

SEATTLE PARK DISTRICT
KING COUNTY, WASHINGTON

RESOLUTION 44

A RESOLUTION adopting the 2022 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, an amended and restated interlocal agreement between the City and the District was authorized in Seattle Park District Resolution 43 and Ordinance 126380; 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, Section 4.3 of the amended and restated interlocal agreement authorized by Ordinance 126380 and Seattle Park District Resolution 43 permits the District Board to

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

4 WHEREAS, Seattle Park District Resolution 37 delayed the start of the 2021-2026 planning
5 cycle by one year pursuant to Section 4.3 of the interlocal agreement as amended by
6 Seattle Park District Resolution 36; and

7 WHEREAS, Seattle Park District Resolution 42 delayed the start of the 2022-2027 planning
8 cycle by one year pursuant to Section 4.3 of the interlocal agreement as amended by
9 Seattle Park District Resolution 36; NOW, THEREFORE,

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

12 Section 1. Adoption

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

15 B. The expenditure allowances for the Budget Summary Levels (BSLs) in Attachment A
16 to this resolution are adopted and constitute the appropriations for the Park District annual
17 budget for 2022.

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

21 Section 2. The Park District 2022 Budget is consistent with the appropriation authority
22 for Park District funded programs in City departments as approved and passed by the Seattle
23 City Council for the 2022 Adopted Budget. The management and expenditure of the Park

1 District funds shall be consistent with parameters outlined in the amended and restated interlocal
2 agreement between the Park District and The City of Seattle as authorized by the Park District
3 Board of Commissioners in Seattle Park District Resolution 43 and by the Seattle City Council in
4 City of Seattle Ordinance 126380.

5 Section 3. Attachment B to this resolution shows an interim spending plan for the Park
6 District for 2022 that reflects the Park District Board’s decision made by the Seattle Park District
7 Resolution 42 to delay the 2022-2027 funding cycle by one year. This information is for
8 planning purposes only and complies with Section 4.3 of the amended and restated interlocal
9 agreement between the Seattle Park District and The City of Seattle authorized by Ordinance
10 126380 and Seattle Park District Resolution 43.

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

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

2 Adopted by the Seattle Park District this ____ day of _____, 2021, and signed
3 by me in open session in authentication of its adoption this ____ day of _____, 2021.

4 _____

5 President, Seattle Park District

6 ATTEST:

7 _____

8 City Clerk

9 Attachments:

10 Attachment A – 2022 Seattle Park District Operating and Capital Budget

11 Attachment B – Seattle Park District 2015-2022 Financial Plan

Attachment A – 2022 Seattle Park District Operating and Capital Budget

Budget Summary Level (BSL)	2022 Proposed Budget		Budget Summary Level Purpose
Parks and Facilities Maintenance and Repairs	Operating	\$14,546,301	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	\$2,176,438	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	\$1,522,913	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	\$10,443,549	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	\$4,679,700	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	\$14,074,392	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	\$355,347	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	\$6,736,950	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
2022 Appropriations	Operating	\$33,368,901	
	Capital	\$21,166,689	
Grand Total 2022 Appropriations		\$54,535,590	

2015-2020 Park District Spending Plan
2021 Adopted Bridge Year Spending Plan
2022 Proposed Bridge Year Spending Plan

Initiative #	Initiative Title	First Six Year Cycle								Bridge Years			
		2015 Adopted	2016 Adopted	2016 Revised	2017 Adopted	2018 Adopted	2018 Revised	2019 Adopted	2019 Revised	2020 Adopted	2020 Revised (Mostly Pandemic Related)	2021 Adopted	2022 Proposed
	Park District Property Tax (actuals not verified)	-	47,798,347	47,798,347	49,843,850	51,000,322	51,000,322	52,091,227	52,091,227	53,338,893	53,338,893	54,668,868	56,035,590
	Interfund Loan - Ramp Up Year	10,008,008	-	-	-	-	-	-	-	-	-	-	-
	Interfund Loan Revenue	-	-	-	-	-	-	700,000	-	-	-	-	-
	Interest Earnings	-	-	-	-	-	-	-	1,600,000	1,300,000	1,300,000	1,375,671	-
	Use of Contribution/Contribution to Fund Balance												
	Total Revenues	10,008,008	47,798,347	47,798,347	49,843,850	51,000,322	51,000,322	52,791,227	53,691,227	54,638,893	54,638,893	56,044,539	56,035,590
1.1	Major Maintenance Backlog and Asset Management	1,492,509	1,640,012	1,640,012	619,882	635,379	635,379	651,263	764,263	713,165	713,165	727,112	745,290
1.3	Saving Our City Forests	99,680	499,175	499,175	511,654	524,446	524,446	1,933,859	1,933,859	2,067,733	2,638,110	2,119,427	2,172,412
2.1	Increase Preventive Maintenance	844,721	1,417,700	1,417,700	1,453,143	1,489,471	1,489,471	2,711,244	2,711,244	2,922,287	3,726,180	3,091,644	3,168,935
2.2	Provide Clean, Safe, Welcoming Parks	1,839,430	2,088,854	2,088,854	2,141,075	2,194,602	2,194,602	4,242,674	4,242,674	4,613,421	5,923,421	4,472,891	4,584,713
2.4	Make Parks Safer	30,000	243,248	243,248	249,329	255,562	255,562	261,951	261,951	274,915	274,915	281,788	288,833
2.5	Improve Dog Off-leash Areas (2.5 to Capital in 2017)	103,819	106,414	106,414	-	-	-	-	-	-	-	-	-
3.1	Restore Community Center Operations	1,351,689	1,385,481	1,385,481	2,358,172	2,417,127	2,417,127	4,521,740	4,521,740	4,932,362	6,241,280	5,052,000	5,024,631
3.2	Recreation Opportunities for All	130,105	471,638	471,638	483,429	495,515	495,515	507,903	507,903	535,407	315,407	548,792	562,512
3.3	Better Programs for Young People—Seattle's Future	250,467	256,729	256,729	263,147	269,726	269,726	1,711,914	1,711,914	1,827,423	1,677,423	1,869,197	1,915,926
3.4	Meeting the Needs of People with Disabilities	166,000	170,150	170,150	174,404	178,764	178,764	1,143,106	1,143,106	1,227,281	1,227,281	1,257,963	1,289,412
3.5	More Programs for Older Adults	262,000	268,550	268,550	275,264	282,145	282,145	1,209,166	1,209,166	1,253,893	1,253,893	1,281,678	1,313,720
3.6	Put the Arts in Parks	-	344,488	344,488	353,100	361,928	361,928	370,976	370,976	386,381	75,381	396,041	405,942
3.7	Get Moving Fund	76,644	256,250	256,250	262,656	269,223	269,223	275,953	275,953	290,270	235,270	294,776	455,815
3.8	Customer Service and Technology	-	307,500	307,500	315,188	323,067	323,067	331,144	438,144	354,941	3,482,239	361,309	370,341
4.3	Maintain and Activate Seattle's New Waterfront Park	-	-	-	-	-	-	310,000	310,000	340,114	340,114	346,477	357,332
4.5	Maintain 14 New Parks at Land-Banked Sites	-	-	-	-	150,000	150,000	625,000	715,000	1,105,004	1,105,004	199,972	461,875
4.7	Maintain Smith Cove Park	-	-	-	-	-	-	-	-	244,696	244,696	250,638	-
4.9	Activating and Connecting to Greenways	-	118,744	118,744	121,713	124,756	124,756	-	-	-	-	-	-
4.10	Performance Monitoring and Strategic Management	439,333	900,634	900,634	923,150	946,228	946,228	969,884	969,884	1,039,956	1,819,558	1,052,852	1,079,173
4.10	Performance Monitoring and Strategic Management (Legislative)	342,001	-	-	-	-	-	-	-	-	-	-	-
4.11	Urban Parks Partnership	125,000	570,000	570,000	684,250	701,356	701,356	748,890	748,890	795,348	1,040,819	811,378	831,662
5.1	Interfund Loan Payback	-	1,487,592	1,487,592	1,487,592	1,487,592	7,217,800	-	-	-	-	-	-
1.4	Aquarium Major Maintenance (Operating in 2015 & 2016 budget)	300,000	0	1,080,000	-	-	-	-	-	-	1,192,000	-	-
1.5	Zoo Operations Support	-	-	-	-	-	-	1,938,403	1,938,403	1,938,403	1,938,403	7,355,565	4,679,700
1.6	Ongoing Utility Funding	-	-	-	-	-	-	1,906,000	1,906,000	1,564,000	9,588,702	2,303,100	3,660,678
1.7	Aquatics Programming Support	-	-	-	-	-	-	-	-	-	1,327,809	6,780,219	-

Att B – Seattle Park District Operating and Capital Budget

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1.8	AWI (Not spread by initiative)	-	-	-	-	-	-	-	564,000	-	522,200	-	-
	Total Operating	7,853,398	12,533,159	13,613,159	12,677,147	13,106,886	18,837,094	26,371,070	27,245,070	28,427,000	46,903,270	40,854,817	33,368,901
1.1	Major Maintenance Backlog and Asset Management	843,291	16,861,863	16,861,863	18,359,659	18,818,651	18,818,651	13,598,534	12,957,412	14,853,579	32,967,089	10,831,429	11,342,646
4.3	Waterfront Redevelopment				-	-	-	1,102,551	1,102,551	3,252,412	3,252,412	370,214	3,713,192
1.2	Community Center Rehabilitation & Development	358,000	4,329,000	4,329,000	3,399,171	3,484,150	3,484,150	319,499	319,499	376,931	7,866,740	386,354	396,013
1.3	Saving Our City Forests	353,320	2,196,575	2,196,575	2,251,489	2,307,777	2,307,777	969,169	969,169	1,031,066	1,043,527	1,056,843	1,083,264
1.4	Aquarium Major Maintenance	-	1,080,000	-	1,107,000	1,134,675	1,134,675	1,163,042	1,163,042	1,192,118	526,979	1,221,921	1,252,469
1.5	Zoo Major Maintenance	500,000	1,800,000	1,800,000	1,845,000	1,891,125	1,891,125			48,460	48,460		-
2.5	Improve Dog Off-leash Areas (Operating in 2015&2016 budget)	-	-	-	109,075	111,802	111,802	114,597	114,597	117,462	189,399	120,398	123,408
2.6	Rejuvenate Our P-Patches	100,000	200,000	200,000	205,000	210,125	210,125	215,378	215,378	220,763	427,169	226,282	231,939
4.1	Park Land Acquisition and Leverage Fund	-	2,000,000	2,000,000	2,050,000	2,101,250	2,101,250	2,153,781	2,153,781	2,207,626	3,256,180	750,000	1,281,566
4.2	Major Projects Challenge Fund	-	1,600,000	1,600,000	1,640,000	1,681,000	1,681,000	1,723,025	1,723,025	1,766,101	6,400,737		1,510,253
4.4	Develop 14 New Parks at Land-Banked Sites	-	4,997,750	4,997,750	5,298,308	5,029,887	5,029,887	2,892,335	3,517,335	406,721	6,807,185		-
4.9	Activating and Connecting to Greenways	-	200,000	200,000	205,000	210,125	210,125	215,378	215,378	220,763	151,318	226,282	231,939
4.6	Develop Smith Cove Park (Funding for direct project costs)	-		550,000	697,000	912,879	3,018,879	2,171,276	2,171,276	-	2,642,262		-
4.12	RDA Relocation-One Time			-				1,677,000	2,177,000	-	620,960		-
	Total Capital	2,154,611	35,265,188	34,735,188	37,166,703	37,893,446	39,999,446	28,315,566	28,799,443	25,694,000	66,200,415	15,189,724	21,166,689
	Grand Total	10,008,009	47,798,347	48,348,347	49,843,850	51,000,332	58,836,540	54,686,636	56,044,513	54,121,000	113,103,685	56,044,540	54,535,590
	Use of/(Contribution to) Fund Balance - Interfund Loan Payback	-	-	-	-	5,730,210	5,730,210	(1,357,592)	(1,357,592)	(1,357,592)	-	-	-
	Use of/(Contribution to) Fund Balance - Lapsed Appropriations	-	-	-	-	-	-	500,000	500,000	-	-	-	-
	Use of/(Contribution to Fund Balance) - One-Time Utility Cash Flow True-Up	-	-	-	-	-	-	1,500,000	1,500,000	1,500,000	-	-	-
	Use of/(Contribution to Fund Balance): Inflationary Reserve												(1,500,000)
	(Use of)/Contribution to Fund Balance - Smith Cove Inter-Initiative Loan	-	-	550,000	-	2,106,000	2,106,000	1,253,000	1,253,000	(697,000)	-	-	-
	Total Use of/Contribution to Fund Balance	-	-	550,000	-	7,836,210	7,836,210	1,895,408	1,895,408	(554,592)	-	-	(1,500,000)

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

2016 Revised (Resolution 9/2015 Carry Forward, Resolution 12/Reappropriated Waterfront Funds)

2016 Revised includes general carry forward authority for the full \$10M loan appropriation. Specifically, \$1.473M was carried forward to support various initiatives.

2016 Revised moved Aquarium major maintenance up to the operating initiative to cover revenue shortfalls from the seawall project.

2016 Revised also corrected a technical revision to accurately show the Smith Cove interfund loan in 2016 and the multi year payback starting in 2018.

2019 change: Move \$1,102,551 m from waterfront (4.3) to Pier 62 rehab (1.1a)

2019 change: Move \$2,367,336 m from waterfront (4.3) to landbanked site development (4.4)

2020 change: Move \$3,252,412 m from waterfront (4.3) to Pier 62 rehab (1.1a)

2020 change: Move \$306,721 from waterfront (4.3) to landbanked site development (4.4)

2017 Adopted (Resolution 13)

Moved OLA operating funding to the capital project.

Proposed budget moved back \$1.3M from community center capital initiative to the operating initiative as intended after the Community Center Strategic Plan was completed in 2016. Council redirected \$1M to the operating side and provisoed \$100K to the Urban Park Partnership initiative for 2017 and 2018 with the rest remaining in the capital initiative.

2017 Revised (Resolution 16 Carry Forward/Resolution 23 Loan Payoff)

Carried forward \$925K for ActiveNet, AMWO, as well remaining unspent OLA funds that moved to the capital initiative in the 2017 adopted (not shown in 2018 Revised)

2018 Adopted (Resolution 18)



Based on a proviso adopted in 2017, in 2017 and 2018, \$100k per year of funding from Initiative 1.2 was moved to Initiative 4.11.

2018 operating/capital split updated based on online dates for Smith Cove and Land-Banked sites as follows:

Reduced Initiative 4.5 by \$225K and moved to CIP 4.4 for land-banked site development.

Moved full amount of \$215,879 from Initiative 4.7 to CIP 4.6 for Smith Cove development.

Note that 2018 shifts among Initiatives affect subtotals for 2018-2020 operating and capital expenses from 2017 financial plan, but overall spending is consistent.

2018 Revised (Resolution 21)

Carried forward \$550K for AMWO and ActiveNet (not shown in 2018 Revised)

2019 Adopted (Resolution 25)

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.

2019 Revised (Resolution 29 Carry Forward/Resolution 33 Increased Appropriation)

Carried forward \$310 for ActiveNet and plus \$500K for the RDA relocation project (CIP change shown in 2019 Revised).

\$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 plus \$500K for RDA Relocation.

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 Adopted (Resolution 30)

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) and a small amount

		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

Att B – Seattle Park District Operating and Capital Budget

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

2020 Revised (Resolution 35)

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 from initiatives 1.3, 3.3 and 4.3. Funding is supporting natural area operations (1.3), park maintenance (2.2), and community centers (3.1).

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. Note that this technical pass through expense is not reflected in the 2020 Revised.

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 Adopted (Resolution 38)

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), and the continued activation of Ballard Commons (\$130K).

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 Mtnc 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 Mtnc 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.

2021 includes an ongoing \$9M realignment with the General Fund.

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.

2022 Proposed (Resolution 44)

2022 changes to revenues and expenses reflect the annual 2.5% inflation increase over 2021 with exceptions noted.

In 2021, SPR's General Fund budget was reduced by \$11.4 million due to pandemic-related revenue losses. This reduction was partially offset by realigning \$7.7 million of Park District funding from SPR's capital budget to SPR's operating budget.

The 2022 budget restores \$7.7 million of Park District resources to SPR's capital budget as described below.

- Park Land Acquisition and Leverage Fund (\$1.5 million)
- Major Projects Challenge Fund (\$1.8 million)
- Major Maintenance Backlog and Asset Management (\$4.4 million)

The budget then realigns about \$5.4M of MPD capital funding to support equity goals and inflationary costs.

- Acquisitions: \$1M from Acquisition to Workforce Equity (\$700K) and Equity Teams (\$300K) on an ongoing basis (reflected as funding swap with Zoo)
- MPDPCF: Similarly, \$300K to the operating budget to create 2 new PDM positions to begin Equity Fund Capacity Building (reflected as funding swap with Zoo)
- Major Mtn: \$4.1M to cover inflationary costs. Only \$1M in new appropriation/\$1.6M already appropriated and \$1.5M in planning reserve for 2022 labor inflation.

Other operating changes include moving maintenance funding allocated to Smith Cove to Landbanked Site Maintenance to align with restoration of land banked site funding in 2022.

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.

Note: By the end of 2020, all Park District resources were appropriated with a subset of initiatives carrying forward funding into 2021. SPR anticipates most of this work will be complete by the end of 2022. The end of the first funding cycle will reflect a one-time right sizing of the fund to align with the early payback of the interfund loans taken to support the 2015 ramp-up year and preliminary work on the Smith Cove project. Originally, the Cycle 1 plan projected interfund loan payback installments over eight to 12 years.