



2018 Final Budget

November 15, 2017

Prepared by
Doug Coutts, Director
Peggy Nelson, Office Manager

2018 Budget

Combined Starting Balance of all Funds (M & O / Capital / Reserve / Property / Bond)	\$ 543,528
2018 Revenue	\$ 1,104,184
2018 Expenditures	\$ 1,165,831
2018 Ending Balance of all Funds	\$ 481,881

2018 Budget

Fund Summary

	Maintenance & Operations Fund	Property Fund	Capital Fund	Reserve Fund	Bond Fund	Totals
Ending 2017/Starting 2018	\$261,683	\$15,451	\$501	\$212,242	\$53,651	\$543,528
Revenue						
Taxes – Levy	\$734,240				\$220,688	\$954,928
Programming	\$144,076					\$144,076
Concession/Vending	\$1,780					\$1,780
Miscellaneous	\$2,400					\$2,400
Other	\$1,000					\$1,000
Revenue Total	\$883,496				\$220,688	\$1,104,184
Revenue + Beginning Cash	\$1,145,179	\$15,451	\$501	\$212,242	\$274,339	\$1,647,712
Expense						
Administration	\$588,837					\$588,837
Maintenance	\$142,000					\$142,000
Programming	\$118,030					\$118,030
Other Costs	\$0					\$0
Interest	\$100					\$100
Projects/Equipment	\$11,000					\$11,000
Expense Total	\$859,967					\$859,967
Loan/Bond Payments	\$65,176		\$65,176		\$240,688	\$305,864
Transfer						
Transfer In			\$65,176	\$3,897		
Transfer Out	\$3,897					
Total Fund Ending 2018/Starting 2019	\$216,139	\$15,451	\$501	\$216,139	\$33,651	\$481,881

Maintenance & Operations (M&O) Fund

As the Park District looks ahead to 2018, there are a few key points the Board of Park Commissioners and district staff should keep in mind as budget considerations are made:

1. The district's millage rate was increased to \$.18/per \$1000 AV as of the 2015 Budget Year.
2. The 2018 budget is for year four of a four year levy passed in 2014 to start in 2015.
3. The budget reflects a 1% increase over the highest lawful levy plus new construction.
4. The following budget has been drafted with these issues in mind.

2018 Starting Balance	\$261,683
2018 Revenue	<u>\$883,496</u>
Total M&O Funds Available	\$1,145,179
2018 M&O Expenditures	\$859,967
2018 Loan/Bond Payments	\$ 65,176
2018 Transfer to Reserve Fund	<u>\$ 3,897</u>
Total Expenditure Allocation	\$929,040
2018 Ending Balance	\$216,139

Loan Debt History

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Cushman Truckster	\$5,639	\$2,820									\$8,459
Toro Mower	\$19,782	\$19,782	\$19,782	\$19,782	\$19,782						\$98,910
Dodge Ram Truck	\$3,502	\$7,004	\$7,004	\$7,004	\$7,004	\$3,502					\$35,020
AR-5 Mower		\$2,160	\$12,462	\$12,462	\$12,462	\$12,462	\$12,462				\$64,470
Tractor & Utility Vehicle			\$1,762	\$10,351	\$10,351	\$10,351	\$10,351	\$10,351			\$53,517
Campground Property				\$28,971	\$28,971	\$28,971	\$28,971	\$28,971	\$28,971	\$28,971	\$173,826
Aerator					\$9,447	\$9,447	\$9,447	\$9,447	\$9,447		\$47,235
Mini Excavator					\$6,933	\$13,865	\$13,865	\$13,865	\$13,865	\$6,933	\$69,325
Annual Total	\$28,923	\$31,766	\$41,030	\$78,570	\$94,970	\$65,176	\$75,116	\$62,634	\$52,283	\$35,904	

M&O Revenue

Carry Over Cash

When the District commissioners approve the budget, the carry over to 2019 is estimated to be \$216,139.

Taxes

For the Regular Levy, the District expects to receive \$733,640 in Levy funds in 2018. The District does not expect to receive additional revenue from Compensating Tax and just \$600 from Timber Excise Tax, resulting in an estimated tax receipt of \$734,240 in 2018.

Program Revenue

The 2018 budget is a fairly aggressive projection of net revenue. After 2 years of not receiving adequate registration for Snowrider, we have decided to discontinue the program indefinitely. The trend of decreasing youth population continues (a traditional target demographic for recreation) in our District, affecting our staple programs like youth basketball, dodgeball, and summer camps. Revenue could increase if we are able to recruit additional instructors for adult programs and had additional access to facilities such as a pool and gym. K9 Nosework, swim programs and the Triathlon are expected to continue to be a solid source of revenue, although triathlon participation as a sport is decreasing.

M&O Expenditures

Administration

The Administration budget will increase by \$46,998 over the 2017 projected year end. This increase includes the shifting of all employees to the next step in the grade specific to their position effective January 1 along with a cost of living adjustment, additional election and audit costs, and expected increases in the lease agreement with the County for the Administrative offices.

Maintenance

Comparatively to 2017, there are no significant changes to the Maintenance budget, just inflationary increases to line items.

Program Expense

Expenses generally follow revenue up or down proportionately, particularly with contract programs, where we expend a set percentage of the registration fees. To reduce contracted expenses will also reduce revenue, only more so. Expenses can really only be reduced from our employee-run programs (as opposed to contractual), like the Triathlon, Youth Basketball, Dad/Daughter Dance and Mother/Son event, Adult Softball League and Concerts in the Park. Triathlon expense could increase should a traffic control plan necessitate more services (flaggers, officers, equipment, etc.).

Capital Fund

The starting and ending balance for the 2018 Capital Fund is anticipated to be \$501. The only expenditures planned from the Capital Fund are the funds obligated to existing loans (see Loan Debt History Chart).

Reserve Fund/ Beginning Cash

The Board's directive is to maintain a Beginning Cash level of 25% of the future year's total expenses and maintain a Reserve Fund level of 25% of the future year's total operating expenses. The goal of the Reserve Fund is to have enough money in the case of a Maintenance and Operations Levy failure to continue to operate the District on a skeleton basis while running an additional levy. The goal of the Beginning Cash level is to have sufficient operational capital on hand to run the district until the major portion of the bi-annual levy payments are received from the county each year at the end of April.

Summary Statement

The District's financial picture heading into 2018 is on par with 2017. With the increase in the levy rate the District should be able to continue to operate the current responsibilities for 2018 by keeping a close eye on expenses. The District acquired an additional 35 acres in 2015 and the cost of the loan (\$28,971 annually) was not originally factored into the levy plan and it should be noted, until the District is able to complete a campground to generate revenue, any surplus in the capital projects fund will likely be needed to cover the loan payment. With the end of the term of the levy coming at the end of 2018, the District will need to evaluate the levy rate for 2019 as expenses continue to rise across the board and the current levy rate may not be sufficient to continue operating the parks and recreation programs at the current level at some point during the next levy term.

South Whidbey Parks and Recreation District is considered the premier park district on Whidbey Island – the outdoor spaces are well groomed and maintained, programs and activities for the community are plentiful, and the park district building continues to provide great spaces for programs and community activities.

And finally, the District is served well by the many continuing partnerships that have been developed with South Whidbey School District, South Whidbey Youth Soccer Club, South Whidbey Little League, South Whidbey Youth Football and Cheer, South Whidbey Parks & Aquatics Foundation, Island County Public Works, Island County Public Health, Useless Bay Golf and Country Club, South Whidbey Fly Fishing Club, South Whidbey Yacht Club, Kiwanis Club and more.

Respectfully submitted,



Doug Coutts
Director

SOUTH WHIDBEY PARKS & RECREATION DISTRICT
2018 OPERATIONS BUDGET

2018 Starting Balance	\$261,683
2018 Revenue	\$883,496
Total M&O Funds Available	\$1,145,179
2018 M&O Expenditures	\$859,967
2018 Loan/Bond Payments	\$ 65,176
2018 Transfer to Reserve	\$ 3,897
2019 Carryover	\$216,139

Mark Helpenstell Chair _____

Robert Hezel Vice-Chair _____

Matthew E. Simms Treasurer _____

Donald V. Wood Secretary _____

Dennis Hunter Commissioner-at-Large _____

CAPITAL IMPROVEMENT BUDGET 2018

REVENUES

2018 Beginning Balance	\$ 501	
2018 Transfers In	\$ 65,176	From Operations Fund
2018 Total	\$ 65,677	

EXPENDITURES

2018 Loan Payments	\$65,176
2018 Total Expenses	\$65,677

2018 ENDING BALANCE \$ 501

Mark Helpenstell Chair _____

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**BOND BUDGET
2018**

STARTING BALANCE

2018 Beginning Balance \$ 53,651

RECEIPTS

2018 Bond Receipts \$220,688

DISBURSEMENTS

2018 Bond Disbursements \$240,688

ENDING BALANCE

2018 Ending Balance \$ 33,651

Mark Helpenstell Chair _____

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