

## 2021 Budget Notes

### Levy

- The rate of inflation for Washington State (aka implicit price deflator) is actually below 1% for 2021 at .602%. We must go with this rate unless we submit a letter indicating "Substantial need" for 1%. Otherwise, we could choose to bank capacity for the future.
- Assumption: we apply for substantial need. Levy up 1%; assumes new construction of \$5,000. **Have not received the preliminary levy worksheet from the County yet. Received the Preliminary Levy Worksheet. Total Vashon assessed property values are down \$43m over last year. Therefore, our rate does not erode, but we get less -- \$1,497,413 (2020 was \$1,517,518; down \$20k from 2020 and \$40k from our forecast).**

Beginning cash – Enduris changed their policy of allowing Districts to split the payment relative to our cash flow. Got zinged by an auditor. Had to pay in full in November 2020 – extra \$45k this year. Also, I sense October receipts were short, although not confirmed. Assume \$800k starting cash (down from \$870k).

### Admin

- Wages: [https://www.bls.gov/regions/west/news-release/consumerpriceindex\\_seattle.htm](https://www.bls.gov/regions/west/news-release/consumerpriceindex_seattle.htm)  
August CPI – 1.6% from last year. Since our numbers are so skewed, I am going with 2019 budget numbers and assuming a 3% increase. Staff is a bit grumbly about not receiving their 3<sup>rd</sup> "\$50k bucket increase," although they understand we can't do it at a 45 cent levy rate; potential pro-rationing; and optics of a substantial pay increase given the economic downturn. **\$50k bucket increase + 1.6% COL - can't do it. Reserves plummet, and cash gets tight September, 2023.**
- Marshall – assume ½ time through March. **Assume full time January.**
- Sue – assume 17 hours per week through March.
- Health going up @ \$200 per person
- Election/Audit/Contingency – 2 board position elections + audit
- Insurance – up about \$10k over last year
- Walking Trail books - \$3,000

### Maintenance

- **Reduced revenue to COVID assumption.**
- Wages – assumes Jason out through August, so no Maintenance Lead until then. **Added Gate Attendants.**
- Materials – only one topdressing due to light use.
- Vehicle Maintenance – three trucks need new tires.

### Commons

- Revenue - Assume very little inside reservation through March, but there will be field use. **Reduced revenue to COVID assumption.**
- Interlocal fee – VISD was very gracious about discounting the fee in 2020, but field use is picking up. I assumed the ordinary fee, but I will push for a discounted fee if use is still low.

### Programs

Wages - Vandalism is a constant problem at BARC. We would like to staff it 32 Hours per week @ \$15 per hour Wed – Sun. Otherwise, the open building is a haven for drug and alcohol use. Increase wage budget \$23k.

Misc Programming – see attachments

**Added \$25,000 for programming**

### Pool

- Assume full service in summer, although I doubt that will happen
- January – April likely lap swim + family reservation, but lifeguard costs are still the same for the number of hours open. Assume normal hours, just lighter attendance. Assume normal Fall.
- Supplies – up \$3750:
  - Uniforms -- \$750
  - Swim Equipment (Boards/ buoys / clock) -- \$600

- Lifeguard Supplies -- \$600
- New Radios -- \$400
- FA/CPR/AED Manikin kit -- \$1400 [The ones we have are not very functional]
- Tools and equipment – up \$3155
  - Chemical Room Fan -- \$475
  - Boiler Room Fan -- \$500
  - Mower Blade -- \$30
  - Elevated Guard Chair Maintenance -- \$350
  - Signage for Doors -- \$100
  - New heaters w/ re-wire for locker rooms -- \$500
  - Stenner Pumps x2 -- \$350 each [as backup when current ones fail]

#### **Point Robinson**

- Extraordinary Maintenance – add 4 6-foot picnic tables
- Furnishings
  - QA Lower Bathroom:
    - Tile 600 - Seal on existing lenolium failed and the flooring needs work.
    - Sink 500 – current model outdated
    - Light + attachments 200 – current model outdated
    - Mirror 250 – current model outdated
  - QB Tub 700 – badly chipped

#### **Fern Cove**

- Extraordinary Maintenance – extra \$700 for tub reglaze.
- Furnishings – High capacity washer \$1300; High Capacity Dryer \$1,000. Current units (donated in 2016) are aging out.

#### **RFA**

- Add Scholarship budget based on trend of past 3 years average.

#### **Capital**

- VES restroom \$66,067 outlay; \$60k grant income
- Ober - \$175k outlay; \$175 grant income; \$22,718 outlay
- Lighthouse safety modifications - \$5k outlay
- Village Green entry - \$800
- Added scheduled CIP for 2021:
  - BARC Field Regrade \$20,000
  - Burton Acres/**Wingehaven** Ivy Remediation \$60,000
  - Fern Cove Dormer Repairs \$10,000
  - Fern Cove Painting \$22,000
  - Fern Cove Foundation Repairs \$30,000
  - Ober Park Roof Replacement \$75,000
  - Ober Park Sidewalk \$10,000
  - 1 truck \$32,500
  - **Tramp Harbor Dock Survey \$10,000**
  - **Kiosks \$10,000**
- Other Desired/Potential to Consider:
  - Add Tramp Harbor Dock?
  - Pool Needs:
    - Exterior parking lights – engineering report estimated \$42,000
    - Hot water heater - \$10,000

Natural gas burner for the boiler - \$11,000

Repair of the solar system - ?? (not crucial, as one side still is operational)

Slide - ??

Patching or resurfacing the bottom – engineering report estimated \$232,573 for a full refinish of the pool liner. Just patching adds @ \$5,000, as it requires draining the pool (need hydrologist to measure groundwater level; cost to drain; cost to refill).

### **Other Budget Considerations**

- I did not figure in the likely \$1/2 million we will get from KC for the sale of the goofy properties.
- A new round of King County grants are coming up – need to think about that.
- Our forecast goal for ending cash, 2021, was \$400,000. Potential big ticket items for \$300k:
  - Increase staff wages by more than 3% but not the full \$50k bucket
  - More recreation programming
  - More CIP (but consider my bandwidth for managing)
  - Save it in the event of pro-rationing

### **With the drop in cash and levy receipts:**

- Recreation Programming up \$25k to \$75,000
- CIP at \$295k; I recommend cutting back CIP until we have a better sense of where the economy is going. Drop:
  - BARC Field Regrade \$20,000
  - Ober Park Roof Replacement \$75,000
  - Ober Park Sidewalk \$10,000
- Wages can only be increased 3% max unless we drop the above recommended CIP; every 1% increase in personnel costs is @ \$11,000 annually