

SEATTLE PARK DISTRICT
KING COUNTY, WASHINGTON
RESOLUTION 38

A RESOLUTION adopting the 2021 Seattle Park District Budget.

WHEREAS, in accordance with RCW 35.61.040, formation of the Seattle Park District became effective and its boundaries established as of August 19, 2014, upon certification of results of the August 5, 2014, election; and

WHEREAS, the Seattle Park District is a metropolitan park district, authorized under chapter 35.61 RCW, with statutory powers including the power to levy and impose various taxes and fees to generate revenues to maintain, operate, and improve parks, community centers, pools, and other recreation facilities and programs; and

WHEREAS, on August 19, 2014, King County certified voter approval of the Seattle Park District, a district with the same boundaries as The City of Seattle; and

WHEREAS, on October 30, 2014, an interlocal agreement was executed that established the responsibilities of The City of Seattle and the Seattle Park District in performing and funding Park District services; and

WHEREAS, the interlocal agreement between the City and the District describes the process by which the City and District will develop and approve annual budgets, and the District Board wishes to approve the budget in a manner consistent with its charter and bylaws and the interlocal agreement; and

WHEREAS, the Second Amendment to the Interlocal Agreement as authorized by the ordinance introduced as Council Bill 119875 and the Seattle Park District resolution introduced as Resolution 36 permits the District Board to delay the start of a new six-year planning

1 cycle by one year in the event of a natural disaster, exigent economic circumstances, or
2 other emergency and instead approve an interim annual budget; and

3 WHEREAS, the Seattle Park District resolution introduced as Resolution 37 delays the start of
4 the 2021-2026 planning cycle by one year pursuant to Section 4.3 of the Interlocal
5 Agreement as amended by Seattle Park District resolution introduced as Resolution 36;

6 NOW, THEREFORE,

7 **BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SEATTLE PARK**
8 **DISTRICT, KING COUNTY, WASHINGTON, AS FOLLOWS:**

9 Section 1. Adoption

10 A. In accordance with Article VI, Section 6.1 of the Seattle Park District adopted bylaws,
11 the Board of Commissioners shall adopt an annual budget each year by resolution.

12 B. The expenditure allowances for the Budget Summary Levels (BSLs) in Attachment A
13 to this resolution are adopted and constitute the appropriations for the Park District annual
14 budget for 2021.

15 C. The expenditure allowance for each BSL in Attachment A may be used only for the
16 purpose listed in Attachment A for that BSL unless otherwise authorized by the Board of
17 Commissioners of the Park District through resolution.

18 Section 2. The Park District 2021 Budget is consistent with the appropriation authority
19 for Park District funded programs in City departments as approved and passed by the Seattle
20 City Council for the 2021 Adopted Budget. The management and expenditure of the Park
21 District funds shall be consistent with parameters outlined in the interlocal agreement between
22 the Park District and The City of Seattle as adopted by the Park District Board of Commissioners
23 in Seattle Park District Resolution 1 and City of Seattle Ordinance 124468.

1 Section 3. Attachment B to this resolution shows an interim spending plan for the Park
2 District for 2021 that reflects the Park District Board’s decision made by the Seattle Parks
3 District resolution introduced as Resolution 37 to delay the 2021-2026 spending cycle by one
4 year. This information is for planning purposes only and complies with Section 4.3 of the 2014
5 interlocal agreement between the Seattle Park District and City of Seattle as amended in the
6 legislation introduced as Seattle Park District Resolution 36 and by the ordinance introduced as
7 Council Bill 119875.

8 Section 4. Unexpended appropriations. To be consistent with existing City of Seattle
9 budget practices, appropriations provided in the Park District budget for operating and
10 maintenance expenses that remain unexpended or unencumbered at the close of the fiscal year
11 shall automatically lapse unless otherwise authorized by the Park District Board of
12 Commissioners via resolution. Any appropriations provided in the Park District budget for
13 capital outlays remaining unexpended or unencumbered at the close of the fiscal year shall
14 remain in full force and effect unless otherwise abandoned by the Park District Board of
15 Commissioners via resolution.

1 Section 5. This resolution shall take effect upon passage.

2 Adopted by the Seattle Park District this 23rd day of November, 2020, and signed
3 by me in open session in authentication of its adoption this 23rd day of November, 2020.

4 

5 President, Seattle Park District

6 ATTEST:

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8 City Clerk

9 Attachments:

10 Attachment A – 2021 Seattle Park District Operating and Capital Budget

11 Attachment B – Seattle Park District 2015-2021 Financial Plan

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Attachment A – 2021 Seattle Park District Operating and Capital Budget

Budget Summary Level (BSL)	2021 Proposed Budget		Budget Summary Level Purpose
Parks and Facilities Maintenance and Repairs	Operating	\$12,940,438	The purpose of the Parks and Facilities Maintenance and Repairs Budget Summary Level is to repair and maintain parks, park buildings, and park infrastructure.
Leadership and Administration	Operating	\$2,088,121	The purpose of the Leadership and Administration Budget Summary Level is to provide executive, community, financial, human resource, technology, and business support to the department.
Department-Wide Services	Operating	\$1,687,421	The purpose of the Department-Wide Services Budget Summary Level is to provide management and operations of services that span across multiple lines of business within Seattle Parks and Recreation such as partner relationship management, emergency operations, and security services.
Recreation Facility Programs	Operating	\$16,783,269	The purpose of the Recreation Facility Programs Budget Summary Level is to provide active and passive recreation services to Seattle residents through the direct management, maintenance, and operation of programs and facilities and by leveraging partnerships.
Zoo and Aquarium Programs	Operating	\$7,355,565	The purpose of the Zoo and Aquarium Budget Summary Level is to support contracted non-profit partners ability to provide services to the community through operations of the Woodland Park Zoo and the Seattle Aquarium.
Fix it First	Capital	\$13,496,547	The purpose of the Fix It First Budget Summary Level is to provide for major maintenance, rehabilitation, and preservation of parks, forests, facilities, and related infrastructure.

Att A – Seattle Park District Operating and Capital Budget
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Maintaining Parks and Facilities	Capital	\$346,680	The purpose of the Maintaining Parks and Facilities Budget Summary Level is to improve existing P-Patches and dog off-leash areas as set forth in the first six-year planning cycle of the Seattle Park District.
Building for the Future	Capital	\$1,346,496	The purpose of the Building for the Future Budget Summary Level is to develop new parks and facilities, to acquire new park land, and to improve existing parks and facilities
2021 Appropriations	Operating	\$40,854,816	
	Capital	\$15,189,724	
Grand Total 2021 Appropriations		\$56,044,540	

Attachment B Seattle Park District 2015-2020 Spending Plan and One Year 2021 Proposed Budget

Note: This attachment represents an interim spending plan for the Park District for 2021 that reflects the Park District Board's decision by Resolution 37 to delay the 2021-2026 spending cycle by one year. The 2021 proposed revenues and expenditures reflect a standalone annual budget.

2015-2020 Park District Spending Plan											Interim One Year Park District Budget	
	2015	2016	2017	2018	2019 Adopted	2019 Revised	2020 Adopted	2020 Adopted (with carry forward)	2020 Revised	2021 Base (2020 Adopted Inflated by 2.5%)	2021 Proposed	
Park District Property Tax	-	47,798,347	49,843,850	51,000,322	52,091,227	52,091,227	53,338,893	53,338,893	53,338,893	54,672,365	54,672,365	
Interfund Loan Revenue												
Interest Earnings					700,000	1,600,000	1,300,000	1,300,000	1,300,000		1,372,175	
Interfund Loan - Ramp Up Year	10,008,008											
Total Revenues	10,008,008	47,798,347	49,843,850	51,000,322	52,791,227	53,691,227	54,638,893	54,638,893	54,638,893	54,672,365	56,044,540	
Operating Expenses												
1.1 Major Maintenance Backlog and Asset Management	1,492,509	1,640,012	619,882	635,379	651,263	764,263	713,165	713,165	713,165	730,994	727,112	
1.3 Saving Our City Forests	99,680	499,175	511,654	524,446	1,933,859	1,933,859	2,067,733	2,067,733	2,638,110	2,119,427	2,119,427	
2.1 Increase Preventive Maintenance	844,721	1,417,700	1,453,143	1,489,471	2,711,244	2,711,244	2,922,287	2,922,287	3,726,180	2,995,344	3,091,644	
2.2 Provide Clean, Safe, Welcoming Parks	1,839,430	2,088,854	2,141,075	2,194,602	4,242,674	4,242,674	4,613,421	4,613,421	5,923,421	4,728,757	4,472,891	
2.4 Make Parks Safer	30,000	243,248	249,329	255,562	261,951	261,951	274,915	274,915	274,915	281,788	281,788	
2.5 Improve Dog Off-leash Areas (2.5 to Capital in 2017)	103,819	106,414										
3.1 Restore Community Center Operations	1,351,689	1,385,481	2,358,172	2,417,127	4,521,740	4,521,740	4,932,362	4,932,362	6,241,280	5,055,671	5,052,000	
3.2 Recreation Opportunities for All	130,105	471,638	483,429	495,515	507,903	507,903	535,407	535,407	315,407	548,792	548,792	
3.3 Better Programs for Young People—Seattle's Future	250,467	256,729	263,147	269,726	1,711,914	1,711,914	1,827,423	1,827,423	1,677,423	1,873,109	1,869,197	
3.4 Meeting the Needs of People with Disabilities	166,000	170,150	174,404	178,764	1,143,106	1,143,106	1,227,281	1,227,281	1,227,281	1,257,963	1,257,963	
3.5 More Programs for Older Adults	262,000	268,550	275,264	282,145	1,209,166	1,209,166	1,253,893	1,253,893	1,253,893	1,285,240	1,281,678	
3.6 Put the Arts in Parks	-	344,488	353,100	361,928	370,976	370,976	386,381	386,381	75,381	396,041	396,041	
3.7 Get Moving Fund	76,644	256,250	262,656	269,223	275,953	275,953	290,270	290,270	235,270	297,527	294,776	
3.8 Customer Service and Technology	-	307,500	315,188	323,067	331,144	338,144	354,941	354,941	3,482,239	363,815	361,309	
4.3 Maintain and Activate Seattle's New Waterfront Park	-	-	-	-	310,000	310,000	340,114	340,114	340,114	348,617	346,477	
4.5 Maintain 14 New Parks at Land-Banked Sites	-	-	-	150,000	625,000	715,000	1,105,004	1,105,004	1,105,004	1,132,629	199,972	
4.7 Maintain Smith Cove Park	-	-	-	-	-	-	244,696	244,696	244,696	250,813	250,638	
4.9 Activating and Connecting to Greenways	-	118,744	121,713	124,756	-	-	-	-	-	-	-	
4.10 Performance Monitoring and Strategic Management	439,333	900,634	923,150	946,228	969,884	969,884	1,039,956	1,039,956	1,819,558	1,065,955	1,052,852	
4.10 Performance Monitoring and Strategic Management (Legislative)	342,001	-	-	-	-	-	-	-	-	-	-	
4.11 Urban Parks Partnership	125,000	570,000	684,250	701,356	748,890	748,890	795,348	795,348	1,040,819	815,232	811,378	
5.1 Interfund Loan Payback	-	1,487,592	1,487,592	7,217,803	-	-	-	-	-	-	-	
1.4 Aquarium Major Maintenance (Operating in 2015 & 2016 budget)	300,000	1,080,000										
1.5 Zoo Operations Support					1,938,403	1,938,403	1,938,403	1,938,403	1,938,403	1,986,863	7,355,565	
1.6 Ongoing Utility Funding					1,906,000	1,906,000	1,564,000	1,564,000	9,588,702	1,603,100	2,303,100	
1.7 Aquatics Programming Support									1,327,809		6,780,219	
AWI (Not spread by initiative)							564,000	522,200	522,200			
Total Operating	7,853,398	13,613,159	12,677,147	18,837,097	26,371,070	27,245,070	28,427,000	28,949,200	46,903,270	29,137,675	40,854,817	
Capital Expenses												
1.1 Major Maintenance Backlog and Asset Management	843,291	16,861,863	18,359,659	18,818,651	13,598,534	12,957,412	14,853,579	38,877,485	32,967,089	15,224,918	10,831,429	
1.1a/4.3 Waterfront Redevelopment					1,102,551	1,102,551	3,252,412	3,252,412	3,252,412	3,622,626	370,214	
1.2 Community Center Rehabilitation & Development	358,000	4,329,000	3,399,171	3,484,150	319,499	319,499	376,931	7,866,740	7,866,740	386,354	386,354	
1.3 Saving Our City Forests	353,320	2,196,575	2,251,489	2,307,777	969,169	969,169	1,031,066	1,043,527	1,043,527	1,056,843	1,056,843	
1.4 Aquarium Major Maintenance	-	-	1,107,000	1,134,675	1,163,042	1,163,042	1,192,118	2,120,905	526,979	1,221,921	1,221,921	
1.5 Zoo Major Maintenance	500,000	1,800,000	1,845,000	1,891,125			48,460	48,460	48,460	49,672		
2.5 Improve Dog Off-leash Areas (Operating in 2015&2016 budget)	-	-	109,075	111,802	114,597	114,597	117,462	189,399	189,399	120,398	120,398	
2.6 Rejuvenate Our P-Patches	100,000	200,000	205,000	210,125	215,378	215,378	220,763	427,169	427,169	226,282	226,282	
4.1 Park Land Acquisition and Leverage Fund	-	2,000,000	2,050,000	2,101,250	2,153,781	2,153,781	2,207,626	4,256,180	3,256,180	2,262,816	750,000	
4.2 Major Projects Challenge Fund	-	1,600,000	1,640,000	1,681,000	1,723,025	1,723,025	1,766,101	6,400,737	6,400,737	1,810,253		
4.4 Develop 14 New Parks at Land-Banked Sites	-	4,997,750	5,298,308	5,029,887	2,892,335	3,517,335	406,721	12,089,386	6,807,185			
4.9 Activating and Connecting to Greenways	-	200,000	205,000	210,125	215,378	215,378	220,763	441,189	151,318	226,282	226,282	
4.6 Develop Smith Cove Park (Funding for direct project costs)	-	550,000	697,000	3,018,879	2,171,276	2,171,276	-	5,442,262	2,642,262	-	-	
4.12 RDA Relocation-One Time	-	-	-	-	1,677,000	2,177,000	-	620,960	620,960	-	-	
Total Capital	2,154,611	34,735,188	37,166,703	39,999,446	28,315,566	28,799,443	25,694,000	83,076,809	66,200,415	26,208,365	15,189,724	
Grand Total	10,008,009	48,348,347	49,843,850	58,836,543	54,686,636	56,044,513	54,121,000	112,026,009	113,103,685	55,346,040	56,044,541	
Use of/Contribution to Fund Balance - Interfund Loan Payback	-	-	-	5,730,210	(1,357,592)	(1,357,592)	(1,357,592)		(1,357,592)	(1,357,592)	-	
Use of Fund Balance - Lapsed Appropriations	-	-	-	-	500,000	500,000						
Use of Fund Balance - One-Time Utility Cash Flow True-Up	-	-	-	-	1,500,000	1,500,000	1,500,000		1,500,000			
Use of/Contribution to Fund Balance - Smith Cove Inter-Initiative Loan	-	550,000	-	2,106,000	1,253,000	1,253,000	(697,000)		(697,000)	(697,000)	-	
Total Use of/Contribution to Fund Balance	-	550,000	-	7,836,210	1,895,408	1,895,408	(554,592)	-	(554,592)	(2,054,592)	-	

General notes:

Initiatives shaded in gray in the Reference # column have both capital and operating costs. Revenues and expenditures assume 2.5% inflationary increases.

Notes on Budget Changes by Year

2019 Adopted and 2020 Endorsed

2019 and 2020 reflect many shifts among Initiatives, including the following:

Reducing \$10 million from capital initiatives. This includes the reduction of \$4.8 million from Initiative 1.1, \$3.3 million from Initiative 1.2, and \$1.9 million from Initiative 1.5 (capital). The funding in these capital projects will be backfilled by Real Estate Excise Tax.

Increasing operating initiatives by \$10 million, including an addition of \$1.2 million to Initiative 2.1, \$1.7 million to Initiative 2.2, \$1.8 million to Initiative 3.1, \$1.4 million to Initiative 3.3, \$1 million to Initiative 3.4, \$900,000 to Initiative 3.5, and \$1.9 million to a new operating Initiative 1.5. These costs were formerly supported by the General Fund.

Realignment of planned expenses among initiatives to reflect current demands and capture efficiencies, including shifting \$1.4 million from capital to operating activities in Initiative 1.3, shifting \$250,000 of costs from Initiative 4.5 to Initiative 2.2, and shifting \$128,000 of funding from Initiative 4.9 (operating) to Initiative 3.5.

Adding \$1.5 million of expense in new initiative 1.x to support utility funding, using reserved fund balance. This is a one-time shift for 2019 and 2020 only, and these additional costs will need to be addressed in the next six-year spending plan.

Adding \$1.7 million of one-time funding in 2019 for tenant improvements at a new leased office space. This includes \$477,000 of existing appropriation from Initiative 1.1, which will be backfilled with King County Trail Levy resources, \$500,000 of unreserved fund balance, and \$700,000 of Park District interest earnings, which are also added as revenues.

Partially reducing expense authority in Initiative 5.1 to reflect the early payback of the Interfund Loan from 2015. This front-loaded expense, backed by reserved fund balance, is reflected in 2018. The fund balance will be replenished with planned Park District revenues between 2019 and 2023.

Using the remaining expense authority in Initiative 5.1 to fund additional community center hours in Initiative 3.1.

Increasing expense authority in 2019 to reflect the front-loading of \$1.3 million in expense authority to develop Smith Cove Park, and moving \$221,276 from operating Initiative 4.7 to capital Initiative 4.6. This expense is backed by reserved fund balance, which will be replenished with planned Park District revenues between 2019 and 2024. The reduced expense authority in 2020 reflects the first instance of this fund balance replenishment. This plan also retroactively reflects this front-loaded expense in 2016 and 2018.

Notes for 2019 Revised and 2020 Proposed Changes:

2019 Revised

Several changes were made to the 2019 spending plan, including the following:
 \$564,000 in additional appropriation for the Annual Wage Increase (AWI) consolidated in one line.
 \$400,000 of additional interest earnings are being appropriated to cover the AWI expense.
 Note that the small difference between AWI expenditures and revenues will be covered by fund balance or 2020 underspend.
 \$625,000 funding exchange from Initiative 1.1 to Initiative 4.4 to fund the Belltown Orchard and Pea Patch project design.

2020 Proposed

Overall, the difference between 2020 Endorsed and 2020 Revised operating initiative reflects the appropriation of \$1.3M in interest earnings to support the AWI increases in 2020 (\$1.27M)

	AWI/SPFL	Health Care/Retirement
1.1 Major Maintenance Backlog and Asset Management	42,508	3,115
1.3 Saving Our City Forests	115,233	7,966
2.1 Increase Preventive Maintenance	159,391	5,298
2.2 Provide Clean, Safe, Welcoming Parks	279,079	16,042
2.4 Make Parks Safer	5,996	418
3.1 Restore Community Center Operations	302,477	18,284
3.2 Recreation Opportunities for All	14,234	572
3.3 Better Programs for Young People—Seattle's Future	94,233	4,789
3.4 Meeting the Needs of People with Disabilities	66,717	3,647
3.5 More Programs for Older Adults	23,500	4,865
3.6 Put the Arts in Parks	5,723	408
3.7 Get Moving Fund	6,887	531
3.8 Customer Service and Technology	14,472	1,047
4.3 Maintain and Activate Seattle's New Waterfront Park	24,864	
4.5 Maintain 14 New Parks at Land-Banked Sites	16,611	3,389
4.7 Maintain Smith Cove Park	17,888	
4.10 Performance Monitoring and Strategic Management	42,688	3,092

Urban Parks Partnership	30,147	889
	1,262,649	74,352

2020 Revised

The 2020 revised column includes the 3rd Q supplemental and 2020 budget revisions as described below.

Reflects the one time \$10M realignment of capital MPD funding with GF.

Changes include one time transfer of \$10M from initiatives 1.1, 4.1, 4.4, and 4.5 in the amounts in the 2020 Changes column.

The \$10 from capital initiatives is moving the two operating initiative, 3.8 to support technology infrastructure and 1.5 to fully fund annual Zoo maintenance support.

Changes include the appropriation of \$700K in operating carry forward resources in initiatives 1.3, 3.1, and 3.3. Funding is supporting natural area operations, park maintenance, and community centers.

Savings in operating initiatives 3.2, 3.3, 3.6, 3.7, and 4.11 are being used to offset Park Fund expenses in 2020 to partially address an estimated \$19.2M revenue shortfall in the Park Fund. Funding is supporting center city activation, event scheduling, and community centers.

Capital savings in initiatives 1.1 and 4.8 are transferred to operating initiatives to support aquatics, natural area operations and specialty gardens, golf utilities/maintenance, and park and facility maintenance,

2020 Q3 Includes two technical changes: corrects an error from 2018 related to the upgrade of PS 9.2. First, in 2017 a final revenue transfer of \$779K from the Park District to the now closed Parks Capital Fund (33140) was inadvertently missed by the Citywide Accounting team, thereby creating a negative fund balance in the Parks Capital Fund. In 2018, as part of the conversion to Summit 9.2, the Parks Capital Fund was consolidated into the Park Fund, creating a fund balance liability in the Park Fund. This fund transfer is necessary to correct the fund balance in the Park Fund by transferring revenue from the Park District.

The second technical change reflects the abandonment of \$401,926 from the Fix It First-CIP BSL to correct the budget for the Aquarium Major Maintenance Project (MC-PR-41004). The error occurred as part of the conversion to Summit 9.2 and resulted in the accrued budget amount of \$401,926 at the end of 2017 inadvertently being carried over in 2018 and subsequent years even though it was actually paid out in 2017. This item is a technical correction.

2021 Proposed

2021 changes to revenues reflect the annual 2.5% inflation increase over 2020. To keep property taxes at this rate, interest earning are appropriated to cover AWI in 2021 (\$1.3M), the continued activation of Ballard Commons (\$130K), and a small utility increment (\$54K).

In 2021, the Interfund loan payback is delayed to offset \$2.2M of the planned \$2.3M utility expense to avoid an additional property tax increase.

Expenditure true ups include the addition of \$102K in 2.1 Increase Preventative Mtn that was redirected to 4.4 Develop 14 New LB Sites in 2020. 1.6 Ongoing Utility Funding also maintains the addtl \$64K from 1.1 Major Mtn Backlog in 2020 for ease of balancing.

2021 includes a one time realignment of \$4.1M Park Fund and MPD to mitigate extended impacts of COVID-19 next year estimated at \$10.5M.

MPD initiatives are adjusted by a total of ~\$54K to reflect one time APEX AWI reduction (balanced in interest revenue)

The 2021 Proposed Budget realigns \$3.52M of MPD resources in the Waterfront with SPR's core operating costs and backfills \$1.732M in REET and \$1.520M in BMTF. The 2021 MPD Financial Plan does not reflect this fund swap, making this change look a reduction to the project.

Notes on Two Interfund Loans:

In 2015, the Park District took out the first interfund loan against the Parks and Recreation Fund (10200) for \$10M know as the "Ramp Up" Year.

The original spending plan assumed that the loan would be paid off over the course of 8 years at a cost \$1,487,592 annually through 2023.

In 2018, legislation was passed to pay off the Ramp Up Year loan early rather than continuing to debt finance it. This saved outyear interest payments.

MPD revenues will continue to include \$1,487,592 in revenues to 'pay back' the MPD fund. There's currently about \$3M outstanding that will be paid by 2024 (assuming one year delay of repayment in 2021).

The second interfund loan was done in 2018 to pay for the development of Smith Cove Park.

The original spending plan assumed a 12 year debt financed plan with annual payments of \$697K scheduled to be paid off by the end of 2028.

However, similar to the 2015 "Ramp Up" loan, there was sufficient cash in the MPD to finance the project rather than issuing debt as originally planned.

Smith Cove took a \$3.9M interfund loan against the 2008 Park Levy Fund in 2016 which was also paid off in 2018.

MPD revenues will continue to collect \$697K annually to pay itself back. There's currently about \$3.2M outstanding that will be paid by 2024 (assuming one year delay in 2021).