

VPD Budget 2017

Assumptions

Levy Revenue

1) Total levy receipts = \$1,252,792

Per Financial Management Policy #2760:

- a. 2014 = \$1,050,520
- b. 2015 = \$1,123,638
- c. 2016 = \$1,226,996

Average = \$1,133,718 for levy revenue use; Difference = \$119,074

2) Reserves - Policy 2760 – 3a:

Permanent Reserve – [$\$25,000 + (\$100,000 \text{ 2016 carry-over} \times 75\%)$] = $\$25,000 + \$75,000 = \$100,000$

Capital Reserve = [$\$25,000 + (\$100,000 \text{ 2016 carry-over} \times 25\%)$] = $\$25,000 + \$25,000 = \$50,000$

General Comments

- 1) Fee Revenue – no percent increase. Per 1/12/16 motion, fees will be increased 5% when the cumulative CPI reaches 5% or every 3 years. 2016 CPI was 2.1%.
- 2) General Staff Wages - budgeted to just below industry standards for all regular employees - \$40k. See “2016 Puget Sound Area Salary Survey” attached.
- 3) Did not budget for TAN renewal in July, but you can see that September cash runs negative unless we defer Elaine/Jason for salary increase with expectation that it is retroactive to January (and hold off hiring the Office Assistant until April).

Admin

- 1) Personnel - 3 FTE + Full benefits
 - a. Kit = Business Manager
 - b. Front Desk = Full time at \$15 per hour = \$45k with taxes and benefits.
- 2) Education – add \$1,000 for Board education
- 3) Computer/Technology – Upgrade wiring for IT – \$2k
- 4) Contingency/Reserve/Election – November election
- 5) Insurance – Enduris rate increase 1.9%
- 6) Professional Fees – more Marie time (board meeting attendance and best practice development)
- 7) Printing & Copies – lease expires June, 2017. Need new printer! - \$5k
- 8) Telephone and DSL – spreading to maintenance, pool, commons, and lodging.
 - a. Voip phone system to transfer calls to Robin, Eric, etc without having customer call another number. Better customer service. \$4600

Maintenance

- 1) Personnel - 5 FTE + Full benefits; ½ of Robin
 - a. Jason = job title change to Maintenance Director
 - b. Shawn = Lead Maintenance
 - c. Seasonal worker May - August
- 2) Materials - Fertilizer, grass seed, field paint, infield mix, infield condition, gravel, sand for topdressing, lumber
- 3) Tools and Equipment – sod cutter \$5k; plate compactor \$2k
- 4) Equipment Rental – increased due to:
 - a. ADA units at all parks

- b. New units at Ober, Lisabeula, Agren
- 5) Equipment Repairs – we keep this relatively high, as we never know what will happen with the old equipment: mowers, weed eaters, attachments for the tractors.
- 6) Outside services: Top dressing June and October; Terminex; Backflow prevention; fire extinguisher testing

Commons

- 1) Personnel - 3 Employees, .75 + very part time. ½ of Robin charged to Commons, ½ to Maintenance
- 2) \$100k payment to School District pushed off to October in full rather than breaking it up June and December. VISD agreed to this as a gesture to help with our cash flow and not renew the TAN.

Programs – (Concerts in the Park)

- 1) Professional Fees
 - a. Carry-over \$500 from 2016 for Portage Fill concert that was cancelled due to weather. Will start season with Portage Fill.
 - b. Increase budget extra \$500. Has not seen an increase in 4 years – getting harder to attract good talent.

Pool – Operating

- 1) Personnel – .75 + seasonal
- 2) Revenue – implementing “non-Vashon resident” rate. Scott felt this would not be appropriate for the general admission rate, as it would be too unwieldy for the cashiers to ask everyone for ID to establish residency. Traditionally, he has seen non-resident rates applied to season passes and punch cards and feels it would be quite appropriate to tack on a 25% increase here for non-residents. His experience is that non-residents using a pool are typically doing so as a preferred form of exercise and often buy punch cards for use during their stay.
- 3) Increase seasonal staff wages \$10.50/\$11 per hour to \$11.50/\$12 per hour.
 - a. Low wages contribute to difficulty in attracting and retaining staff. Kids can get better jobs elsewhere. Too, the new culture for college entrance is not demonstrated industriousness; tendency toward “worldly experience” – seeing the world, volunteerism, etc.
 - b. New model: smaller staff with more hours. Makes for a more attractive “summer job.”
 - c. Will start hiring practices earlier. If we do not receive applications by March, will return to the prior structure. We anticipate experienced returnees this season.
 - d. Staff will sign employment agreements to avoid flake-outs in August.
- 4) L&I – budgeted at the higher rate but may come down with establishment of a separate UBI
- 5) Benefits – healthcare costs up 24.6% due to age level
- 6) General Supplies – need to replace chemicals and diatomaceous earth (done every 2 - 3 years)

Point Robinson

- 1) Revenue up \$10k from 2016 budget (same as 2016 actual)
- 2) Personnel – add summer help for maintenance - \$3k
- 3) Furnishings
 - a. Oven – existing oven is in poor shape - \$500
 - b. Loveseat – existing is stained and looks terrible - \$500
 - c. Queen bed – existing in Quarters B is a full size, not a queen. We have mattress – need box spring and frame - \$700
- 4) Outside Services
 - a. Carpet Cleaning - \$600 (has not been done in over 3 years)

- b. Dry Cleaning Curtains - \$150
- c. Clean vents – \$1,000 (in 2016 we cleaned out dead mice, causing us to refund guests for the foul odor emitting from the vents)
- d. Utilities – this keeps rising as is variable cost (more rentals means more furnace time, etc)

Fern Cove

- 1) Revenue – up \$7k from 2016 budget (same as 2016 actual)
- 2) Personnel – add summer help for maintenance - \$1500
- 3) Outside Services – Clean vents \$1,000

Pool CIP

- 1) King County Youth Sport Facility Grant match requirement - \$28,900

RFA/Other

- 1) Extraordinary Maintenance - \$10,000 to VIRC (semi-committed to them in 2015 for fundraising for the Jensen boathouse remodel)
- 2) Printing – reprint Walking Trail book - \$3k
- 3) Carry over \$1800 from 2016

Debt Service (Bonds/Loans)

- 1) No Musco Lighting!
- 2) Truck Lease thru 2020; Tractor Lease thru 2021
- 3) VES financing thru June, 2018
- 4) TAN assumes no renewal in 2017; \$200,000 borrowed in January, repaid end of April = 4 months at 4.25%
- 5) Lodging Bond only

We want/need but did not budget for:

- 1) Pool CIP – We will not be able to apply for the RCO Youth Sport Facility Grant with a match requirement of \$150,000 unless we fundraise for it. The Letter of Intent was written prior to having figured the reserve requirements per Financial Management Policy #2760.
- 2) Reinstate skate park staff person and fees. Open 3 pm – 7 pm winter; summer open 9 – 8. 1 at \$15/hr, 2 at \$13.
- 3) Ober roof REALLY needs to be replaced. Filling with water.
 - a. Mezzanine for sure.
 - b. Two front trees – clogging gutters; lifting up concrete walkways (ADA); likely going to harm building foundation if it hasn't already. At least investigate this.
- 4) Agren road regrade.
- 5) Ober irrigation system.
- 6) Point Robinson Road regrade. repave the asphalt road (potholes; surface is spidering and breaking off on the edges) - \$50k
- 7) Gallery at the lighthouse (walk-around at top) is deteriorating underneath. Safety hazard. If starts to chip off, we will have to close the lighthouse tours. Potential 4Culture Grant.