

**UPPER VALLEY PARKS AND RECREATION SERVICE AREA  
BOARD MEETING  
Wednesday, November 21, 2018 9:00 a.m.  
Leavenworth City Hall Conference Room**

**I. Roll Call**

**II. Approval of Consent Agenda**

- A. Approval of Agenda
- B. August 15, 2018 Minutes
- C. PRSA Claims Items from August 1, 2018 – October 31, 2018 = \$10,300.00

**III. Information Items**

- A. Pool Manager & Facility Update
- B. 2018 City Pool Budget Position through 10/31/2018
- C. 2019 City Pool Proposed Budget Review
- D. Upper Valley Park & Rec – Regular Levy Preliminary Values for 2019 Tax Year
- E. 2019 PRSA Budget Document Review
- F. 2019 Meeting Dates
- G. Membership Updates – Position Replacements
- H. Strategic Planning Discussion Continued

**IV. Action Items**

Public Hearing: 2019 PRSA Budget

- A. Resolution 3-2018 Levy for Annual Regular Property Tax Levy / DOR Form
- B. Resolution 4-2018 Excess Levy for Bonded Debt
- C. Resolution 5-2018 Adopting a Budget for 2019
- D. Motion to Authorize the Chair to Sign the Levy Certification

**V. Adjournment**

**UPPER VALLEY PARKS AND RECREATION SERVICE AREA (PRSA)  
Leavenworth City Hall Conference Room  
August 15, 2018**

## MINUTES

### I. CALL TO ORDER

PRSA Chair Mia Bretz, called the August 15, 2018 meeting of the PRSA to order at 9:00 AM.

Board Present: Mia Bretz, Aaron Simon, Elizabeth Thomson, Jason Lundgren and Keith Goehner.

City Staff Present: Joel Walinski, Herb Amick, and Chantell Steiner.

Visitors Present: Sharon Waters.

### II. APPROVAL OF CONSENT AGENDA

- A. Approval of Agenda
- B. May 9, 2018 Minutes
- C. Claims Items from May 1, 2018 – July 31, 2018 = \$53,768.75

Boardmember Simon moved to approve the consent agenda. The motion was seconded by Boardmember Lundgren and passed unanimously.

### III. INFORMATION ITEMS

- A. Pool Manager & Facility Update – Kelley Lemons & Herb Amick

Public Works Director Herb Amick reviewed a recent fecal incident and discussed the levels of closure needed depending on the magnitude of the incident. City Administrator Joel Walinski reviewed procedures related to closure of the pool during high fire smoke for safety of city personnel. Director Amick updated the Board on the status of the solar panels noting that they continue to have issues; however, they are under warranty and are being looked at by Sunset Air. He reported these items as the only issues this season and that pool operations have been going well. Boardmember Lundgren asked about the potential for purchasing sunshades that the Board has previously discussed. Administrator Walinski and Director Amick reviewed the research and history of this topic noting that at this time the costs for purchase and installation are high and that there is some potential to get some partner funding of this from the Leavenworth Rotary. It was noted that with the recent rejection of the voter approved maintenance and operation levy, it may be some time before the PRSA can look into this additional capital purchase.

- B. 2018 City Pool Budget Position through 7/31/2018 – Chantell Steiner

Director Steiner reviewed the year to date totals stating that the revenues are trending similar to last year and that operating expenses are lower than last year. She stated that there have been no surprises this year and the equipment has not needed any unforeseen repairs. The Board discussed separation of the swim team lesson fees from other lesson fees to create more understanding as they are also separately billed for rental charges for the facility. Director Steiner said that she would look into this further with Manager Lemons.

- C. 2016-2017 Assessment Audit Report from the State Auditor

Director Steiner stated that the PRSA has received a favorable assessment audit from the State Auditor for the 2016 and 2017 calendar years with no findings or suggestion for changes. She noted that since the change in annual reporting has occurred that this has been a seamless transition and is faster and easier for both the auditor and herself.

#### D. Strategic Planning Discussion Continued

Chair Bretz updated the Board on the recent election results for the Six-Year Maintenance & Operation (M&O) Levy that narrowly failed with 59.1% of the 60% needed to pass. The Board discussed some of the potential challenges with this levy request that included one of the highest voter turnouts compared to previous elections, that more communication was and is needed on what the levy specifically funds, which is only the pool operations, and the need to clarify that these funds are not for other projects such as new services or the Leavenworth Adventure Park. The Board discussed options for funding the pool in 2019 if the November ballot measure fails that may include assistance from the City. They discussed the option of asking the City for lodging tax funds for marketing and capital related improvements and to consider other partnerships with the School District, school athletic groups and the Washington Interscholastic Activities Association (WIAA).

Boardmember Simon provided background information on the previous subcommittee meetings noting the decision to apply for grant funding for a Community Center. He reviewed the concept of having a Recreation Coordinator and how a Community Center was the focal point for the grant application to NCW (North Central Washington Community Foundation). He and Chair Bretz updated the Board on the process and the next steps to apply for a second grant from Our Valley Our Future.

##### a) Marco Aurillo – Ice Rink Presentation

Mr. Aurillo provided some history on the Ice Rink Project that he has assisted with noting that an ice rink has been in the City's Parks Plan since about 1972 and that the Chamber of Commerce is supportive of having an ice rink. He updated the Board on the history of the project that was spearheaded by the Leavenworth Heritage Foundation. He identified the original plan to be estimated at \$4.5 million dollars and was possibly going to be built on the parking lot area behind the Festhalle. He suggested looking into the operations of the ice rink in Winthrop, WA noting their installation of a chilling system and how revenues are generated from hockey tournaments. He discussed more recent suggestions for a portable open air ice rink that is estimated to be about \$800,000 for the initial purchase. This is a full size competition rink that would need a central location for visitors and bystanders to enjoy the festive atmosphere of Leavenworth. He detailed some of the specific start-up costs of about \$500,000 to include the rink, huts and equipment. He said that the additional costs would include purchasing several storage containers and the initial set-up and training. He questioned the costs of the City's P1 Parking Lot and what the potential rental would need to be to offset the loss of parking revenue during the months of operation that would likely occur after Oktoberfest and into April or May of each year. Director Steiner noted that it would be a significant amount of revenues as December is the highest generating month with November and January being good months as well. The Board discussed concerns of losing valuable parking spaces and to consider other options for the location.

#### IV. ACTION ITEMS

None.

#### V. ADJOURNMENT

Seeing no other business, Boardmember Simon moved to adjourn the August 15<sup>th</sup> meeting of the Upper Valley Park and Recreation Service Area. The motion was seconded by Boardmember Lundgren and passed unanimously. The meeting adjourned at 10:45 AM.

Respectfully submitted by Chantell Steiner.

Upper Valley Park & Recreation Service Area

Check Register

August 1, 2018 – October 31, 2018

Total Expenditures for the Period: \$10,300.00

_____ Signed	_____ Date
_____ Staff Volunteer	_____ Date

Expenditure Detail Report

Chelan County of Washington  
08/01/2018 through 10/31/2018

Account Number	Adjusted Appropriation	Expenditures	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
677 Upper Valley Park & Rec						
001 Upper Valley Park & Rec						
57000 Culture and Recreation						
57600 Park Facilities						
57600.60 Capital Outlay	0.00	0.00	65,000.00	0.00	-65,000.00	0.00
57600.60.000 Capital Outlay						
10/11/2018 apinvoice IN 2018-03						
Vendor: 100383 CITY OF LEAVENWORTH Check # 830445						
57600.60.000 Capital Outlay	0.00	10,000.00	75,000.00	0.00	-75,000.00	0.00
Total Upper Valley Park & Rec	0.00	10,000.00	75,000.00	0.00	-75,000.00	0.00

**Expenditure Detail Report**  
 Chelan County of Washington  
 08/01/2018 through 10/31/2018

expdetl.rpt  
 11/12/2018 1:20PM  
 Periods: 8 through 10

Account Number	Adjusted Appropriation	Year-to-date Expenditures	Year-to-date Encumbrances	Balance	Prct Used
677 Upper Valley Park & Rec					
110 Upper Valley Park & Rec Bond					
58000 Non-Expenditures	0.00	3,768.75	0.00	-3,768.75	0.00
58600 Agency Type Disbursements					
58600.00 Transfers Out					
58600.00.000 Upper Valley Park & Rec Bond	0.00	3,768.75	0.00	-3,768.75	0.00
10/4/2018 remits GJ 7604E					
58600.00.000 Upper Valley Park & Rec Bond	0.00	4,068.75	0.00	-4,068.75	0.00
Total Non-Expenditures	0.00	4,068.75	0.00	-4,068.75	0.00
59000 Miscellaneous Expenditures					
59100 Redemption of Long-Term Debt					
59100.70 Debt Service Principal					
Total Redemption of Long-Term Debt	0.00	0.00	0.00	0.00	0.00
59200 Interest & Other Debt Service Costs					
59200.80 Debt Service Interest	0.00	0.00	0.00	0.00	0.00
Total Miscellaneous Expenditures	0.00	4,068.75	0.00	-4,068.75	0.00
Total Upper Valley Park & Rec Bond	0.00	79,068.75	0.00	-79,068.75	0.00
Total Upper Valley Park & Rec	0.00	79,068.75	0.00	-79,068.75	0.00
<b>Grand Total</b>	0.00	79,068.75	0.00	-79,068.75	0.00

# 5 YEAR BUDGET COMPARISON

City Of Leavenworth  
MCAG #: 0222

Time: 12:57:04 Date: 11/12/2018  
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All Years thru October

## 176 Community Swimming Pool

Account	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2018 Appropriated	2019 Appropriated	Comment
308 10 01 076 Reserved Beginning Net Cash & Invest	0.00	30,335.68	31,941.75	33,697.67	33,698.00	0.00	
308 80 01 076 Beginning Net Cash & Invest	12,402.04	0.00	0.00	0.00	0.00	0.00	
<b>308 Beginning Balances</b>	<b>12,402.04</b>	<b>30,335.68</b>	<b>31,941.75</b>	<b>33,697.67</b>	<b>33,698.00</b>	<b>0.00</b>	
311 10 00 001 Real & Personal Property Taxes	75,200.00	0.00	0.00	0.00	0.00	0.00	
<b>310 Taxes</b>	<b>75,200.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
347 30 00 000 Pool Pass Ent. Fees	28,420.00	30,280.00	34,621.00	35,234.00	30,000.00	0.00	
347 30 00 001 Pool Concession Fees	4,439.33	3,349.78	2,404.00	2,653.00	2,500.00	0.00	
347 30 00 002 Pool Daily Ent. Fees	46,122.18	38,641.64	41,688.05	35,851.34	41,000.00	0.00	
347 30 00 003 Pool Rental Fees	5,257.50	890.00	10,095.00	772.00	10,000.00	0.00	
347 30 00 004 Pool Swim Lessons	300.00	847.50	13,847.00	13,156.00	13,000.00	0.00	
347 30 00 005 Pool Swim Special Lessons Rate	0.00	4,740.00	300.00	3,060.00	300.00	0.00	
<b>340 Charges For Goods &amp; Services</b>	<b>84,539.01</b>	<b>78,748.92</b>	<b>102,955.05</b>	<b>90,726.34</b>	<b>96,800.00</b>	<b>0.00</b>	
361 11 17 060 Investment Interest	0.00	31.70	206.80	685.12	200.00	0.00	
367 11 01 076 Pool Donations	0.00	180.00	35.00	141.00	0.00	0.00	
369 91 01 076 Miscellaneous Revenue	0.00	111.00	25.50	26.00	0.00	0.00	
<b>360 Interest &amp; Other Earnings</b>	<b>0.00</b>	<b>322.70</b>	<b>267.30</b>	<b>852.12</b>	<b>200.00</b>	<b>0.00</b>	
381 10 99 001 Temp Int. Loan-Fm#001 Curr Exp.	0.00	0.00	0.00	0.00	25,000.00	0.00	
<b>380 Non Revenues</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>25,000.00</b>	<b>0.00</b>	
397 00 00 010 Trans In-Fm 635 PRSA	0.00	79,000.00	80,400.00	75,000.00	126,100.00	0.00	
<b>397 Interfund Transfers</b>	<b>0.00</b>	<b>79,000.00</b>	<b>80,400.00</b>	<b>75,000.00</b>	<b>126,100.00</b>	<b>0.00</b>	
<b>TOTAL REVENUES:</b>	<b>172,141.05</b>	<b>188,407.30</b>	<b>215,564.10</b>	<b>200,276.13</b>	<b>281,798.00</b>	<b>0.00</b>	
576 20 10 000 Salaries & Wages	87,055.17	100,596.70	103,657.01	103,400.95	108,000.00	0.00	
576 20 20 000 Benefits	12,609.37	13,549.12	13,549.47	14,231.01	15,000.00	0.00	
576 20 31 000 Office & Operating Supplies	20,569.86	22,848.75	26,088.58	19,988.84	27,000.00	0.00	
576 20 31 001 Operating Supplies-Concessions	3,263.53	2,155.22	1,192.68	2,307.27	1,500.00	0.00	
576 20 35 000 Small Tool & Minor Equipment	194.03	0.00	487.98	0.00	500.00	0.00	
576 20 40 001 Other Interfund Svs & Chgs	3,112.00	2,458.00	2,624.00	1,918.00	1,918.00	0.00	

H. B.

## 5 YEAR BUDGET COMPARISON

City Of Leavenworth  
MCAG #: 0222

Time: 12:57:04 Date: 11/12/2018  
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### 176 Community Swimming Pool

Account	2015	2016	2017	2018	2019
	Actual	Actual	Actual	Actual Appropriated	Appropriated Comment
576 20 41 000 Professional Services	0.00	135.51	0.00	136.58	0.00
576 20 42 000 Comm-Phone/Postage/Fx	623.94	582.37	495.31	460.31	0.00
576 20 44 000 Advertising	220.58	451.84	265.39	342.00	0.00
576 20 46 000 Insurance	11,255.00	11,942.35	9,520.41	9,907.05	0.00
576 20 47 000 Utilities	15,711.13	19,093.15	17,775.56	18,701.44	0.00
576 20 48 000 Repairs & Maintenance	366.71	858.55	5,174.25	233.13	0.00
576 20 49 000 Misc-Reg/Dues/Subscriptions	590.00	245.00	356.21	360.00	0.00
576 20 53 000 External Taxes-Sales-B&O Taxes	6,469.32	5,826.49	7,530.47	4,849.30	0.00
<b>576 Park Facilities</b>	<b>162,040.64</b>	<b>180,743.05</b>	<b>188,717.32</b>	<b>176,835.88</b>	<b>197,718.00</b>
581 20 00 099 Interfund Loan Repay - To CE	0.00	0.00	0.00	0.00	0.00
<b>580 Non Expenditures</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
592 76 82 000 Interest On Interfund Loan	0.00	0.00	0.00	0.00	0.00
<b>592 Debt Service - Interest Costs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
594 76 63 001 Pool Lane Ropes	0.79	0.00	0.00	0.00	0.00
594 76 63 002 Pool Equipment Replacement	9,141.04	6,888.86	0.00	10,789.15	0.00
594 76 63 003 Pool Sand Filter Rebuild	0.00	0.00	25,838.12	0.00	0.00
594 76 63 008 Pool Heater Elements/Salt Cells	0.00	0.00	0.00	0.00	0.00
<b>594 Capital Expenditures</b>	<b>9,141.83</b>	<b>6,888.86</b>	<b>25,838.12</b>	<b>10,789.15</b>	<b>7,500.00</b>
508 80 01 076 Ending Fund Balance	0.00	0.00	0.00	0.00	0.00
<b>999 Ending Balance</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL EXPENDITURES:</b>	<b>171,182.47</b>	<b>187,631.91</b>	<b>214,555.44</b>	<b>187,625.03</b>	<b>281,798.00</b>
<b>FUND GAIN/LOSS:</b>	<b>958.58</b>	<b>775.39</b>	<b>1,008.66</b>	<b>12,651.10</b>	<b>0.00</b>

176 COMMUNITY SWIMMING POOL FUND

City Budget

H.C.

BARS CODE	Description	2016 Actual	2017 Actual	2018 Amended Budget	2018 To Date Actuals Thru 6/30/2018	2019 Proposed	2020 Proposed	% Change from 2018 Amended Budget to 2019 Proposed Budget
<b>REVENUES</b>								
308.10.01.76	RESERVED BEGINNING NET CASH & INVEST	30,336	31,942	33,698	33,698	66,168	85,889	96%
	Charges for Goods & Services							
347.30.00.00	Pool Pass Ent. Fees	30,280	34,621	30,000	29,870	34,000	34,000	13%
347.30.00.01	Pool Concession Fees	3,350	2,404	2,500	721	2,000	2,000	-20%
347.30.00.02	Pool Daily Ent. Fees	38,670	41,688	41,000	10,394	41,000	41,000	0%
347.30.00.03	Pool Rental Fees	890	10,344	10,000	296	8,000	8,000	-20%
347.30.00.04	Pool Swim Lessons	848	13,847	13,000	2,000	13,000	13,000	0%
347.30.00.05	Pool Swim Team Prep	4,740	300	300	3,060	3,000	3,000	900%
	TOTAL CHARGES FOR GOODS & SERVICES	78,777	103,204	96,800	46,341	101,000	101,000	4%
	Interest & Other Earnings							
361.11.17.60	Investment Interest	32	209	200	205	400	400	100%
367.11.01.76	Pool Donations	180	35	0	131	150	150	#DIV/0!
369.10.00.02	Sale of Surplus	0	0	0	0	0	0	#DIV/0!
369.91.01.76	Misc. Revenue	111	26	0	0	0	0	#DIV/0!
	TOTAL INTEREST & OTHER EARNINGS	323	269	200	336	550	550	175%
	Non Revenues							
381.10.99.01	Temp. Interfund Loan-FM #001 Curr Exp	0	0	25,000	0	0	0	-100%
	TOTAL NON REVENUES	0	0	25,000	0	0	0	-100%
	Interfund Transfers							
397.00.00.10	Transfer In-FM #635 PRSA	122,000	121,900	126,100	65,000	130,000	131,300	3%
	TOTAL INTERFUND TRANSFERS	122,000	121,900	126,100	65,000	130,000	131,300	3%
	<b>TOTAL BEG. FUND BALANCE + REVENUES</b>	<b>231,435</b>	<b>257,315</b>	<b>281,798</b>	<b>145,375</b>	<b>297,718</b>	<b>318,739</b>	<b>6%</b>
<b>EXPENSES</b>								
	Park Facilities							
576.20.10.00	Salaries & Wages	100,597	103,657	108,000	9,243	111,000	115,000	3%
576.20.20.00	Benefits	13,678	13,499	15,000	971	15,450	16,000	3%
576.20.31.00	Office & Operating Supplies	23,506	26,325	27,000	12,423	27,000	27,000	0%
576.20.31.01	Operating Supplies-Concessions	2,155	1,193	1,500	649	1,500	1,500	0%
576.20.35.00	Small Tools & Minor Equipment	0	488	500	0	500	500	0%
576.20.40.01	Other Interfund Svs & Charges	2,357	3,252	1,918	959	3,018	3,598	57%
576.20.41.00	Professional Services	136	6,956	0	0	1,500	1,500	#DIV/0!
576.20.42.00	Communications/Phone/Postage	669	587	700	276	650	650	-7%
576.20.43.00	Travel-Lodging/Meals/Mileage	0	0	0	0	0	0	#DIV/0!
576.20.44.00	Advertising	504	318	500	342	500	500	0%
576.20.46.00	Insurance	11,942	9,520	10,000	7,083	10,211	10,414	2%
576.20.47.00	Utilities	20,093	18,902	19,000	5,593	19,500	19,500	3%
576.20.48.00	Repairs & Maintenance	859	5,174	5,000	187	5,000	5,000	0%
576.20.49.00	Misc-Reg/Dues/Subscriptions	245	356	600	36	500	500	-17%
576.20.53.00	External Taxes-Sales B & O Taxes	5,829	7,553	8,000	1,161	8,000	8,000	0%
	TOTAL PARK FACILITIES	182,569	197,779	197,718	38,923	204,329	209,662	3%

176 COMMUNITY SWIMMING POOL FUND

BARS CODE	Description	2016 Actual	2017 Actual	2018 Amended Budget	2018 To Date Actuals Thru 6/30/2018	2019 Proposed	2020 Proposed	% Change from 2018 Amended Budget to 2019 Proposed Budget
<b>Non Expenditures</b>								
581.20.00.99	Interfund Loan Repay - To #001 Curr Exp	10,000	0	25,000	0	0	0	-100%
	<b>TOTAL NON EXPENDITURES</b>	10,000	0	25,000	0	0	0	-100%
<b>Debt Services</b>								
592.76.82.00	Interest on Interfund Loan	39	0	40	0	0	0	-100%
	<b>TOTAL DEBT SERVICE</b>	39	0	40	0	0	0	-100%
<b>Capital Expenditures</b>								
594.76.63.01	Pool Lane Ropes	0	0	0	0	0	0	#DIV/0!
594.76.63.02	Pool Equipment Replacement	6,889	0	5,000	954	5,000	5,000	0%
594.76.63.03	Pool Sand Filter Rebuild	0	25,838	0	0	0	0	#DIV/0!
594.76.63.08	Pool Heater Elements/Salt Cells	0	0	2,500	0	2,500	2,500	0%
594.76.63.09	DOE Solar/Energy Grant Project	(3)	0	0	0	0	0	#DIV/0!
	<b>TOTAL CAPITAL EXPENDITURES</b>	6,886	25,838	7,500	954	7,500	7,500	0%
508.80.01.76	<b>ENDING FUND BALANCE</b>	31,942	33,698	51,540	105,497	85,889	101,577	67%
	<b>TOTAL END. FUND BALANCE + EXPENSES</b>	<b>231,435</b>	<b>257,315</b>	<b>281,798</b>	<b>145,375</b>	<b>297,718</b>	<b>318,739</b>	<b>6%</b>

**SUMMARY**

TOTAL REVENUES LESS FUND BALANCE	201,100	225,373	248,100	111,677	231,550	232,850	-7%
TOTAL EXPENDITURES LESS FUND BALANCE	199,494	223,617	230,258	39,877	211,829	217,162	-8%
REVENUES LESS EXPENDITURES	1,606	1,756	17,842	71,800	19,721	15,688	11%
BEGINNING FUND BALANCE	30,336	31,942	33,698	33,698	66,168	85,889	96%
<b>GRAND TOTAL: PROJECTED FUND BALANCE</b>	<b>31,942</b>	<b>33,698</b>	<b>51,540</b>	<b>105,497</b>	<b>85,889</b>	<b>101,577</b>	<b>67%</b>

**FINANCIAL POLICY GOAL**

Footnotes:

% of Fund Balance to Operational Expenses	17%	17%	26%	271%	42%	48%
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Financial Policies adopted by the City Council & PRSA recommends striving for a minimum fund balance of 25% (about \$52,000 in 2019 - 10% for cash flow and 15% for capital) by 2020 of the Pool Fund's total expenditures excluding ending fund balances; debt service payments, capital expenses and one time expenses. Future capital costs for resurfacing the pool interior walls is estimated at about \$125K-\$140K - PRSA may need to borrow funding to do project or Council could look at Lodging Tax funds for support.

III. D.

**Upper Valley Park & Rec - Regular Levy**  
**Preliminary** values for 2019 Tax Year

October 12 2018

Your preliminary assessed value for 2019 taxes is : \$ 1,469,818,903 Values may change slightly, we do not have state assessed utilities at this time and there may be supplements to the tax roll up to the time of final certification of values for tax collection. Timber value, if any, is not included.

**Basic calculation for district with population under 10,000**

The IPD (Implicit Price Deflator) for 2019 tax year is : 2.169 percent

If the IPD falls below 1%, a second resolution is needed for districts over 10,000 population

**Basic calculation for Regular Levy**

Amount of last year's levy	<b>\$126,993.55</b>	
<b>Dollar amount increase over last year's levy</b>	<b>\$1,269.94 if increased by 1%</b>	
Highest lawful levy since 1985:	\$126,914.40	\$126,914.40
x 1% (Initiative 747 limits the rate increase to 1%):	\$1,269.14	\$1,269.14
Possible budget amount less new construction and annexations:		<b>\$128,183.54</b>

New construction assessed value:	\$ 14,336,505	
multiplied by last year's levy rate	0.09562 /\$1,000	
Add preliminary new construction revenue:		<b>\$1,370.90</b>

Annexation AV	1,883,549	
Add preliminary annexation revenue	\$166.23	\$166.23

Amount that can be refunded		298.41
Preliminary maximum allowed for regular property tax:		<b>\$130,019.09</b>

**The Total Preliminary 2019 Maximum Regular Property Tax Levy: \$130,019.09**

**\*notes:**

**\*If the district takes less than the allowable amount, the balance will be automatically banked for future budget needs, when using only one resolution or ordinance.**

# UPPER VALLEY PARK AND RECREATION SERVICE AREA 2019 BUDGET

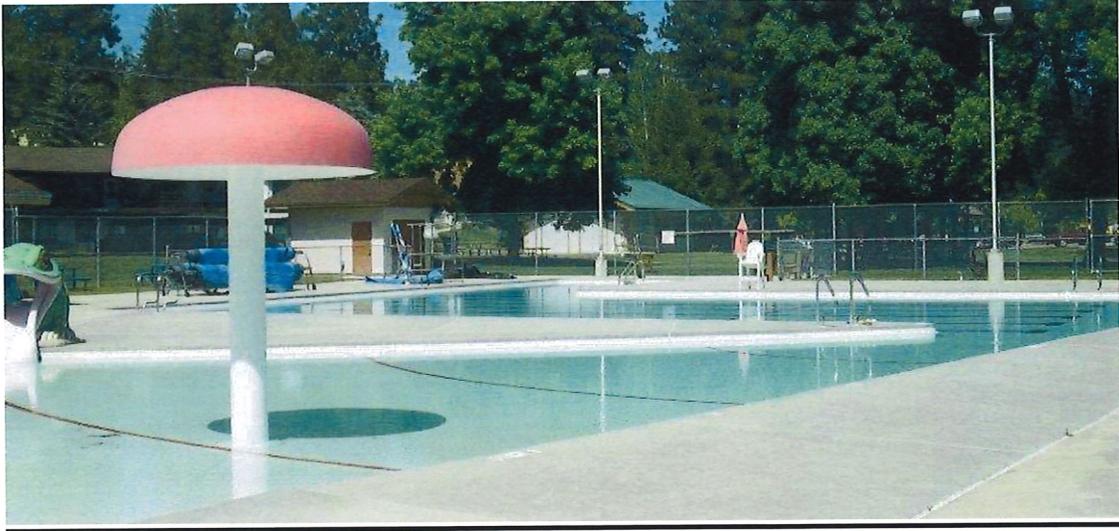
## UVPRSA BOARD BUDGET TRANSMITTAL & PLANNING DOCUMENT



**Leavenworth Hopkins Memorial Pool**

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**UPPER VALLEY PARK AND RECREATION SERVICE AREA**  
**BOARD**

**BOARD CHAIR MIA BRETZ**

**VICE CHAIR AARON SIMON**

**SECRETARY JASON LUNDGREN**

**KEITH GOEHNER**

**ELIZABETH THOMSON**

**DOUG CLARKE**

## **SECTION 1: BOARD CHAIR AND ADMINISTRATOR'S BUDGET MESSAGE**

Honorable Upper Valley Park and Recreation Service Area Board and Citizens of Leavenworth  
City of Leavenworth, Washington

Submitted herein is the 2019 Upper Valley Park and Recreation Service Area (PRSA) annual operating Budget. This annual budget is submitted consistent with RCW 36.68.530. The enclosed financial data has been reviewed by both the PRSA Board and City of Leavenworth staff toward final adoption of the 2019 annual budget by Resolution to be held at the November 21, 2018 PRSA Board meeting. In addition to representing the legal authority to expend public funds, this document describes the 2019 budget process and resulting transfers of the districts funds to the City of Leavenworth for authorized use in support of the operation of the Leavenworth City Pool.

### **READER'S GUIDE TO THE BUDGET / Explanation of the Budget Document**

The PRSA was established by voter approval at the November 4, 1997 General Election and the PRSA Board was formed in April 1998. Through the creation of an Interlocal Agreement, as authorized under RCW Chapter 39.34 Interlocal Cooperation Act, the Board established membership to include one County Commissioner, two Leavenworth City Council Members, and one representative each from the Cascade School District #228, the Peshastin Community Council and the Chumstick Community Council. The budget document incorporates the PRSA Board's priorities that are annually incorporated in the Board's Resolutions for passage of a budget to assist in operating the Leavenworth City Pool.

### **Budget Preparation Timeline**

The Board's budget is prepared with the input of the Chair, Board members, and city staff based on on-going reviews of the pool's budget. The 2019 budget development process incorporates quarterly meeting discussions of the pool's annual priority needs and future capital improvements. Due to the limited time that the Board meets, the budget is compiled by city staff and distributed for Board consideration prior to the annual meeting in November of each year. The Board is tasked with adopting the annual operational budget and any bond levy resolutions necessary to request property taxes through the Chelan County Assessor's Office by no later than November 30 of each year.

### **Key Budget Issues: Revenue, Initiatives and Expenditure Sources**

The PRSA's funding is comprised of revenue from property, excise and timber taxes of which a portion is then transferred to the City of Leavenworth for the operation of the Leavenworth City Pool. The property tax funding includes a Bond Fund and an Operation and Maintenance Levy. 2019 will be a critical planning year for the PRSA Board. The Board will have developed and prepared a new Operation and Maintenance levy request to be considered by the voters in November 2018 for the 2019 calendar year. If funding is not approved by the voters, the Board will have to seek other options for revenue generation or consider closure of the pool for the 2019 season. In addition, the final year of the Bond Fund is 2020. In 2018, the Board's discussions have been centered on the structure of the PRSA, the current and future services provided by the PRSA, and any capital improvements needed at the pool or other recreational improvements within the Park and Recreation Service Area.

In 2019 / 2020 the PRSA Board will need to take formal action to maintain the existence of the PRSA. The PRSA was established by a vote of the people for a twenty-year period, that is closing in on the expiration date. The PRSA board will need to consider the future function of the PRSA moving forward and geographical representing area.

Another area of concern for the PRSA are investments for capital improvements of the pool. The pool, which was constructed between 2000 and 2002, is currently 16 years old. Over the last several years a number of mechanical components have been replaced and the pool filter rebuilt. The current need is for a significant funding source by 2019-2020 to resurface the interior of the pool. At this time staff has researched the upcoming capital cost to be about \$130,000. The 2018 budget year did not address the capital needs; however, a small funding reserve is slowly being accumulated for month to month cash flow purposes that began in 2013 with an increase in the annual operation and maintenance levy that was approved by voters in 2012. This cash reserve is maintained with the City of Leavenworth Pool Budget. In 2017 the Board looked at revenue options, including but not limited to, a new construction bond option for 2019 to assist in covering the cost of the resurface project and other potential improvements. Unfortunately, a request for a new six-year maintenance and operation levy was rejected by voters in August 2018 that included the necessary increase in funding to address the pool resurfacing project. The Board subsequently has submitted to the voters another request to maintain just enough funding for the maintenance and operation of the pool.

As noted above, the PRSA's budget is solely the collection of property taxes which are then directed towards debt service or pool operations. Included within the PRSA's budget is property tax funding for the original construction bond of \$986,000, which will mature on December 1, 2020 and an annual operation and maintenance (O&M) levy that must be renewed at least every six years for the pool to remain operational. The operation and maintenance levy collections are captured within the General Fund while the bond collections are captured in a separate Bond Fund.

Of the taxes collected by the PRSA, approximately \$125,000 to \$130,000 is transferred to the City of Leavenworth for operations and the remaining \$39,000 will be collected in 2019 towards the payoff of the Construction Bond Levy in 2020. Below is a chart of the PRSA's annual property tax requests for the Construction Bond and Maintenance and Operations Levies:



In addition to the property tax funding, user fees provide for approximately 40% of the operating budget. User fees include seasonal/daily passes and swim lessons. These user fees generate approximately \$90,000 to assist in offsetting the Pool's estimated annual \$220,000 operating budget.

## **Acknowledgments**

We would like to express our sincere appreciation to the PRSA Board and city staff for their effort, dedication and diligence in developing a budget that reflects the expectations of the Board and citizens of the Upper Valley Park and Recreation Service Area. We also want to express our gratitude to the residents within the Service Area and the citizens of Leavenworth for their support of the operations and maintenance tax levy and in providing the City with the tools to accomplish the maintenance and improvements necessary to operate the City Pool.

We would also like to thank the Leavenworth City Council for their interest and support in planning and conducting the financial operations of the City Pool in a responsible and progressive manner.

Sincerely,

---

Mia Bretz  
Board Chair

---

Joel Walinski  
City Administrator



## **SECTION 2: POLICIES, ORDINANCES AND RESOLUTIONS**

The Policies, Ordinances and Resolutions section reviews the Board's accounting and budgeting procedures. This section includes the budget creation process which explains the steps involved in the preparation and administration of the budget that reflects the final adoption by resolution for the 2019 Operating Budget.

### **BUDGET CREATION AND PLANNING**

This operating budget represents the Upper Valley Park and Recreation Service Area's comprehensive financial and operational plan for 2019. The primary intent of this document is to answer two basic questions: Where do the District's funds come from? And how will those funds be used?

In addition to providing the obvious financial planning and legal authority to obligate public funds, the annual budget provides significant policy direction by the Service Area Board to the City of Leavenworth Staff and the Community. As a result, the Service Area Board, Staff, and public are all involved in the process of budget development.

Since the PRSA only has one source of revenue, property taxes, it is simplistic from a budget perspective in that only one revenue source is necessary for the budget. Due to the varied nature of projects and funding packages that the City of Leavenworth needs to operate the pool, funds generated by the District will be directly transferred to the City for project specific expenditures. This process allows for the District to be less restricted in budget development and annual reporting requirements with only one general fund being identified. In addition to the General Fund, a separate Bond Fund was established to receive property taxes and make the annual debt service payments for the construction of the pool that are completed by the Chelan County Treasurer's Office.



## **SECTION 3: Board Roles and Protocol**

### **Board Roles**

The Board Chair and the Board Members have previously discussed their respective roles and expectations in order to reach an understood protocol for conducting Board business. The Board operates similar to a Mayor/City Council form of government.

The role of the Board Members is to adopt policies for the District, while the Chair's role is to administer and execute those policies. This accurate yet simplistic distinction, however, can create both confusion and antagonism. Although the Chair does not specifically set policy, it is certainly appropriate for the chief executive to introduce policy options and recommendations, which comprises part of the leadership role of the Chair.

Under the 'separation of powers doctrine', the Chair and Board Members exercise certain defined powers that are free from unreasonable interference by the other. As the chief executive and administrative officer of the Board, the Chair is responsible for carrying out the policies set by the Board and seeing that local laws are enforced. Additionally, the Chair and his/her administrative staff run the day to day operations of the Service Area.

It is also the role of the Chair or Chair's designee, in this case it includes the Leavenworth City Staff, to prepare meeting agendas, preside over meetings, report to the Board on matters involving Administration, and to propose policy initiatives or changes. While agenda preparation is left to the City Staff, the agenda content is based on both Staff and Board Members input.

In addition to setting policy, the Board Members have final authority over budgeting and contracting. The Board may, however, delegate purchasing authority to the Chair and Staff.

### **Parliamentary Procedure**

Additional clarification is presented regarding parliamentary procedure. Upon considering an agenda item, the Chair will entertain a motion and a second of that motion from the Board to approve an agenda item in order to open Board discussion of an issue.

In the event that a staff presentation and/or public hearing are required for the agenda item, the presentation and/or hearing will take place prior to any Board discussion. Board Member questions of staff will take place during the staff presentation, which will be followed by the public hearing, if required.

The Chair, upon completion of the staff presentation and/or public hearing, will then entertain the motions from the Board, as described above, in order to begin discussion of the issue. Board Members may 'call for the question' to bring forth a vote on the issue, but that 'call for the question' itself may require a vote to end Board discussion on the item of business.



## **SECTION 4: Revenues and Expenditures**

### **GENERAL FUND**

The PRSA's General Fund is used to account for the revenues and expenditures that provide general government services. Revenues for the General Fund come solely from taxes that are collected by the Chelan County Treasurer and issued to the PRSA Board when requested. In order to minimize reporting requirements and ease of distribution of revenues, the Service Area Board only adopts one operating expenditure line that will transfer funds to the City of Leavenworth's Pool Fund. The Board Members will annually evaluate the City Pool's revenues and expenditures to determine the amount of funds to be transferred each year. In compliance with budgeting and annual reporting requirements, the budget includes a two-year look back on actuals with the current year showing budget versus actual year to date totals and the future year's budget estimate.

#### **General Fund Revenues – Fund 001**

<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Budget</b>	<b>2018 Actual thru 6/30/2018</b>	<b>2019 Budget Estimate</b>
Beginning Fund Balance	\$ 1,245	\$ 963	\$ 1,800	\$ 1,918	\$ 1,800
<b>Taxes</b>					
Property Taxes	\$121,335	\$122,567	\$130,000	\$ 69,620	\$130,000
Leasehold Taxes	\$ 58	\$ 90	\$ 50	\$ 47	\$ 50
Timber Excise Taxes	\$ 325	\$ 198	\$ 300	\$ 8	\$ 100
<b>Total Revenues:</b>	<b>\$122,963</b>	<b>\$122,855</b>	<b>\$132,150</b>	<b>\$ 71,593</b>	<b>\$131,950</b>

#### **General Fund Expenditures**

<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Budget</b>	<b>2018 Actual thru 6/30/2018</b>	<b>2019 Budget Estimate</b>
Transfer to City of Leavenworth.	\$122,000	\$121,900	\$130,000	\$ 65,000	\$130,000
<b>Total Expenditures:</b>	<b>\$122,000</b>	<b>\$121,900</b>	<b>\$130,000</b>	<b>\$ 65,000</b>	<b>\$130,000</b>
<b>General Fund Balance:</b>	<b>\$ 963</b>	<b>\$ 1,918</b>	<b>\$ 2,150</b>	<b>\$ 6,593</b>	<b>\$ 1,950</b>

## **BOND FUND**

The PRSA's Bond Fund is used to account for the revenues and expenditures that provide for the debt service payments for the original construction of the Pool. The current debt schedule identifies December 1, 2020 as the maturity date for final payment of the bond. The Board in the past several years has been maintaining the annual request of \$89,000 in tax collections to build up the ending fund balance with the expectation of having the debt payments available one year earlier than required. By doing this the Board will be able to reduce the property tax collections by nearly half in the 2019 Budget as there will be dollars available to cover a majority of the final debt payments that are due in 2019 and 2020. Staff has annually evaluated the progress of this schedule to ensure excess collections are not requested which would require a refund process to the tax payers. A small carryover of bond funds is acceptable and can be transferred to the General Fund in the final year of debt payments.

### **Bond Fund Revenues – Fund 110**

<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Budget</b>	<b>2018 Actual thru 6/30/2018</b>	<b>2019 Budget Estimate</b>
Beginning Fund Balance	\$ 81,697	\$ 89,685	\$104,500	\$103,750	\$115,550
<u>Taxes</u>					
Property Taxes	\$ 89,475	\$ 88,653	\$ 89,500	\$ 48,785	\$ 39,000
Leasehold Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Timber Excise Taxes	\$ 226	\$ 199	\$ 250	\$ 68	\$ 100
Total Revenues:	\$160,212	\$178,537	\$194,250	\$152,603	\$154,650

### **Bond Fund Expenditures**

<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Budget</b>	<b>2018 Actual thru 6/30/2018</b>	<b>2019 Budget Estimate</b>
Bond Processing Fee	\$ 300	\$ 300	\$ 300	\$ 0	\$ 300
Bond Debt Principle	\$ 70,000	\$ 65,000	\$ 70,000	\$ 0	\$ 70,000
Bond Debt Interest	\$ 11,413	\$ 9,487	\$ 7,538	\$ 3,769	\$ 5,263
Total Expenditures:	\$ 81,713	\$ 74,787	\$ 77,838	\$ 3,769	\$ 75,563
Bond Fund Balance:	\$ 89,685	\$103,750	\$116,412	\$148,834	\$ 79,087

## 2019 PRSA Meeting Dates

**Location: Leavenworth City Hall Conference Room**

**Time: 9:00 A.M.**

February 20

Wednesday

May 15

Wednesday

August 21

Wednesday

November 20

Wednesday



Ordinance / Resolution No. 3-2018
RCW 84.55.120

WHEREAS, the Board of Upper Valley Park & Recreation Service Area has met and considered its budget for the calendar year 2019; and,

WHEREAS, the districts actual levy amount from the previous year was \$ 126,993.55; and,

WHEREAS, the population of this district is less than 10,000; and now, therefore,

BE IT RESOLVED by the governing body of the taxing district that an increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2019 tax year.

The dollar amount of the increase over the actual levy amount from the previous year shall be \$ 1,269.94 which is a percentage increase of 1.00% from the previous year.

additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Adopted this 21 day of November, 2018.

Three horizontal lines for signatures on the left and right sides.

If additional signatures are necessary, please attach additional page.

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the total amount to be levied by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc.

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**UPPER VALLEY PARK AND RECREATION SERVICE AREA  
CHELAN COUNTY, WASHINGTON**

**RESOLUTION NO. 4 - 2018**

**A RESOLUTION FOR LEVYING THE EXCESS LEVY TO PAY FOR DEBT ON  
BONDS IN 2019**

WHEREAS, the Board of the Upper Valley Parks and Recreation Service Area has met and considered its budget for the calendar year 2019; now, therefore,

BE IT RESOLVED that the Board of the Upper Valley Parks and Recreation Service Area on the 21<sup>st</sup> day of November, 2018, do hereby authorize and fix an excess levy of \$39,000 for bond payments to be collected in 2019.

ADOPTED by the Board of the Upper Valley Park and Recreation Service Area, Chelan County, Washington, at a regular open meeting thereof this 21<sup>st</sup> day of November, 2018.

\_\_\_\_\_  
Chair and Boardmember

\_\_\_\_\_  
Boardmember

\_\_\_\_\_  
Boardmember

\_\_\_\_\_  
Boardmember

\_\_\_\_\_  
Boardmember

\_\_\_\_\_  
Secretary and Boardmember

UPPER VALLEY PARK AND RECREATION SERVICE AREA  
CHELAN COUNTY, WASHINGTON

RESOLUTION NO. 5-2018

**A RESOLUTION OF THE UPPER VALLEY PARK AND RECREATION SERVICE AREA BOARD, CHELAN COUNTY, WASHINGTON, ADOPTING A BUDGET FOR 2019, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.**

WHEREAS, on April 29, 1998, the Upper Valley Park and Recreation Service Area Board (“Board”) approved an interlocal agreement with the City of Leavenworth (“City”) designating the City as the lead agency for the construction, operation, maintenance and management of an aquatic center pool project to be located in the Leavenworth vicinity; and

WHEREAS, on August 7, 2012, voters of the PRSA also approved an extension of a regular tax levy in an amount not to exceed \$0.11 per \$1,000 of the assessed valuation in each of six consecutive years (2013-2018) for the maintenance and operating costs associated with the pool; and

WHEREAS, on November 6, 2018, voters of the PRSA also approved an extension of a regular tax levy in an amount not to exceed \$0.11 per \$1,000 of the assessed valuation in each of six consecutive years (2019-2024) for the maintenance and operating costs associated with the pool; and

WHEREAS, on November 21, 2018 the Board of the PRSA approved Resolution 3-2018 setting the regular tax levy for maintenance and operations at the prior year’s collections of \$126,993.55 to include a regular property tax levy increase of \$1,269.94 (1%) in 2019 as outlined in Resolution 3-2018; and

WHEREAS, the debt on the voter-approved construction bond, the costs of construction activity and the operations of the pool in 2019 require the adoption of an annual budget;

NOW THEREFORE BE IT RESOLVED BY THE UPPER VALLEY PARK AND RECREATION SERVICE AREA BOARD, CHELAN COUNTY, WASHINGTON, AS FOLLOWS:

Section 1. Budget The 2019 budget shall be as follows:

Maintenance and Operating Fund.....	\$140,000.00
Bond Repayment Fund.....	\$80,000.00

Section 2. Authorization of Officials. The Secretary and Chair of the Board, the Chelan County Treasurer, and the Board of County Commissioners of Chelan County, Washington, are

hereby authorized and directed to take all action, to do all things consistent with this Resolution, and to execute all documents necessary to effectuate this Resolution, including the collection of excess and regular property tax levies, and the distribution of funds as approved by the Board or the City of Leavenworth on behalf of the Board.

ADOPTED by the Upper Valley Park and Recreation Service Area Board, Chelan County, Washington, at a regular open public meeting thereof, of which due notice was given as provided by law, this 21<sup>st</sup> day of November, 2018, the following Members being present and voting:

UPPER VALLEY PARK AND RECREATION SERVICE AREA  
CHELAN COUNTY, WASHINGTON

\_\_\_\_\_  
Chair and Boardmember

\_\_\_\_\_  
Boardmember

\_\_\_\_\_  
Boardmember

\_\_\_\_\_  
Boardmember

\_\_\_\_\_  
Boardmember

\_\_\_\_\_  
Secretary and Boardmember

IV. D.



# Levy Certification

**Submit this document to the county legislative authority on or before November 30 of the year preceding the year in which the levy amounts are to be collected and forward a copy to the assessor.**

In accordance with RCW 84.52.020, I, Mia Bretz,  
(Name)

Chair, for Upper Valley Park & Rec. Service, do hereby certify to  
(Title) (District Name)

the Chelan County legislative authority that the Board  
(Name of County) (Commissioners, Council, Board, etc.)

of said district requests that the following levy amounts be collected in 2019 as provided in the district's  
(Year of Collection)

budget, which was adopted following a public hearing held on 11/21/18 :  
(Date of Public Hearing)

Regular Levy: \$150,000.00  
(State the total dollar amount to be levied)

Excess Levy: \$39,000.00  
(State the total dollar amount to be levied)

Refund Levy: \$298.41  
(State the total dollar amount to be levied)

Signature: \_\_\_\_\_

Date: 11/21/18

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