fund balance in 2016 will increase by 23%. This increase is due to the bond principle amount being reduced by \$25,712 for 2016. The bond principle amount will be increased back to standard amount in 2017.

2016 GENERAL FUND REVENUE

The 2016 General Fund revenue shows a 1% increase over the 2015 budget. Merchandise sales budget was reduced to better reflect actual sales. Timber and excise tax revenue continues to be difficult to project on an annual basis.

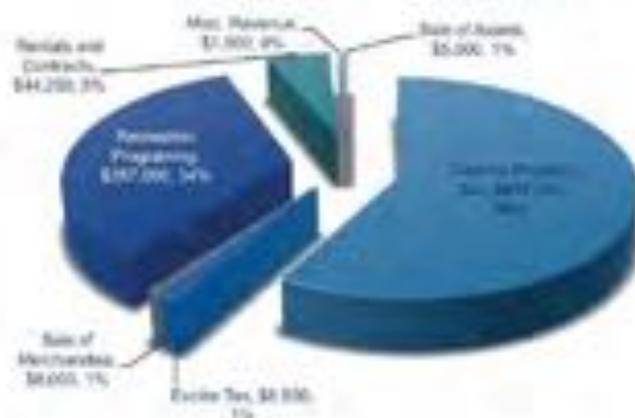
Chart 13: 2016 General Fund Revenue by Category Details

DESCRIPTIONS	2015 Est.	2015 Budget	2016 Budget	Variance over 2015 Budget
Real and Personal Property Tax	\$484,357	\$480,000	\$495,000	3%
Sale of Tax Title Property	\$0	\$0	\$0	
Total General Property Tax	\$484,357	\$480,000	\$495,000	3%
Leasehold Excise Taxes	\$5,374	\$4,500	\$5,500	18%

DESCRIPTIONS	2015 Est.	2015 Budget	2016 Budget	Variance over 2015 Budget
Timber Excise Tax	\$3,145	\$3,000	\$3,000	0%
Total Excise Taxes	\$8,519	\$7,500	\$8,500	12%
Forest Excise Tax/Private Harvest Tax	\$44	\$0	\$0	
Housing Authority P&T	\$0	\$0	\$0	
Total Intergovernmental Revenue	\$44	\$0	\$0	0%
Vending Revenue	\$482	\$500	\$500	0%
Sales of Taxable Merchandise	\$7,461	\$9,500	\$7,500	-27%
Total Sales of Merchandise	\$7,943	\$10,000	\$8,000	-25%
Activity Fees (Pass Sales)	\$65,714	\$71,000	\$68,000	-4%
Activity Fees (General Admissions)	\$49,709	\$56,500	\$54,000	-5%
Program Fees (Swim Classes/Instruction)	\$83,050	\$85,000	\$85,000	0%
Program Fees (Exercise Classes)	\$66,926	\$70,000	\$70,000	0%
Program Fees (Camps and Special Events)	\$9,485	\$7,500	\$10,000	25%
Total Cultural and Recreation	\$274,878	\$290,000	\$287,000	-1%
Rentals (Short-Term) (One Time)	\$6,513	\$6,500	\$7,500	13%
Equipment and Locker Rentals	\$3,980	\$4,000	\$4,000	0%
Lease of County Land (DNR Other)	\$212	\$250	\$250	0%
Rentals (Long-Term) (Contracted)	\$24,724	\$33,000	\$32,500	-2%
Total Rents, Leases and Concessions	\$35,429	\$43,750	\$44,250	1%
Private Gifts, Pledges and Bequests (non-gov.)	\$36	\$0	\$0	
Total Gifts Private Sources	\$36	\$0	\$0	0%
Misc. Other	\$1,450	\$2,500	\$1,500	-67%
Total Other Misc. Revenue	\$1,450	\$2,500	\$1,500	-67%
Sales Tax Collected/Agency Deposits	\$0	\$0	\$0	
Total Agency Deposits	\$0	\$0	\$0	0%
Line of Credit from Clallam County				
Total Other Non-Revenues	\$0	\$0	\$0	0%
GO Bond Proceeds				
Local Loan Program Proceeds				
Total Proceeds of Long Term Debt	\$0	\$0	\$0	0%
Sale of Capitol Assets/County Timber	\$4,707	\$10,000	\$5,000	-100%
Total Sale of Capitol Assets	\$4,707	\$10,000	\$5,000	-100%
Transfer in from other Funds	\$0	\$0	\$0	
Total Transfer in	\$0	\$0	\$0	0%
Gov't Grants				
Total Gov't Grants	\$0	\$0	\$0	0%
TOTAL REVENUE	\$817,363	\$843,750	\$849,250	1%

Chart 14: 2016 General Fund Revenue by Category Graph

General Fund Revenue by Category



GENERAL FUND REVENUE ANALYSIS AND ASSUMPTIONS

- Budget shows a total revenue increase of 1% over the 2015 budget.
- Additional growth in program revenue will be limited due to the reaching the capacity of the facility.
- Budget shows a increase of property tax revenue by 3% or \$15,000.
- Several tax revenue streams continue to swing dramatically and are difficult to anticipate and budget (i.e. excise tax and county timber sales).

EARNED REVENUE

In determining the financial health of a Park District, the key indicator is the growth of the District's earned revenue or non-tax revenue. Earned revenue incorporates all the charges for service and program revenues for the District. Even though the largest single source of revenue for all Park Districts will be property tax revenue, earned revenue is always the best indicator of the financial health of the District. In 2016, District property tax revenue will be 59% of the total revenue. The next greatest revenue source will be earned revenue at 40%. The average earned revenue for operating a Park District in Washington State in 2012 was 20% of total revenue. The chart below (Chart 15) shows the yearly increase of earned revenue and the yearly decrease of property tax revenue as a percentage of the total revenue. The chart shows that each year we are continuing to rely less on the property tax revenue and more on the earned revenue, which is a good indicator of the financial health of the District.

Chart 15: Yearly Comparison between Property Tax Revenue and Earned Revenue

	2012	2013	2014	2015 Est.	2015 Budget	2016 Budget
Earned Revenue	\$272,458	\$308,918	\$345,745	\$319,780	\$348,250	\$340,750
% of Total Revenue	36%	39%	42%	39%	41%	40%
Tax Revenue	\$478,709	\$477,220	\$477,627	\$489,064	\$490,000	\$500,000
% of Total Revenue	63%	60%	57%	60%	58%	59%

GENERAL FUND REVENUE YEARLY COMPARISON

Chart 16: General Fund Revenue Yearly Comparison by Category

DESCRIPTION	2012	2013	2014	2015 Est.	2015 Budget	2016 Budget
Real and Personal Property Tax	\$462,259	\$464,803	\$475,312	\$484,357	\$480,000	\$495,000
Sale of Tax Title Property	\$84		\$0	\$0	\$0	\$0
Total General Property Tax	\$462,343	\$464,803	\$475,312	\$484,357	\$480,000	\$495,000
Leasehold Excise Taxes	\$3,540	\$4,978	\$5,028	\$5,374	\$4,500	\$5,500
Timber Excise Tax	\$0	\$2,869	\$3,247	\$3,145	\$3,000	\$3,000
Total Excise Taxes	\$3,540	\$7,847	\$8,275	\$8,519	\$7,500	\$8,500
Forest Excise Tax/Private Harvest Tax	\$2,460	\$0	\$2,000	\$44	\$0	
Housing Authority PILT	\$85	\$42	\$0	\$0	\$0	
Total Intergovernmental Revenue	\$2,545	\$42	\$0	\$44	\$0	\$0
Vending Revenue	\$306	\$0	\$567	\$492	\$500	\$500
Sales of Taxable Merchandise	\$7,167	\$10,327	\$6,742	\$7,461	\$9,500	\$7,500
Total Sales of Merchandise	\$7,503	\$10,357	\$7,309	\$7,943	\$10,000	\$8,000
Activity Fees (Pass Sales)	\$54,794	\$59,231	\$67,431	\$65,714	\$71,000	\$68,000
Activity Fees (General Admissions)	\$42,023	\$51,285	\$53,301	\$49,703	\$56,500	\$54,000
Program Fees (Swim Classes/Instruction)	\$72,289	\$66,991	\$90,123	\$83,050	\$85,000	\$85,000
Program Fees (Exercise Classes)	\$42,845	\$40,811	\$49,550	\$46,906	\$70,000	\$70,000
Program Fees (Camps and Special Events)	\$7,035	\$11,949	\$5,273	\$9,495	\$7,500	\$10,000
Total Recreation Programing	\$218,986	\$253,267	\$265,678	\$274,878	\$290,000	\$287,000
Rentals (Short-Term) (One Time)	\$6,953	\$4,820	\$7,553	\$6,513	\$6,500	\$7,500
Equipment and Locker Rentals	\$2,356	\$2,786	\$4,218	\$3,980	\$4,000	\$4,000
Lease of County Land (DMH/Other)	\$358	\$317	\$182	\$212	\$250	\$250
Rentals (Long-Term) (Contracted)	\$31,196	\$27,163	\$31,940	\$24,724	\$33,000	\$32,500
Total Rents, Leases and Concessions	\$40,863	\$35,086	\$43,893	\$35,429	\$43,750	\$44,250
Private Gifts	\$0	\$6,500	\$6,701	\$36	\$0	\$0
Total Gifts	\$0	\$6,500	\$6,701	\$36	\$0	\$0
Misc. Other	\$2,561	\$1,664	\$2,164	\$1,450	\$2,500	\$1,500
Total Other Misc.	\$2,561	\$1,664	\$2,164	\$1,450	\$2,500	\$1,500
Sale of Capitol Assets/County Timber	\$16,366	\$12,417	\$2,315	\$4,707	\$10,000	\$5,000
Total Sale of Capitol Assets	\$16,366	\$12,417	\$2,315	\$4,707	\$10,000	\$5,000
Transfer in from other Funds	\$800	\$9	\$0	\$0	\$0	\$0
Total Transfer In	\$800	\$9	\$0	\$0	\$0	\$0
Gov't Grants						
Total Gov't Grants	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$755,507	\$791,992	\$831,647	\$817,363	\$843,750	\$849,250

2016 GENERAL FUND EXPENDITURE

Expenditures in the 2016 General Fund budget reflects a 5% decrease in total expenditures. Operational expenditures show a 5% increase due primarily to wages and labor increased costs and the addition of a part-time employee to be the District Clerk. Overall our operational expenditures have increased by only 1%. Non-Operational expenditures reflect a 23% decrease. This is due to no state audit being scheduled for 2016 and our bond principle payment was reduced significantly for 2016. The District has completed two years since the energy improvements were completed and our energy usage has been reduced over 43% and has saved the District \$70,000 annually in utility usage.

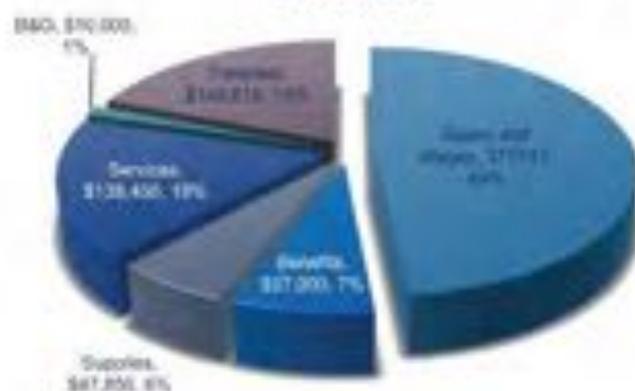
Chart 17: 2016 General Fund Expenditures by Category Details

DESCRIPTION	2015 Est.	2015 Budget	2016 Budget	Variance of 2015 Budget
OPERATIONAL EXPENDITURES				
Clerk of the Board	\$2,340	\$0	\$5,000	100%
Wages Lifeguard	\$123,248	\$110,000	\$124,000	11%
Wages Instructor	\$44,438	\$45,000	\$45,000	0%
Wages Head Guard	\$47,492	\$62,500	\$58,000	-8%
Wages Supervisors	\$98,596	\$80,000	\$82,500	3%
Wages Maintenance	\$13,816	\$10,000	\$14,000	7%
Wages Executive Director	\$46,313	\$45,000	\$46,313	3%
Sick and Vacation Pay	\$0	\$4,500	\$2,500	-80%
Overtime	\$0	\$0	\$0	
Salaries and Wages Total	\$376,243	\$360,000	\$377,313	5%
Benefits	\$28,000	\$27,000	\$28,000	4%
Cafeteria Plan	\$12,000	\$12,000	\$11,480	-5%
Unemployment	\$1,145	\$1,550	\$1,145	-35%
Department of LAI	\$16,127	\$16,200	\$16,375	1%
Personnel Benefits Total	\$57,272	\$56,750	\$57,000	0%
Office Supplies				
Office Supplies	\$6,185	\$7,500	\$6,500	-15%
Printing and Copying Supplies	\$42	\$500	\$500	
Computer Supplies	\$58	\$0	\$100	100%
Program Supplies and Equipment				
Exercise Classes	\$38	\$1,000	\$1,000	0%
Swim Classes/Instruction	\$32	\$1,800	\$1,000	-80%
Camps and Special Events	\$202	\$2,150	\$1,250	-72%
Maintenance and Repairs Supplies				
Uniforms and Clothing	\$882	\$2,500	\$1,250	-100%
Pool Chemicals	\$17,450	\$12,500	\$15,000	17%
Cleaning and Janitorial Supplies	\$4,790	\$7,000	\$6,500	-8%
Lifeguard Supplies and Equip.	\$3,225	\$4,000	\$3,500	-14%
Maintenance Supplies	\$3,550	\$8,500	\$5,500	-55%
Miscellaneous Supplies				
Supplies Purchased For Inventory/Resale	\$4,377	\$7,000	\$5,000	-60%
Small Tools and Minor Equip.	\$420	\$1,000	\$750	-33%
Supplies Total	\$41,251	\$58,450	\$47,850	-16%
Professional Services				
IT/Computer Service	\$1,611	\$3,000	\$3,000	0%
Transaction Services	\$2,743	\$5,000	\$3,000	-67%
Communications				
Telephone	\$2,635	\$1,200	\$2,750	56%
Postage and Mailing	\$287	\$800	\$500	-60%
Website/Internet	\$1,035	\$1,200	\$1,200	0%
Travel				
Travel & Conferences/Conventions	\$3,339	\$2,000	\$2,600	23%
Training	\$1,307	\$2,500	\$1,500	-67%
Advertising				
Program Advertising	\$171	\$1,000	\$500	-100%
Rentals and Leases				
Office Equipment Leases/Rentals	\$2,004	\$1,850	\$2,000	8%

DESCRIPTION	2015 Est.	2015 Budget	2016 Budget	Variance of 2015 Budget
Insurance				
Liability Insurance	\$13,155	\$11,500	\$13,500	15%
Utility				
Electrical	\$66,384	\$65,000	\$60,000	-8%
Repairs and Maintenance				
Building Repairs	\$19,432	\$9,500	\$9,500	0%
Equipment Repairs	\$5,783	\$5,000	\$5,000	0%
Office/IT Equipment Repairs	\$0	\$0	\$0	
Miscellaneous				
Memberships and Dues	\$1,322	\$3,000	\$3,000	0%
Credit Card Fees	\$8,090	\$6,500	\$8,500	24%
Subscriptions	\$155	\$0	\$0	
Services Total	\$130,113	\$119,050	\$116,550	-2%
Taxes and Operating Assessments	\$323	\$325	\$325	0%
Intergovernmental Services Total	\$323	\$325	\$325	0%
OPERATIONAL EXPENSES TOTAL	\$605,202	\$591,575	\$599,038	1%
NON-OPERATIONAL EXPENDITURES				
Executive Director Car Allowance	\$2,400	\$3,000	\$2,400	-25%
Executive Director Travel	\$0	\$0	\$1,000	100%
Executive Office Total	\$2,400	\$3,000	\$3,400	12%
Commissioners/Meetings/Advisory	\$0	\$0	\$0	
Clerk of the Board	\$2,958	\$4,100	\$0	
Advisory Services Total	\$2,958	\$4,100	\$0	
State Auditor	\$0	\$4,794	\$0	
Accounting Services	\$13,750	\$15,000	\$15,000	0%
Accounting and Audits Total	\$13,750	\$19,794	\$15,000	-32%
Legal Services	\$3,495	\$3,000	\$3,500	14%
Legal Services Total	\$3,495	\$3,000	\$3,500	14%
B&O Tax/Agency	\$8,473	\$10,000	\$10,000	0%
Governmental Expenditures Total	\$8,473	\$10,000	\$10,000	0%
Loans and Bonds (Interest)	\$1,761			
Debt Interest Total	\$1,761	\$0	\$0	
Transfer Out to Capital Fund	\$183,329	\$183,329	\$148,619	-23%
Transfers Out Total	\$183,329	\$183,329	\$148,619	
NON-OPERATIONAL EXPENDITURES TOTAL	\$216,166	\$223,223	\$186,519	-24%
TOTAL EXPENDITURES	\$821,368	\$814,798	\$779,557	-5%

Chart 18: 2016 General Fund Expenditure by Category Graph

General Fund Expenditures by Category



GENERAL FUND EXPENDITURE ANALYSIS AND ASSUMPTIONS

- No scheduled state audit for 2016
- A 5% increase in the cost of employee wages, salaries and benefits
- Only a 1% increase in overall operational costs due to our capital investments into the facility
- \$148,619 transfer from General Fund to Capital Fund for bond and loan payments (\$128,619) and \$20,000 in capital projects.
- 2016 will be the second year with the energy reductions in place and has reduced our energy consumption by \$70,000 annually.

GENERAL FUND EXPENDITURE YEARLY COMPARISON

Chart 19: General Fund Expenditure Yearly Comparison by Category

DESCRIPTION	2012	2013	2014	2015 Est.	2015 Budget	2016 Budget
OPERATIONAL EXPENDITURES						
Clerk of the Board	\$0	\$0	\$0	\$2,340	\$0	\$5,000
Wages Lifeguard	\$80,082	\$99,679	\$117,637	\$123,248	\$110,000	\$124,000
Wages Instructor	\$43,935	\$39,110	\$45,780	\$44,438	\$45,000	\$45,000
Wages Head Guard	\$49,445	\$59,978	\$58,214	\$47,432	\$62,500	\$58,000
Wages Supervisors	\$79,396	\$73,271	\$81,525	\$98,596	\$80,000	\$82,500
Wages Maintenance	\$5,051	\$12,817	\$12,954	\$13,816	\$13,000	\$14,000
Wages Executive Director	\$45,000	\$45,000	\$45,000	\$46,313	\$45,000	\$46,313
Sick and Vacation Pay	\$4,384	\$3,119	\$0	\$0	\$4,500	\$2,500
Overtime	\$1,360	\$254	\$0	\$0	\$0	\$0
Salaries and Wages Total	\$308,653	\$333,028	\$361,110	\$376,243	\$360,000	\$377,313
Benefits	\$23,661	\$26,117	\$27,000	\$28,000	\$27,000	\$28,000
Cafeteria Plan	\$11,790	\$11,314	\$12,000	\$12,000	\$12,000	\$11,480
Unemployment	\$5,018	\$1,465	\$1,145	\$1,145	\$1,500	\$1,145
Department of L&I	\$13,466	\$15,175	\$16,200	\$16,127	\$16,200	\$16,375
Benefits Total	\$53,935	\$54,071	\$56,345	\$57,272	\$56,750	\$57,000
Office Supplies						
Office Supplies	\$6,176	\$9,080	\$6,329	\$6,185	\$7,500	\$6,500
Printing and Copying Supplies	\$533	\$609	\$392	\$42	\$500	\$500

Description	2012	2013	2014	2015 Est.	2015 Budget	2016 Budget
Computer Supplies	\$0	\$989	\$378	\$58	\$0	\$100
Program Supplies and Equipment						
Exercise Classes	\$655	\$117	\$949	\$38	\$1,000	\$1,000
Swim Classes/Instruction	\$1,874	\$28	\$57	\$32	\$1,800	\$1,000
Camps and Special Events	\$2,135	\$891	\$1,106	\$202	\$2,150	\$1,250
Maintenance and Repairs Supplies						
Uniforms and Clothing	\$2,394	\$1,563	\$1,081	\$882	\$2,500	\$1,250
Pool Chemicals	\$12,249	\$15,965	\$10,277	\$17,450	\$12,500	\$15,000
Cleaning and Janitorial Supplies	\$5,032	\$6,667	\$6,656	\$4,790	\$7,000	\$6,500
Lifeguard Supplies and Equip.	\$4,571	\$4,546	\$1,892	\$3,225	\$4,000	\$3,500
Maintenance Supplies	\$10,557	\$6,521	\$5,061	\$3,550	\$8,500	\$5,500
Miscellaneous Supplies						
Supplies Purchased For Inventory/Resale	\$6,890	\$4,331	\$4,221	\$4,377	\$7,000	\$5,000
Small Tools and Minor Equip.	\$3,714	\$1,537	\$921	\$420	\$1,000	\$750
Supplies Total	\$56,780	\$52,844	\$39,320	\$41,251	\$55,450	\$47,850
Professional Services						
IT/Computer Service	\$2,011	\$1,598	\$2,747	\$1,611	\$3,000	\$3,000
Transaction Services	\$1,634	\$3,790	\$4,839	\$2,743	\$5,000	\$3,000
Communications						
Telephone	\$1,943	\$1,078	\$1,619	\$2,635	\$1,200	\$2,750
Postage and Mailing	\$779	\$257	\$256	\$287	\$800	\$500
Website/Internet	\$157	\$310	\$1,214	\$1,035	\$1,200	\$1,200
Travel						
Travel & Conferences/Conventions	\$3,123	\$3,001	\$6,278	\$3,339	\$2,000	\$2,600
Training	\$1,350	\$1,332	\$1,736	\$1,307	\$2,500	\$1,500
Advertising						
Program Advertising	\$1,173	\$1,465	\$632	\$171	\$1,000	\$500
Rentals and Leases						
Office Equipment Leases/Rentals	\$1,818	\$1,859	\$1,956	\$2,004	\$1,850	\$2,000
Insurance						
Liability Insurance	\$10,081	\$11,106	\$11,314	\$13,155	\$11,500	\$13,500
Utility						
Electrical	\$91,722	\$94,628	\$75,892	\$66,384	\$65,000	\$60,000
Repairs and Maintenance						
Building Repairs	\$6,843	\$4,654	\$9,270	\$19,492	\$9,500	\$9,500
Equipment Repairs	\$2,709	\$3,421	\$4,984	\$5,783	\$5,000	\$5,000
Office/IT Equipment Repairs	\$1,259	\$355	\$0	\$0	\$0	\$0
Miscellaneous						
Memberships and Dues	\$1,909	\$3,204	\$3,916	\$1,922	\$3,000	\$3,000
Credit Card Fees	\$5,987	\$7,029	\$9,092	\$8,090	\$6,500	\$8,500
Subscriptions	\$58	\$12	\$9	\$155	\$0	\$0
Misc. Service	\$13	\$0	\$3	\$0	\$0	\$0
Services Total	\$134,569	\$139,099	\$135,757	\$130,113	\$119,050	\$116,550
PA City Maintenance Services	\$29,280	\$6,100	\$0	\$0	\$0	\$0
External Taxes and Operating Assessments	\$165	\$243	\$323	\$323	\$325	\$325
Governmental Services Total	\$29,445	\$6,343	\$323	\$323	\$325	\$325
OPERATIONAL EXPENSES TOTAL	\$583,382	\$585,385	\$592,855	\$665,202	\$591,575	\$599,038

DESCRIPTION	2012	2013	2014	2015 Est.	2015 Budget	2016 Budget
NON-OPERATIONAL EXPENDITURES						
Executive Director Car Allowance	\$0	\$0	\$0	\$2,400	\$3,000	\$2,400
Executive Director Travel	\$0	\$0	\$0	\$0	\$0	\$1,000
Executive Office Total	\$0	\$0	\$0	\$2,400	\$3,000	\$3,400
Clerk of the Board	\$4,032	\$4,032	\$4,032	\$2,958	\$4,100	\$0
Advisory Services Total	\$4,032	\$4,032	\$4,032	\$2,958	\$4,100	\$0
State Auditor	\$2,577	\$0	\$4,794	\$0	\$4,794	\$0
Accounting Services	\$12,600	\$12,600	\$15,000	\$13,750	\$15,000	\$15,000
Accounting and Audits Total	\$15,177	\$12,600	\$19,794	\$13,750	\$19,794	\$15,000
Legal Services	\$4,038	\$6,720	\$2,208	\$3,495	\$3,000	\$3,500
Legal Services Total	\$4,038	\$6,720	\$2,208	\$3,495	\$3,000	\$3,500
B&O Tax	\$9,311	\$9,249	\$9,559	\$8,473	\$10,000	\$10,000
Total Tax Expenditures	\$9,311	\$9,249	\$9,559	\$8,473	\$10,000	\$10,000
Loans and Bonds (principle)	\$0	\$39,693				
Debt Principle Total	\$0	\$39,693	\$0	\$0	\$0	\$0
Loans and Bonds (interest)	\$3,480	\$152	\$5,581	\$1,761		
Debt Interest Total	\$3,480	\$152	\$5,581	\$1,761	\$0	\$0
Transfer Out to Capital Fund	\$116,566	\$125,000	\$185,569	\$183,329	\$183,329	\$148,619
Transfers Out Total	\$116,566	\$125,000	\$185,569	\$183,329	\$183,329	\$148,619
NON-OPERATIONAL EXPENDITURES TOTAL	\$152,604	\$197,446	\$226,743	\$216,166	\$223,223	\$180,519
TOTAL EXPENDITURES	\$735,986	\$782,831	\$819,598	\$821,368	\$814,798	\$779,557

Section 7: Capital Fund

The Capital Fund is used to receive and fund the adopted capital projects as outlined in section 8 and to pay our annual bond and loan payments. In 2016, the District is scheduled to receive a \$28,500 grant from the combination of the County and City Lodging Tax Committee. This grant is to pay for our expansion study. Our Bond principal payment in 2016 will be reduced from 2015 by 23% or \$25,712. The bond payment will return to normal payments in 2017. The District will transfer \$148,619 from the General Fund to pay the annual bond and loan payments in addition to \$20,000 in capital projects outlined in section 8.

2016 CAPITAL FUND REVENUES

The Capital Fund does not generate any tax revenue. Revenue comes from General Fund transfers, loan proceeds, grants, and private or corporate donations. The 2016 budget anticipates receiving approximately \$20,000 from the General Fund for Capital Projects and a \$28,500 grant for our expansion study.

Chart 20: 2016 Capital Fund Revenue

DESCRIPTION	2015 Est.	2015 Budget	2016 Budget	%Change from 2015 Budget
Gifts and Grants	\$0	\$0	\$28,500	
Contribution Total	\$0	\$0	\$28,500	0%
Transfer in from General Fund	\$183,329	\$178,331	\$148,619	-20%
Total Transfer in	\$183,329	\$178,331	\$148,619	-20%
TOTAL REVENUE	\$183,329	\$178,331	\$177,119	-1%

CAPITAL FUND REVENUE ANALYSIS AND ASSUMPTIONS

- The 20% decrease in the transfer from the General Fund is due to the reduced bond principal payment reduction for 2016.

2016 CAPITAL FUND EXPENDITURES

The 2016 Budget for the Capital Fund expenditures will remain focused on debt service for our completed Energy Improvement Project. In addition to the expansion study, the District will undertake several small capital projects during 2016 relating to facility improvements. Details of the projects are located in section 8.

Chart 21: 2016 Capital Fund Expenditures

DESCRIPTION	2015 est.	2015 Budget	2016 Budget	%Change from 2015 Budget
Loans and Bonds (principle)	\$112,369	\$112,369	\$89,660	-25%
Debt Service Principle Total	\$112,369	\$112,369	\$89,660	-25%
Loans and Bonds (interest)	\$41,962	\$41,962	\$38,959	-8%
Debt Service Interest Total	\$41,962	\$41,962	\$38,959	-8%
Building and Structures	\$27,393	\$24,000	\$48,500	51%
Machinery and Equipment	\$1,605	\$0	\$0	

	2015 est.	2015 Budget	2016 Budget	%Change from 2015 Budget
Capital Outlay Total	\$28,998	\$24,000	\$48,500	51%
EXPENDITURE TOTAL	\$183,329	\$178,331	\$177,119	-1%

CAPITAL FUND EXPENDITURE ANALYSIS AND ASSUMPTIONS

- The increase in Capital Outlay expenditures is due to the expansion study of \$28,500 and only \$20,000 in capital projects. Section 8 will describe the capital projects and the expansion study in greater detail.

Section 8: Capital Improvement Plan and Financial Forecasting

In the process of developing the annual budget, we look at future capital plans and do financial forecasting to ensure we can accomplish those plans. It is for this reason we put our capital plans and financial forecasting together since they are tied to each other closely. This year it is especially important since we are developing a financial and building plan for a possible expansion in 2020.

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) involves the development of a long-term plan for capital expenditures for the District. Capital expenditures include expenditures for buildings, land, major equipment, and other commodities that are of significant value (greater than \$5,000) and have a useful life of at least five years.

The CIP lists each proposed capital item to be undertaken, the year in which it will be started, the amount expected to be expended in each year and the proposed method of financing these expenditures. The Capital Improvement Fund budget is enacted annually as part of the District Budget, based on the CIP. It encompasses enacting appropriations for the projects in the current year of the CIP.

Flexibility is built into the CIP to allow for delay of projects when financing constraints make it impossible to allow for funding of the entire array of projects and to move future projects forward when financial availability makes it possible.

CAPITAL IMPROVEMENT PLAN PROJECT EVALUATION CRITERIA

- **Safety/Accessibility:** The benefit to the safety, accessibility of the facility to all people regardless of impairment or disability should be evaluated.
- **Facility Needs:** The project should alleviate identified problems or deficiencies to maintain the quality of the facility.
- **Related Projects:** Often projects in one category are essential to the success of those in others.
- **Efficiency:** Projects that substantially improve the quality of service at the same operating cost, or eliminate obsolete and inefficient facilities should be identified using this category.
- **Public:** Projects are generally more easily implemented if there is public demand and support for them. Such public support should be gauged in terms of its strength and the depth of understanding

CAPITAL IMPROVEMENT PLAN UPDATE AND AMENDMENT

The CIP will be updated annually and incorporated into the annual budget document. The District's Board of Commissioners may amend the CIP at any time if a decision must be made and action taken before the next CIP review period. The Board must approve all additions and deletions. The CIP is required to be updated at a minimum annually to:

- Make any adjustments in future project years when changes occur in funding or cost.
- Add the next year of possible projects, if any, to replace the current year funded.

STEPS IN THE CAPITAL IMPROVEMENT PLAN PROCESS

The CIP is developed around the following steps:

1. Review of inventory of existing facilities and systems. This will help to indicate the eventual need for renewal, replacement, expansion or retirement of some of the systems. This inventory is part of the Maintenance and Operation documents which are updated on a regular basis.
2. Determine by review the status of previously approved projects and costs. The CIP should report on the status of previously approved projects.
3. The Executive Director will compile and evaluate project requests and needs.
4. The Executive Director will present the identified projects to the District's Advisory Committee to determine priority based upon CIP criteria.
5. The Executive Director and Finance Committee will perform financial analysis of all significant projects.
6. Once the Finance planning has completed as shown above, the Executive Director will present the recommended CIP as part of the budget document to the District's Board of Commissioners.
7. Approval of the budget and CIP.

FINANCIAL FORECASTING

Part of the budget development process is looking at the ten-year financial forecast that projects the District's financial condition for the next ten years. Along with the Capital Improvement Plan, the Long-range Budget Plan ensures that the District has the resources necessary to implement long-range goals and meet community needs as articulated in the Strategic Plan. Using this forecast, the Board can assess the long-term financial implications of current and proposed policies, programs, personnel, capital projects and debt, and decide on a course of action to achieve District priorities. More specifically, the long-range forecasting of revenues and expenditures achieves the following:

- Provides an understanding of available funding;
- Evaluates financial risk;
- Assesses the level at which services can be sustained;
- Assesses the level at which capital investment can be made;
- Identifies future commitments and resource demands; and
- Identifies the key variables that cause changes in revenue levels.

The District's perpetual focus to identify efficiencies coupled with continuous improvement has been the key to its success, particularly during the last several years of economic challenge. Additionally, sound financial practices, a continued competitive bidding climate, and the pursuit of alternative revenue opportunities have kept the District in a financially healthy state.

METHODOLOGY

Hybrid forecasting combines knowledge-based forecasting (knowledge-based forecasting consists of using the forecaster's own knowledge and feel for the situation, rather than data and statistics, as the basis for the forecast) with a quantitative method of forecasting. Hybrid forecasting methods are very common in practice and can deliver superior results. While complex techniques may get more accurate answers in particular cases, simpler hybrid techniques tend to perform just as well or better on average. The extrapolation of historical revenue and expenditure data to predict future trends was used for initial projections, but qualitative knowledge based measures were added to smooth trending and create greater accuracy.

EXPANSION IN 2020

The District aquatic center receives over 80,000 visitors per year. Our facility is at or over capacity in providing programs and activities to meet the local and tourist demands. Visits have doubled since the District was formed in 2010.

WHY EXPAND?

- **Lack of space for demands of programming**

- **Increase specialized and flexible programing**

Having an indoor recreational option for tourists during the shoulder and winter months can be a big consideration when determining travel and vacation plans.. The expanded design will incorporate a large kids play and splash zone area, along with a spa and lazy river. Even in the summer months the aquatic center attracts campers and visitors when inclement weather occurs.

- **Increased demand for multi-day swim meets:**

The state of Washington has only a couple of long course aquatic facilities and there are none west of Seattle. This creates an opportunity to host both long and short course swim meets which occur throughout the year. The bulk of swim meets occur during the school year, which fall on the shoulder and winter seasons. The District could host 8-10 swim meets per year. All swim meets are at least two days and some are three day events. This requires all visiting teams to use local lodging. A study of recent swim meets suggests a 90% use of hotel within the City of Port Angeles and a 10% use of unincorporated Clallam County hotels.

FIRST STEPS IN PLANNING FOR EXPANSION

The first step at looking at an expansion in 2020 is to do an expansion study to cover the following issue:

- Expansion options
- Cost of expansion options
- Maintaining programming during expansion process
- Timeline for expansion
- Financial cash flow analysis of expansion
- Financing options
- Realistic estimates of operational costs
- Realistic estimates of new revenue

ARC Architects, who has worked with the District in the past and is very familiar with our facility and uses, will be conducting the design and cost elements of our expansion study. ARC is the leading Aquatic design firm in the Northwest and has completed expansion plans for the Seattle Metro Parks District and others. The design options will incorporate input from patrons and our Advisory Committee. In addition, our Advisory Committee and our District Treasurer will be part of the team looking at the other elements of our expansion study including cash flow, financing, new revenue estimates, and increases in operational expenses.

The ARC portion of the Expansion study will be \$28,500. This is scheduled to be paid by a grant, which will a be split between the Port Angeles Lodging Tax Advisory Committee, with \$21,375 (75%), and the Clallam County Lodging Tax Advisory Committee, with \$7,125 (25%).

FINANICAL FORECASTING FOR EXPANSION

SCENARIO PLANNING

Scenario planning is a powerful tool in establishment of strategic direction and priorities. Scenarios provide perspective on potential events and their consequences, providing a decision-making context for policy makers and managers. Scenarios focus on the interrelated effect of multiple factors and provide alternative views of the future. Consideration of a range of possible futures, decisions are better informed, and a strategy based on this deeper insight is more likely to succeed. The District's long-term forecast has two scenario's:

1. No Expansion Scenario
2. Expansion Scenario

Several assumptions were made in relation to the two scenarios.

- Expansion would occur in the year 2020

- Current bond debt would be paid off or rolled into the expansion debt
- Expansion costs estimated at \$5 million.

FINANCIAL FORECAST OPTION 1: NO EXPANSION

Chart 22: Revenue and Expenditure Forecast with No Expansion

Descriptions	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Beginning Balance	\$227,285	\$287,349	\$195,591	\$126,333	\$127,685	\$487,548	\$445,345	\$483,188	\$586,521	\$187,875	\$528,198
Revenue	\$487,750	\$495,796	\$495,878	\$497,387	\$505,998	\$514,813	\$524,835	\$535,068	\$547,514	\$562,177	\$1,287,058
Expenditures	\$679,438	\$693,027	\$706,887	\$721,025	\$735,446	\$750,154	\$765,158	\$780,461	\$796,070	\$811,991	\$828,231
Debt Payment	\$128,250	\$164,929	\$157,888	\$148,810	\$155,888	\$148,854	\$145,854	\$98,285	\$0	\$0	\$0
Debt Balance	\$895,030	\$719,364	\$630,232	\$566,182	\$509,125	\$278,391	\$87,147	\$0	\$0	\$0	\$0
Fund up Debt Payment								\$10,000	\$150,000	\$150,000	\$150,000
Ending Balance	\$287,349	\$195,591	\$126,333	\$127,685	\$487,548	\$445,345	\$483,188	\$586,521	\$187,875	\$528,198	\$1,286,988
Total Surplus	\$68,056	\$12,810	\$29,181	\$38,352	\$29,859	\$37,885	\$37,824	\$63,362	\$181,644	\$188,185	\$179,828

FORECAST ASSUMPTIONS FOR NO EXPANSION:

The following assumptions were made to prepare the revenue projections for no expansion:

- Assessed Property Values (AV): AV's will continue to grow at a slow pace of 1% per year.
- Levy amounts: The District levy amount will rise 1.5% per year.
- Donations, gifts or grants were NOT included in revenue projections
- No program growth was added because the facility has reached it's maximum capacity.
- No increases were used for program fees, memberships and daily uses
- Merchandise sales growth was set at a no growth
- No investment revenue was used on excess fund balances

The following assumptions were made to prepare the expenditure projections for no expansion:

- Salaries and Wages: Wage increases are an annual 2.5% across all positions;
- Supplies and Services: a 2% increase was used.
- Capital expenditures were included
- Debt payment money freed up in 2023 and forward.

FINANCIAL FORECAST OPTION 2: EXPANSION IN 2020

Chart 23: Revenue and Expenditure Forecast with Expansion

Descriptions	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Beginning Balance	\$227,285	\$287,349	\$195,591	\$126,333	\$127,685	\$487,548	\$588,888	\$547,458	\$525,748	\$516,871	\$515,820
Revenue	\$487,750	\$495,796	\$495,878	\$497,387	\$505,998	\$514,813	\$524,835	\$535,068	\$547,514	\$562,177	\$1,287,058
Expenditures	\$679,438	\$693,027	\$706,887	\$721,025	\$735,446	\$750,154	\$765,158	\$780,461	\$796,070	\$811,991	\$828,231
Expansion Revenue							\$0,000	\$7,100	\$8,125	\$79,044	\$87,490
Expansion Expenditures						\$5,000,000					
Expansion Op. Expense							\$10,000	\$11,000	\$12,025	\$13,000	\$14,122
Existing Debt Payment	\$128,250	\$164,929	\$157,888	\$148,810	\$155,888						
Debt Balance	\$895,030	\$719,364	\$630,232	\$566,182	\$509,125						
Expansion Loan Proceeds						\$5,000,000					
Levy Increase							\$81,000	\$81,000	\$81,000	\$81,000	\$81,000
Debt Payment						\$24,110	\$288,317	\$288,317	\$288,317	\$288,317	\$288,317
Debt Balance						\$5,390,875	\$5,257,204	\$5,158,318	\$5,038,490	\$4,924,721	\$4,805,885
Ending Balance	\$287,349	\$195,591	\$126,333	\$127,685	\$487,548	\$588,888	\$547,458	\$525,748	\$516,871	\$515,820	\$521,662
Total Surplus	\$68,056	\$12,810	\$29,181	\$38,352	\$29,859	\$188,548	\$28,039	\$15,218	\$6,788	\$1,148	\$7,838

FORECAST ASSUMPTIONS:

The following assumptions were made to prepare the revenue projections.

- Assessed Property Values (AV): AV's will continue to grow at a slow pace of 1.5% per year.
- Levy amounts: The District levy amount will rise 1% per year.
- Donations, gifts or grants were NOT included in revenue projections
- An increase of 15% per year of program growth was used for the first 5 years after expansion then growth will stabilize.
- No increases were used for program fees, memberships and daily uses
- Merchandise sales growth was set at no growth
- No investment revenue was used on excess fund balances

The following assumptions were made to prepare the expenditure projections for expansion:

- Salaries and Wages: Wage increases are an annual 2.5% across all positions
- Expansion Operation costs start at \$50,00 in 2020 and continue with 2% annual increase
- Supplies and Services: a 2% annual increase was used.
- Expansion costs set at \$5,000,000 through bond financing. Expansion debt financing can increase to \$6,800,000 without a District vote. A District vote is required for debt financing above this amount.
- Bond rate set at 3.5% for 30 years
- Existing bond balance of \$369,125 rolled into new bond payment in 2020.
- No additional capital expenditures were included

CONCLUSIONS: NO EXPANSION

The forecast conclusion for no expansion shows the District in a healthy financial condition over the next ten years. The forecast shows:

- Budget surpluses in the operating budgets for 2016 and forward will be averaging \$25,000.
- Fund balance in excess of \$1,000,000 by 2026.
- Existing bond and loan debt may be paid off 1-2 years early
- Reducing levy proceeds will need to be looked at by 2026.

CONCLUSIONS: EXPANSION

The forecast conclusion for expansion shows:

- The additional amount needed to make the \$5 million bond payment is surprisingly low since we will have freed up \$150,000 to help with the payment from our retired bond payment.
- Debt financing can increase to \$6.8 million without requiring an approval vote of District residents. Debt financing above this amount will require an approval vote by District residents.
- The additional amount needed is approximately \$0.03 cents per \$1000 of AV or \$85,000 annually.
- Revenue received because of additional programming due to the expansion should more than offset the added expense to operate the expanded facility.
- The District's ending balance in 2020 will be approximately \$400,000.
- The District will need to operate with a negative surplus from 2022-2025. Then surplus will grow by \$7,000 per year
- Expansion may be done prior to 2020, although the existing bond payoff would be an additional \$130,000 each year earlier than 2020.
- No voter approval is required for anticipated debt financing unless the expansion costs increase over \$6.8 million. An advisory vote may be advisable.

This ten-year financial forecast is a work in progress, as it must be regularly monitored and updated yearly to reflect changing economic conditions and organizational priorities.

ANNUAL CAPITAL IMPROVEMENT PLAN SUMMARY

The current CIP is focusing on near term projects until a direction is clear as to when and if the District will be doing an expansion project. Due to the scope the expansion project would have, no significant capital projects are being considered to avoid duplicity of projects and duplication of expended funds.

The District does anticipate continuing its program of renovating and updating where duplication is not a factor. This Strategic Plan outlines the following projects:

1. **Resurface Pool Floor:** Remove paint and repaint the pool with a more long lasting product. Current surfacing methods is only giving us 1 to 2 years lifespan (completed 2015).
2. **Paint Ceiling:** Clean and paint ceiling of the Natatorium. Ceiling has not been painted since the early 1970's (completed 2015).
3. **Replace Sound Panels:** Remove and replace sound panels with new encapsulated ones. Current sound panels are just open insulation that has been in place for over 15 years and is molding (completed 2015).
4. **Expansion Study:** Complete expansion study with the two options for expansion. Plans would include expanded parking, new locker rooms, kids water area and variable depth therapy pool (2016).
5. **Paint Exterior Building:** Paint the exterior and trim of building. Exterior has not been painted in 15 years and is peeling and fading (2016).
6. **New Signage:** Install new signage and LED reader board at the entrance to facility to better inform the public as to our activities and programs (2016).

STATUS OF CAPITAL IMPROVEMENT PLAN PROJECTS

The following is the current list of CIP projects, timeline, and current status of each project.

Chart 24: Capital Improvement Projects

Project	Budget Year	Est. Cost	Financial Source	Status	Phase	Category	Objective
Paint Natatorium Ceiling	2015	\$8,000	Capital Fund	Funded	Completed	Building	Facility Needs
Replace Sound Baffles	2015	\$6,000	Capital Fund	Funded	Completed	Building	Facility Needs
Replace Pool Surface	2015	\$10,000	Capital Fund	Funded	Completed	Building	Facility Needs
Expansion Plans	2016	\$28,500	Grant	Funded	Approved	Building	Public Needs
Paint Exterior Building	2016	\$10,000	Capital Fund	New	Bid Phase	Building	Facility Needs
New Signage	2016	\$10,000	Capital Fund	New	Design Phase	Exterior	Facility Needs

2016 CIP PROJECTS EFFECT ON OPERATING COSTS

New capital projects occasionally increase operational costs when they require additional personnel to manage, operate, and maintain them. The ability of ongoing revenue to support these costs can vary

significantly. In some cases, capital expenditures may actually decrease future maintenance costs when existing facilities are upgraded.

Because general-purpose capital improvements do not always directly increase revenues, these costs are included in the planning for such projects. Some operating costs may be mitigated to some degree by increases in charges for services. Maintenance impacts associated with these new capital facilities coincide with the completion of construction.

Section 9: Taxing Authority

Taxes make up approximately 58% of the General Fund revenue budget. Most of the tax revenue is in the form of property tax.

DISTRICT STATUTORY TAXING CAPACITY

The maximum lawful tax rate a Metropolitan Park District is allowed by Revised Code of Washington (RCW) section 35.61.210 is \$0.75 per \$1,000 of District assessed valuation. The 2016 levy tax rate is estimated at \$0.179. The remaining taxing capacity is not anticipated to be needed in the operation of the District.

HISTORICAL PROPERTY TAX FOR DISTRICT AND ALL LEVY AMOUNTS

Property taxes are assessed to the citizens in March of each year for 1st half payment due on April 30th and the 2nd half due on October 30th. Several limitations control the growth of regular property tax levies and revenues:

- Initiative 747 (RCW 84.52.050), voter approved in 2001, requires state and local governments to limit their property tax increases to 1% each year, or the IPD, whichever is less, unless an increase greater than this limit is approved by voters in an election.
- Revised Code of Washington (RCW) 84.52.043(2) limits all regular tax levies within counties to \$5.90 per \$1,000 of assessed value (AV). If the taxes of all districts collectively exceed this amount, a proportionate adjustment is applied until the total is reduced to the 1 percent limit.

Initiative 747 limitations do not apply to the District in the near term because the District has only been using a portion of the maximum lawful levy limit and would only apply when the District reaches its levy limit.

2016 LEVY

The levy rate is a product of the amount of the total taxes assessed and property values. After the District establishes the levy amount by the District Board of Commissioners rate, the County applies the total assessment to the total property values within the entity that then results in a levy rate per \$1,000 of assessed value

The Clallam County Assessors Office has certified the property values (assessed values/AV) for the District at 3.15% higher than 2015 assessed values. This increase in property values is the first property value increase since 2008 and indicates that AV's reached bottom in 2015. The property values for the District have declined a total of 23% since the voters approved the Park District formation in 2009.

The District Board has decided to slowly return to the levy amount the voters approved in 2009, which was \$525,000. The Board decided the increase to be \$15,000 for 2016, which will total \$495,000 for the 2016 tax levy, making the levy approximately \$0.179 per \$1,000 of AV's.

The District Board has continued to have the District citizen's best interest in mind during the budget process concerning regular property taxes. The table below provides a history of levy rates.

DISTRICT HISTORICAL PROPERTY VALUES AND LEVY RATES

Chart 25: Property Values and Levy Rates by Year

Year	Assessed Property Value	% Increase/Decrease	Highest Lawful Levy	Levy Amount	A/V per \$1,000
2009	\$3,498,913,138	N/A	\$2,624,185	\$525,000	\$0.150
2010	\$3,198,254,744	-8.59%	\$2,398,691	\$475,000	\$0.148
2011	\$3,125,867,763	-2.26%	\$2,344,401	\$465,000	\$0.148
2012	\$2,908,002,027	-6.97%	\$2,181,002	\$465,000	\$0.159
2013	\$2,745,879,119	-5.58%	\$2,059,409	\$465,000	\$0.169
2014	\$2,668,958,264	-2.80%	\$2,001,719	\$475,000	\$0.178
2015	\$2,672,420,425	0.13%	\$2,004,315	\$480,000	\$0.179
2016	\$2,749,414,641	3.15%	\$2,062,061	\$495,000	\$0.179
Total Increase/Decrease:		-23%			

Chart 26: Lawful and Actual Levy Rates Comparison by Year Graph

Levy Rates by Year



OTHER TAXING REVENUE

The District also receives tax revenue from timber harvest taxes and excise taxes and proceeds from the sale of county timber. These revenues vary drastically from year to year and are difficult to predict.

Section 10: Long Term Debt

DEBT MANAGEMENT POLICY

The District's debt management policy is to plan and direct the use of debt so that debt service payments will be a predictable and manageable part of the annual budget. The District will raise capital at the lowest possible cost through maintenance of a high credit rating and reputation in the credit markets.

A General Obligation Bond and two capital loans from the State of Washington LOCAL program comprise all the long term debt by the District. At the end of the 2016 budget year, the total outstanding debt will be reduced to \$889,630.

DISTRICT STATUTORY DEBT LIMITS AND AVAILABLE CAPACITY

In accordance with RCW 35.61.100, the District may incur non-voter approved debt to the maximum of 0.25% of the District assessed valuation. In addition, in accordance to RCW 35.61.110 the District may, together with existing voter-approved indebtedness and nonvoter-approved indebtedness, increase debt to a maximum of 2.5% of the District assessed valuation.

Chart 27: Debt Limits and Available Capacity

Type of Debt	2016 District Valuation	Statutory Debt Limit	Total Debt Outstanding	Available Capacity
Non-Voter Approved (.25%)	\$2,749,414,641	\$6,873,537	\$889,630	\$5,983,907
Voter Approved (2.5%)	\$2,749,414,641	\$68,735,366	\$0	\$68,735,366

Section 11: Personnel

The District Budget for 2016, 73% of the General Fund operational expenditures are dedicated to wages, salaries and benefits. The District has several classifications of employees from part time to full time salaried. Currently, the District has collective bargaining agreements with any classification of employees. The District facility is open 103 hours per week that requires 2.5 FTE's for each position. The following is a list of each classification and details:

Chart 28: Employee Classification Detail

Position	Schedule	FLSA	Sick/Annual Leave	Benefits	Deferred Comp.
Lifeguard	PT Hourly	Yes	No	No	Yes
Instructor	PT Hourly	Yes	No	No	Yes
Head Lifeguard	PT/FT Hourly	Yes	No	No	Yes
Janitors	PT Hourly	Yes	No	No	Yes
Assist. Manager	FT Salary	No	Yes	Yes	Yes
Aquatic Manager	FT Salary	No	Yes	Yes	Yes
Executive Director	PT Salary	No	Yes	Yes	Yes

The District budget calls for 13.7 Full Time Equivalent (FTE) positions for 2015, which is the same as the FTE's for 2014. Each week, Head Lifeguard coverage is done with the Assistant Manger (20 hours per week) and the balance of hours is done with Head Lifeguards.

The increase in FTE's since 2013 is due to the increase in our programming and attendance of the facility as shown in our earned revenue increases.

Chart 29: FTE's by Personnel Category Yearly Comparison

Position	2012 FTE's	2013 FTE's	2014 FTE's	2015 FTE's	2016 FTE's
Lifeguard	3.0	4.1	5.1	5.1	5.1
Instructors	3.8	2.3	2.8	3.0	3.5
Head Lifeguard	1.3	1.8	2.1	2.1	2.1
Janitors		.5	.5	.5	.5
Assistant Manager	2	1	1	1	1
Aquatic Manager	2	1	1	1	1
Executive Director	.7	.7	.7	.5	.5
TOTAL FTE*s	12.8	11.4	13.2	13.2	13.7

Glossary of Terms

Accounting System: The total set of records and procedures used to record, classify, and report information on the financial status and operations of an entity.

Accrual Basis Accounting: A method of accounting for revenues and expenses when earned or incurred instead of when cash is received or spent.

Actual: Monies which have already been used or received as opposed to budgeted monies which are estimates of possible funds to be spent or received.

Assessed Valuation: The estimated value placed upon real or personal property as the basis for levying property taxes.

Audit: An examination to determine the accuracy and validity of records and reports by an agency whose duty it is to make sure the District conforms with established procedures and policies.

BARS: Stands for Budgeting, Accounting, Reporting System. The manual the State of Washington requires governmental entities (i.e., counties and park districts) to use.

Base Budget: The ongoing cost to maintain the current level of service. Inflation is included in the budget without increasing any level of service.

Benefits: The District provided employee benefits such as social security insurance, retirement, worker's compensation, life insurance, medical insurance and dental insurance.

Bond: A written promise to pay a specific sum of money (principal) at a specified future date along with periodic interest rate. Bonds are typically used for long-term debt to pay for a particular capital expenditure.

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.

Budget Calendar: The schedule of key dates involved in the process of adopting and then executing an adopted budget.

Budget Hearing: The public hearings conducted by District Commissioners to consider and adopt the annual budget.

Budget Policy: An overall plan to guide present and future courses of action regarding the coordination of revenues and expenditures.

Capital Assets: Assets of significant value which have a useful life of several years. Also referred to as fixed assets.

Capital Improvement Budget: Major capital improvements which are beyond the routine operation of the District are budgeted under separate capital project funds. These projects, which often require more than one year for completion, include items such as expansion of facilities and replacement of aging equipment. In total, these projects are referred to as the Capital Improvement Budget and are budgeted out of the Capital Improvement Fund and not the General Fund.

Capital Improvement Plan (CIP): A plan for capital expenditures to be incurred each year over a fixed period of years, identifying the expected beginning and ending date, and the amount to be expended in each year and the method of financing those expenditures.

Capital Outlays: Annual operating expenditures for the acquisition of, or addition to, fixed assets. These expenditures must cost more than \$3,000, including construction projects, land acquisition, major renovations or repairs to existing grounds or facilities, and equipment purchases.

Capital Projects: Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

Cash Basis Accounting: The method of accounting where revenues are recorded when received and expenditures are recorded when paid.

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures.

Debt Service: The annual payment of principal and interest on the District's indebtedness.

Deficit: The excess of the liabilities of a fund over its assets. The excess of expenditures over revenues during an accounting period.

Depreciation: The periodic expiration of an asset's useful life. Depreciation is a requirement, in proprietary type funds (such as enterprise and internal service funds).

Earned Revenue: Revenue which is derived from programs, services and activities, and does not include any tax revenue.

Enterprise Fund: A type of proprietary fund containing the activities of funds where the intent is for the direct beneficiaries to pay for all costs of the fund through fees, or where a periodic determination of revenues and expenses is desired by management.

Ending Balance: The year-end balance of current assets less current liabilities.

Expenditures: Where accounts are kept on the accrual or modified accrual basis of accounting, the costs of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

Fiscal Year: Any yearly accounting period, without regard to its relationship to a calendar year. The fiscal year for the District begins on January 1 and ends on December 31.

FTE: Stands for Full-time Equivalent. A numerical expression which indicates the amount of time a position has been budgeted for. A position budgeted at 40 hours per week for 12 months equals 1.0 FTE. Other frequently budgeted levels are 20 hours per week (.5 FTE) to show a position that has been split between two funds because the employee's responsibilities directly affect two funds.

Fund: An accounting entity with its own self-balancing set of accounts recording cash and/or other sources of revenues against expenditures for specific activities.

Fund Balance: The excess of an entity's assets over its liabilities in a particular fund. A negative fund balance is sometimes called a deficit.

GAAFR: Stands for Governmental Accounting, Auditing and Financial Reporting. The "blue book" is published by the Government Finance Officers Association to provide detailed guidance for the application of accounting principals for government.

GAAP: Stands for Generally Accepted Accounting Principles, which are accounting and reporting standards used for both private industry and government.

GASB: Government Accounting Standards Board regulates the rules and standards for all governmental units.

General Fund: The District's principal operating fund, which is supported by taxes, fees, and other revenues that may be used for any lawful purpose. The fund of the District that accounts for all activity not specifically accounted for in other funds.

Grants: A contribution of assets (usually cash) by one governmental unit or other organization to be used or spent for a specified purpose, activity, or facility. Typically, these contributions are made to local governments from the State and Federal governments and are received into the Special Revenue Fund till expended.

Interfund Transfers: Amounts transferred from one District fund to another and no services are rendered.

Intergovernmental Revenue: Grants, entitlements, shared revenues and payment for goods and services by one government to another.

Levy: To impose a tax, special assessment or service charge for the support of government activities. The term most commonly refers to the real and personal property tax levy.

Levy Rate: The rate at which taxes, special assessments or service charges are imposed. For example, the real and personal property tax levy is the rate at which property is taxed per \$1,000 of assessed valuation. The rate is determined by calculating the ratio of the maximum amount of property tax revenue allowable under state law and the total assessed valuation within the taxing district.

Liability: Debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

LOCAL Program: A capital loan program by the State of Washington which taxing districts may utilize to raise capital for improvements and large purchases.

Mandate: A requirement imposed by one unit of government on another unit of government.

Modified Accrual Accounting: A basis of accounting in which expenditures are accrued, but revenues are accounted for on a cash basis. This accounting technique is a combination of cash and accrual accounting since expenditures are immediately incurred as a liability, while revenues are not recorded until they are actually received or are "measurable" and "available for expenditure". This type of accounting basis is a conservative financial approach, and is used by the District.

Object of Expenditure: Expenditure classifications based upon the types or categories of goods and services purchased. Typical objects of expenditure include personnel services (wages and salaries), contracted services (utilities, maintenance contracts, etc.) supplies and materials, and capital outlays.

Operating Budget: The annual appropriation to maintain the provision of District services to the public.

Operating Transfer In: Transfer from other funds which are not related to rendering of service.

Other Services and Charges: A basic classification for services other than personnel services which are needed by the District. This budget item includes professional services, communication, travel, advertising, rentals and leases, insurance, public utility services, repairs and maintenance, and miscellaneous.

Performance Measures: Specific quantitative measures of work performed within an activity or program (i.e., total swim lessons, admissions per month). Also a quantitative measure of results obtained through a program or activity.

Performance Objectives: A statement that describes in specific and measurable terms the results that the program is expected to achieve within a certain time-frame.

Program: A broad function or area of responsibility of government services. It is a basic organizational unit of government that is composed of a group of specific activities and operations directed at attaining a common purpose or goal.

Proprietary Fund: See Enterprise Fund.

Proposed Budget: The recommended and unapproved District budget submitted to the District Board of Commissioners and public in October/November of each year by the Executive Director and the District Treasurer.

Reserve: A segregation of assets to provide for future use toward a specified purpose.

Resources: Total dollars available for appropriations including estimated revenues, fund transfers and beginning fund balances.

Revenue: Income received by the District to support programs or services to the community. It includes such items as taxes, fees, user charges, grants, fines, forfeits, interest income and miscellaneous revenue.

Revenue Estimate: A formal estimate of how much revenue will be earned from a specific source for some future period; typically, a year.

Salaries and Wages: Amounts paid for services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime and seasonal help.

Special Revenue Funds: Government funds, grants and donations where the source of revenue has stipulated it to be dedicated to a specific purpose.

Strategic Plan: Document created and used by the District for long-range budget planning.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments, or charges for services rendered only to those who pay, for example, sewer service charges.

Transfers: Internal movements of revenue and expenses among funds in the budget to provide needed sources of funding for expenses incurred on behalf of another fund.

Appendix

APPENDIX #1: 2016 BUDGET-AT-A-GLANCE

William Shore Pool District

Budget-At-A-Glance

2016 Operating Budget

This "Budget-At-A-Glance" is a snapshot of the District's 2016 budget. The budget is adopted by the District Commissioners annually and is a forecast of revenues and expenditures for the fiscal year.



Mission Statement

To provide high quality, safe, and accessible aquatic programs and facilities that enhances the quality of life for all ages, cultures, and abilities, which encourages health, wellness, learning and fun.

Vision Statement

To provide a well-functioning and well-maintained aquatic center that enhances quality of life by offering a diversity of recreational opportunities for people of all ages and needs.

The District has a strong commitment to conservative fiscal planning. At the end of 2015, the District's closing balance will be \$296,978. Each year the District has a \$40,000 surplus. We continue to live within our financial means while providing important activities and delivering quality programs to the community.

Where Your Property Tax Dollar Goes?



225 E. 5th St.
 Port Angeles, WA 98362
 (360)417-9767
 williamshorepool.org

BOARD OF COMMISSIONERS

Brad Collins
President
 Mike Chapman
 Anna Manildi
 Bill Peach
 Cherie Kidd

Capital Improvement Projects

The projects will continue to be modest in the 2016 budget. This is a result of expansion plans targeted for 2020. In order to not duplicate projects, we have decided to limit capital spending to areas not associated with future expansion. Some of this year's CIP projects include:

- Paint Exterior of Building
- New Signage
- Expansion Design Study

Energy Improvements

We are now two years past our energy improvement project. Our contractor tracked energy use for the two years and reported a savings of over \$70,000 per year in utility use.

Fully Funded Reserves

The District has established two financial reserves that are fully funded and protect the District against unexpected interruptions in revenues. The reserve funds ensure continued delivery of services while addressing emergencies and providing stability during economic downturns.

The first reserve is in the amount of \$150,000 which is one year's worth of our bond and loan payments. The second reserve is for operating expenses and is funded at \$60,000 or 10% of operating expenses.

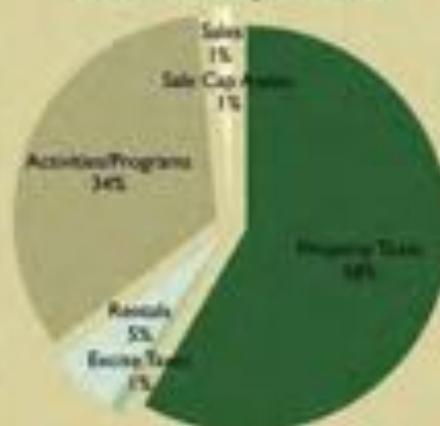
Financial Reports

Current and historical budget and audit documents are accessible at <http://www.williamshorepool.org>



2015 Revenue

"Where Our Money Comes From"



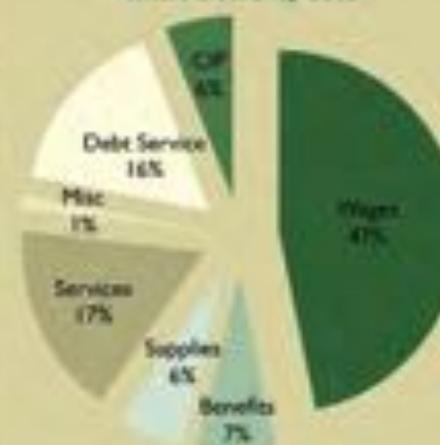
2015 REVENUE

Property Tax	\$405,000
Excise Tax	\$8,500
Rentals/Contracts	\$44,250
Merchandise	\$8,000
Programs	\$267,000
Sale Capital Assets	\$5,000
Misc Revenue	\$1,000

Total: \$848,250

2015 Expenditures

"Where the Money Goes"



2016 EXPENDITURES

Wages	\$377,313
Benefits	\$57,000
Supplies	\$47,350
Services	\$130,450
Misc. Expenses	\$10,000
Debt Service	\$125,819
Capital Projects	\$48,500

Total: \$887,732

Budget Highlights

- \$15,000 increase in tax revenue
- \$48,500 in capital improvement projects
- Maintaining a one-year bond payment reserve (\$150,000)
- Maintaining a 30% operating reserve (\$60,000)
- General Fund balance of \$296,976 at end of 2015
- 1% increase in operating expenditures
- Assessed property values increased for first time since 2008.

Budget Priorities

- Complete the "Expansion 2020" study
- Forecast future revenues to account for property value increase
- Continue to stabilize operating expenses
- Increase non-tax revenue
- Continue to invest in capital improvements of the facility
- Increase certified instructors

APPENDIX #2: 2016 BUDGET RESOLUTION

William Shore Memorial Pool District

225 E. 5th St.
Port Angeles, WA 98362-3015
Fax: 360.417.2493

COMMISSIONERS

MICHAEL CHAPMAN, BILL PEACH, ANNA MINALDI, BRAD COLLINS, CHERI KIDD

RESOLUTION Nº _____, 2015

A RESOLUTION FOR ADOPTING 2016 ANUAL BUDGET

THE WILLIAM SHORE MEMORIAL POOL DISTRICT BOARD OF COMMISSIONERS find as follows:

1. The District Executive Director and District Treasurer has recommended a balanced annual budget and estimate of monies required to meet public expenses for the 2016 calendar year.
2. The Clerk of the Board, in accordance with RCW 84.55.120, gave notice that the Board would have a regular meeting on November 24, 2015 giving taxpayers the opportunity to be heard regarding the proposed 2016 annual budget.
3. The Board of Commissioners conducted public hearing at the regular meeting on November 24, 2015, to consider all relevant evidence and testimony regarding the 2016 annual budget.
4. The 2016 annual budget does not exceed the lawful limit of taxation as allowed to be levied by the William Shore Memorial Pool District for the purposes set forth in this budget, the estimated expenditures set forth in this budget being necessary to provide for the safe operation of the William Shore Pool facility and its programs during the 2016 calendar year
5. In accordance with RCW 84.55.120, a budget and levy public hearing was conducted on November 24, 2015.

NOW, THEREFORE, BE IT RESOLVED by the William Shore Memorial Pool District Board of Commissioners, in consideration of the above findings of fact:

1. Approve and adopt the 2015 Annual Budget in the amounts of **\$1,016,369.00** in resources and **\$956,676.00** in expenditures.
2. Details of the budget are noted in exhibit A attached to and incorporated to this resolution.

PASSED AND ADOPTED this _____ day of _____ 2015

WSMPD PRESIDENT

ATTEST:

Rachelle Sires, Board Clerk

BRAD COLLINS, President

CC: Clallam County Treasurer, Budget Director and Auditor

macintosh hd:users:steve work:desktop:resolution for 2016 budget.docx

APPENDIX #3: 2016 LEVY CALCULATION SHEET

ACTUAL LEVY CALCULATION

TAXING DISTRICT WSMET CLALLAM-LK 2014 Levy For 2015 Taxes

Population: <input type="checkbox"/> Less than 10,000 <input checked="" type="checkbox"/> 10,000 or more			
Was a resolution/ordinance adopted authorizing an increase over the previous year's levy?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If so, what was the percentage increase? <u>1.05%</u>		Calculated % Increase <u>1.050000000000%</u>	
Was a second resolution/ordinance adopted authorizing an increase over the IPD? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A			
If so, what was the percentage increase? _____			

A. Previous year's actual levy times the increase as stated in ordinance or resolution (RCW 84.55.120). If the taxing district did not provide an ordinance or resolution use 100% in the field increasing the previous year's actual levy.			
4,987.50	*	105.000000000000%	\$479,987.50
<small>Plus Resolution Increase Amount</small>			
Year <u>2014</u> \$ <u>475,000.00</u>	*	<u>105.000000000000%</u>	= \$ <u>498,750.00</u>
<small>Previous Year's Actual Levy 100% Plus the Percentage Increase</small>			
B. Amount for new construction, improvements, and wind turbines, solar, biomass, and geothermal facilities. (Line B, page 1) = <u>\$2,217.30</u>			
C. Amount for increase in value of state-assessed property (Line C, page 1) = <u>0</u>			
D. Regular property tax limit (based on the lesser of values in line A): A+B+C = <u>\$482,204.80</u>			

Parts E through G are used in calculating the additional levy amounts due to annexation.

E. To find the rate to be used in F, divide the levy amount as shown in D (page 1) by the current assessed value of the district, excluding the annexed area.			
<u>\$2,424,895.27</u>	÷	<u>\$2,672,420,425</u>	= <u>0.907377913788</u>
<small>Total in Line D on page 1 Assessed Value</small>			
F. Annexed area's current assessed value including new construction and improvements, multiplied by the rate in E.			
Annexed Area's A.V.	*	<u>0.907377913788</u>	÷
<small>Rate in Line E</small>			
G. Total levy amount authorized, including the annexation D+F = <u>\$482,204.80</u>			

H. Total levy amount authorized by resolution (G) plus amount refunded or to be refunded (RCW 84.55.070).			
<u>\$482,204.80</u>	+	Amount to be Refunded	= <u>\$482,204.80</u>
<small>Total from Line G Amount allowable per Resolution/Ordinance</small>			

I. Total amount certified by county legislative authority or taxing district as applicable. (RCW 84.52.020 and RCW 84.52.070) = <u>\$480,000.00</u>			
--	--	--	--

J. Levy limit from line G on page 1, plus amount refunded or to be refunded (RCW 84.55.070).			
<u>\$2,424,895.27</u>	+	Amount to be Refunded	= <u>\$2,424,895.27</u>
<small>Line G, Page 1 Total</small>			

K. Amount of taxes recovered due to a settlement of highly valued disputed property (RCW 84.52.018).			
<u>\$480,000.00</u>	-	Amount Held in Abeyance	= <u>\$480,000.00</u>
<small>Lesser of H, I, or J Total</small>			

L. Statutory limit from line H on page 1 (dollar amount, not the rate) = <u>\$2,004,315.32</u>			
--	--	--	--

M. Lesser of K and L = <u>\$480,000.00</u>			
N. Levy Corrections Year of Error: _____			
1. Minus amount over levied (if applicable)			
2. Plus amount under levied (if applicable)			
O. Total: M +/- N = <u>\$480,000.00</u>			

Regular Levy Rate Computation: Lesser of L and O divided by the assessed value in line J1 on page 1.			
<u>\$480,000.00</u>	÷	<u>\$2,672,420,425</u>	= <u>0.179812457497</u>
<small>Lesser of L and O Amount on line J1 on page 1</small>			

HIGHEST LAWFUL LEVY CALCULATION

TAXING DISTRICT	WSMET CLALLAM-LK		2014	Levy for	2015	Taxes
A. Highest regular tax which could have been lawfully levied beginning with the 1985 levy (refund levy not included).						
Year	2014	\$2,398,691.08	*	101.000%	=	\$2,422,677.97
		Highest Lawful Levy		Maximum Increase 101%		
B. Current year's assessed value of new construction, improvements, and wind turbines, solar, biomass, and geothermal facilities in original districts before annexation occurred times last year's levy rate (if an error occurred or an error correction was made in the previous year, use the rate that would have been levied had no error occurred).						
	\$12,458,725	*	0.177972059680	+ \$1,000	=	\$2,217.30
	A.V.		Last Year's Levy Rate			
C. Current year's state assessed property value less last year's state assessed property value. The remainder is to be multiplied by last year's regular levy rate (or the rate that should have been levied).						
	\$15,172,527	-	\$16,528,078	=	\$ (1,355,551.00)	
	Current Year's A.V.		Previous Year's A.V.		Remainder	
	0	*	0.177972059680	+ \$1,000	=	0
	Remainder from Line C		Last Year's Levy Rate			
D. Regular property tax limit: A+B+C = \$2,424,895.27						
Parts E through G are used in calculating the additional levy limit due to annexation.						
E. To find the rate to be used in F, take the levy limit as shown in Line D above and divide it by the current assessed value of the district, excluding the annexed area.						
	\$2,424,895.27	÷	\$2,672,420,425	* \$1,000	=	0.907377913788
	Total in Line D		Current Assessed Value			
F. Annexed area's current assessed value including new construction and improvements, times the rate in Line E.						
		*	0.907377913788	+ \$1,000	=	
	Annexed Area's A.V.		Rate in Line E			
G. Regular property tax limit including annexation D+F = \$2,424,895.27						
H. Statutory maximum rate times the assessed value of the district.						
	\$2,672,420,425	*	0.750000000000	+ \$1,000	=	\$2,004,315.32
	A.V. of District		Statutory Rate Limit			Statutory Amount
I. Highest Lawful Levy (Lesser of G and H) = \$2,004,315.32						
J. Tax Base For Regular Levy						
1. Total district taxable value (including state-assessed property, and excluding boats, timber assessed value, and the senior citizen exemption for the regular levy)						\$2,672,420,425
K. Tax Base for Excess and Voted Bond Levies						
2. Less assessed value of the senior citizen exemption of less than \$35,000 income difference between the lower of the frozen or market value and the exempt value)						
3. Plus Timber Assessed Value (TAV)						
4. Tax base for excess and voted bond levies (1-2+3)						\$2,672,420,425
Excess Levy Rate Computation						
Excess levy amount divided by the assessed value in Line K4 above.						
		÷	\$2,672,420,425	* \$1,000	=	
	Levy Amount		A.V. from Line K4 above			
Bond Levy Rate Computation						
Bond levy amount divided by the assessed value in Line K4 above.						
		÷	\$2,672,420,425	* \$1,000	=	
	Levy Amount		A.V. from Line K4 above			

APPENDIX #4: 2016 LEVY CERTIFICATION



Levy Certification

Submit this document to the county legislative authority on or before November 30 of the year preceding the year in which the levy amounts are to be collected and forward a copy to the assessor.

In accordance with RCW 84.52.020, I, Steven D. Burke _____
(Name)

Executive Director _____, for William Shore Memorial Pool District _____, do hereby certify to
(Title) (District Name)

the Clallam County _____ County legislative authority that the Commissioners _____
(Name of County) (Commissioners, Council, Board, etc.)

of said district requests that the following levy amounts be collected in 2016 _____ as provided in the district's
(Year of Collection)

budget, which was adopted following a public hearing held on Nov. 24, 2015 _____;
(Date of Public Hearing)

Regular Levy: \$495,000.00
(State the total dollar amount to be levied)

Excess Levy: \$0
(State the total dollar amount to be levied)

Refund Levy: \$0
(State the total dollar amount to be levied)

Signature: _____

Date: 11-24-2015 _____

To ask about the availability of this publication in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users, please call (360) 705-6718. For tax assistance, call (360) 534-1400.
REV 64 0100c (w) (2/21/12)

APPENDIX #5: 2016 LEVY RESOLUTION



Ordinance / Resolution No. -2015
RCW 84.55.120

WHEREAS, the Commissioners of William Shore Memorial Pool District has met and considered
(Governing body of the taxing district) (Name of the taxing district)
its budget for the calendar year 2016; and,

WHEREAS, the districts actual levy amount from the previous year was \$ \$480,000.00; and,
(Previous year's levy amount)

WHEREAS, the population of this district is more than or less than 10,000; and now, therefore,
(Check one)

BE IT RESOLVED by the governing body of the taxing district that an increase in the regular property tax levy
is hereby authorized for the levy to be collected in the 2016 tax year.
(Year of collection)

The dollar amount of the increase over the actual levy amount from the previous year shall be \$ \$495,000.00
which is a percentage increase of 3 % from the previous year. This increase is exclusive of
(Percentage increase)

additional revenue resulting from new construction, improvements to property, newly constructed wind turbines,
any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Adopted this _____ day of _____, _____.

If additional signatures are necessary, please attach additional page.

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the total amount to be levied by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: <http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc>.

To ask about the availability of this publication in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users, please call (360) 705-6718. For tax assistance, call (360) 534-1400.

REV 64 0101e (w) (2/21/12)

APPENDIX #6: 2016 PRICING SCHEDULE

2016 FEE SCHEDULE			
SINGLE ADMISSIONS	Type	District	Non-District
Single Admission	Senior/Disabled	\$1.50	\$7.00
Single Admission	Adult	\$5.25	\$10.50
Single Admission	Youth	\$3.25	\$6.50
Single Admission	Family	\$10.50	\$21.00
Single Exercise Class Admission	Everyone	\$6.50	\$13.00
USE PASSES			
12 Visit Swim Pass	Senior/Disabled	\$37.50	\$75.00
12 Visit Swim Pass	Adult	\$55.00	\$110.00
12 Visit Swim Pass	Youth	\$35.00	\$70.00
12 Visit Swim Pass	Family	\$110.00	\$220.00
12 Visit Exercise Class	Senior/Disabled	\$60.00	\$120.00
12 Visit Exercise Class	Adult	\$65.00	\$130.00
ANNUAL MEMBERSHIPS			
Annual Membership Paid Monthly	Senior/Disabled	\$18.50	\$37.00
Annual Membership Paid Monthly	Adult	\$31.50	\$63.00
Annual Membership Paid Monthly	Youth	\$18.25	\$36.50
Annual Membership Paid Monthly	Family	\$42.50	\$85.00
Annual Membership+Exercise Paid Monthly	Senior/Disabled	\$24.00	\$48.00
Annual Membership+Exercise Paid Monthly	Adult	\$40.00	\$80.00
Annual Membership+Exercise Paid Monthly	Youth	N/A	
Annual Membership+Exercise Paid Monthly	Family	\$55.00	\$110.00
SWIM LESSONS			
Swim Lessons	Per Session	\$44.00	\$50.00
Private Swim Lessons	Per Lesson		
CONTRACTED RENTAL PRICING			
	Rate Structure		
Government Rental Pricing Whole Facility	Per Hour	\$50.00	\$75.00
Government Rental Pricing	Per Lane/Per Hour	\$5.00	\$7.50
Non Profit Rental Pricing Whole Facility	Per Hour	\$50.00	\$100.00
Non Profit Rental Pricing	Per Lane/Per Hour	\$5.00	\$10.00
For Profit Rental Pricing Whole Facility	Per Hour	\$75.00	\$150.00
For Profit Rental Pricing	Per Lane/Per Hour	\$7.50	\$15.00
MISC. PRICING			
	Rate Structure		
Dive Tank Rental	Per Hour	\$10.00	\$20.00
Shallow Swim Area	Per Hour	\$10.00	\$20.00