



**William Shore Memorial
Pool District**

2017 Budget

2017 Annual Budget

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Reader's Guide to the Budget

WSMPD's budget is divided into the following sections:

Budget Message

An overview of the Executive Director's budget recommendations to the Board of Commissioners and the community.

Budget Summary

This section provides an overview of the District's fund balances and revenue and expenditures for the 2017 fiscal year.

Strategic Goals and Accomplishments

This section of the budget document provides an overview of the accomplishments for the current fiscal year.

General Fund

This section provides the details of revenue and expenditures for each of the District's funds, including assumptions, major changes, and challenges.

Taxing Authority

This section covers the details of our taxing authority and our levy amounts.

Long-Term Debt

This section covers our current debt position and how it affects current and future budget priorities

Personnel

This section provides an overview of our personnel, FTE requirements and wage schedules.

Appendix

Appendix #1: Budget at a Glance

A new addition to the budget documentation is the Budget at a Glance. This document is intended to provide a one-page overview of the District's annual budget and financial position in an easy to understand and simplified format. The Budget at a Glance is available on line and a printed version to all District residents.

Appendix #2 District Overview

This section of the budget document provides an overview of the district including: governance, values, mission, and vision for the future, services provided, boundaries, organization and staffing.

Appendix #3: Budget Process and Financial Policies

This section provides the overview of our budget process, budget preparation timeline, our financial policies, District's revenue streams, budget assumptions, budget organization and process, basis of accounting and financial policies.

Section 1: Budget Message

I am pleased to present for your consideration the proposed 2017 William Shore Memorial Pool District (District) budget for the fiscal year beginning January 1, 2017 and ending December 31, 2017. The District budget serves three primary purposes: 1) financial accountability; 2) strategic planning; 3) public accountability. This document assists the District in maintaining high quality service at the lowest possible cost while addressing the strategic goals of the District. The District’s budget is in compliance with the provisions of the Washington State Revised Code (RCW) relating to tax levies and budgets of Metropolitan Park Districts and District policy. All required hearings have been held with the appropriate notice provided.

This document serves as a single guiding document for the District’s:

1. Financial priorities and planning;
2. Short and long-term financial forecasting;
3. Strategic planning, and;
4. Capital improvement planning.

Therefore, the annual budget document provides annual updates in all four during our budget development process. The budget represents our fiscal priorities for the upcoming twelve months of operation based on our strategic and capital improvement plans, which moves the District closer to achieving its mission and vision. Approval of the annual budget is one of the most important responsibilities of the Board of Commissioners (Board) due to its comprehensive nature.

The District follows the nationally recognized guidelines for effective budget presentation by the Government Finance Officers Association of the United States (GFOA) and the Washington Finance Officers Association (WFOA). These guidelines are designed to enable the District’s budget document to serve as a financial policy document, financial plan, operations guide, strategic plan and a communications device. Financial excellence and accountability is one of the five core values of the District and using these guidelines results in receiving annual recognition for the quality and effectiveness of our annual budget document. This recognition represents a significant achievement by the District, it reflects the commitment of our Board of Commissioners and District staff to meeting the highest principles of governmental budgeting.

In 2017, the District’s budget revenue will not be dramatically different than the 2016 amended budget. The increase in revenue growth will stabilize in 2017 due to the inability to grow programming because of facility limitations. Limited revenue growth will also stabilize expenditures in 2017, with the exception of an increase in our loan and bond payments, a \$26,673 increase (22%) over 2016. An additional change for 2017 is the District will only utilize one fund, the General Fund, for budgeting and reporting. This was done to simplify the work and reporting requirements. The table below shows the comparison of the 2016 budget, the 2016 amended budget and the 2017 recommended budget, as put forth by the District Accountant and myself.

William Shore Pool District			
	2016 Budget	2016 Amended	2017 Budget
REVENUES:	\$877,750	\$932,410	\$935,350
EXPENSES:	\$808,350	\$926,227	\$930,725

Chart 1: 2016-2017 Budget Comparison

Overall, the District is fiscally healthy. The District has sufficient revenue to meet operational needs, debt service and maintaining an adequate ending balance in the General Fund for our policy reserve

requirements. In 2014, the District set our bond and loan payment reserve level to equal one year of bond payments (\$150,000) and have three months operating expenditure (\$90,000) in reserves. Current bond and loan debt will be \$759,064 by the end of 2017. The District is on schedule to retire all bonds and loans by 2022. The bond and loan proceeds were used to upgrade our mechanical and electrical components at our facility.

With programming reaching the maximum potential due to space constraints, the District is in the process of designing and cost estimating an expansion of the current facility to meet the long term needs of our community. A separate report will analyze the financial feasibility and funding strategies of expansion and will make recommendations phasing and timeline requirements.

The assessed value (AV) of taxable property within the District has decreased 23% since 2009. However, decrease of AV stopped in 2015 and is starting to show a slow increase in the last two years. In 2017, the AV is estimated to increase by 4.6%. With this in mind, the 2017 budget recommends to maintain our District tax levy at \$0.18 per \$1,000 of assessed value, estimated at \$525,000. This increase will bring us to the starting levy amount authorized when the District was established in 2009.

We welcome feedback on the design of the budget document and its content. Feel free to contact me via e-mail (sburke@williamshorepool.org), telephone (360) 417-9767 or stop by our office at 225 E. 5th St., Port Angeles.

I look forward to working with the Board of Commissioners in the coming year.

Respectfully,



Steven D Burke, AFO
Executive Director
William Shore Memorial Pool District

Section 2: Budget Summary and Highlights

The District strives to maximize effectiveness, efficiency, and value to the community. In addition, we endeavor to be transparent in our decision-making and financial affairs to allow our taxpayers and the District's voters to have the ability to assess if we are making efficient use of public funds and providing good value for the cost of our services.

2017 BUDGET SUMMARY

Beginning Balance	2017 Revenue	2017 Expenses	Ending Balance
\$232,341	\$935,350	\$930,725	\$236,966

Chart 2: 2017 Budget Summary

STABILIZED OPERATING EXPENSES

As a result of our capital improvement investments the annual operating expenses have stabilized and should remain consistent for the next 3-5 years with the exception of annual inflation adjustments.

BOND AND LOAN OBLIGATIONS

The District has a General Obligation Bond and two Washington State LOCAL Loans that require a 2017 payment of \$166,000 for principle and interest, a \$37,600 increase (31%) over 2016. In the 2016 budget, we continue to maintain one year of loan and bond payments (\$150,000) in reserves to ensure greater financial stability in these uncertain economic times.

NON-TAX REVENUE

The District is close to reaching its maximum revenue potential, which is limited by the size of the current facility. As a result, the double-digit revenue increases each year are not sustainable and will stabilize around \$340,000 to 350,000 per year.

FUND CASH BALANCE

The District is maintaining a cash balance in excess of the minimum financial policy of two months operating fund reserves (\$60,000) and one-year bond and loan payments (\$150,000).

PROPERTY TAX LEVY

The 2017 budget recommends to maintain our District tax levy at \$0.18 per \$1,000 of assessed value, estimated at \$525,000. This increase will bring us to the starting levy amount authorized when the District was established in 2009.

PASSAGE OF INITIATIVE 1433

The District will increase the personnel costs by \$20,000 in 2017 to cover the costs associated with the passage of Initiative 1433, which requires all employers to offer sick leave to full and part-time employees and increase minimum wage to \$13.50 by 2020.

CAPITAL IMPROVEMENTS

There are no scheduled capital improvements in the 2017 budget. This is a result of expansion plans and the desire to not duplicate project costs.

2017 BUDGET HIGHLIGHTS

The 2017 budget highlights are:

- Maintain tax levy at \$0.18 per \$1,000 of assessed value.

- Increase of \$20,000 in personnel costs to cover new sick leave and minimum wage increases
- Maintaining a one-year bond payment reserve of \$150,000
- A \$10,000 capital budget for improvements
- Continued operational reserves of 2 months of operational expenses (\$60,000)
- Bond and loan debt service payment of \$166,000 with an ending debt of \$759,064 for 2017.
- An ending General Fund balance of \$236,966

Section 3: District Profile

DISTRICT OFFICES
225 E. 5th St.
Port Angeles, WA 98362

BOARD OF COMMISSIONERS

Brad Collins
President

Anna Manildi
Vice President

Bill Peach
Commissioner

Mike Chapman
Commissioner

Cherie Kidd
Commissioner

CITIZEN ADVISORY COMMITTEE

Greg Shields
Chairperson

Chris Murray

Wade Powers

Todd Clayton

Ryan Johnson

STAFF

Steven Burke
Executive Director

Christi Wojnowski
Aquatics Manager

Charlie McClain
District Treasurer

Craig Miller
District Attorney

James Shultz
Assistant Aquatics Manager

Rachelle Sires
District Clerk

MISSION, VISION AND CORE VALUES

DISTRICT MISSION STATEMENT

To provide high quality, safe, and accessible aquatic programs, services, and facilities that enhances the quality of life for all ages, cultures, and abilities, which encourages health, wellness, learning and fun.

DISTRICT VISION STATEMENT

To provide a well-functioning and well-maintained aquatic center that enhances quality of life by offering a diversity of recreational opportunities for people of all ages and needs.

DISTRICT CORE VALUES

- **People Focused:** *Provide the aquatic recreational needs of our community that strengthens the body, sharpens the mind, and renews the spirit of current and future generations.*
- **Sustainable Excellence:** *Deliver the highest quality sustainable product, service, facility and experience financially possible.*
- **Integrity:** *Operate with an objective, honest, and balanced perspective.*
- **Collaborative:** *Work in cooperation with all stakeholders including residents, communities, public and private organizations, and policymakers.*
- **Diversity:** *Support the public we serve, and offer suitable programs, activities, and services that are accessible.*
- **Dedication:** *Commit to getting the job done the right way, no matter what it takes.*
- **Fun:** *Provide fun and enjoyable activities for all ages and abilities.*

Section 4: General Fund Cash Balance/Reserves

The General Fund is the general operating fund of the District. It is used to account for all financial revenue and expenditures of the District. Taxes and earned revenue are the major sources of revenue. The year-end 2017 General Fund balance/reserves will show a \$4,625 increase from 2016 year-end projection and the end of 2017.

The District, by policy, is to maintain a cash balance in excess of two months operating fund reserves (\$60,000) and one-year bond and loan payments (\$150,000).

YEARLY GENERAL FUND CASH BALANCE

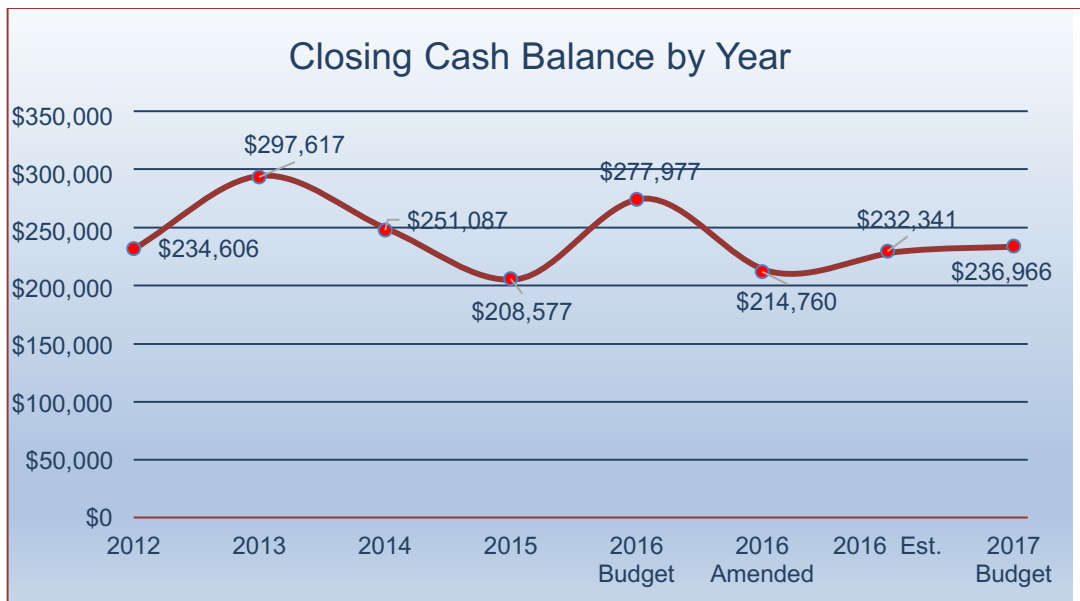


Chart 3: General Fund Ending Balances by Year Graph

Section 6: General Fund Revenue

2017 GENERAL FUND REVENUE BUDGET

The 2016 General Fund revenue shows no increase over the 2016 amended budget. This is due to the District receiving a one-time \$39,960 Opportunity Fund grant from Clallam County in 2016 and increasing our 2017 levy tax revenue by \$30,000. The 2016 year-end projection may change if the District does not receive the \$39,960 from the Clallam County Opportunity Fund. by the end of the year. Earned revenue will remain steady at \$350,000 to \$380,000 due to limited programming space and no fee increases.

The District will increase levy by \$30,000 per year (7%). With the 4.6% increase in assessed property values (AV) it will maintain the \$0.18 per \$1,000 of AV. The District's Assessed Value (AV) will likely increase slightly over the next 3-5 years. The District will collect 98% of property taxes in the year in which they are levied (based on historical data for tax collection within the District. Delinquent property tax payments in prior years have a total outstanding balance to the District of \$7,300.

Description	2016 Amended	2016 Est.	2017 Budget	Variance over 2016 Budget
OPERATIONAL REVENUE				
Real and Personal Property Tax	\$495,000	\$490,000	\$525,000	7%
Sale of Tax Title Property	\$0	\$0	\$0	0%
Total General Property Tax	\$495,000	\$490,000	\$525,000	7%
Leasehold Excise Taxes	\$5,500	\$5,500	\$5,500	0%
Timber/Harvest Excise Tax	\$3,000	\$2,660	\$2,600	-2%
Total Excise Taxes	\$8,500	\$8,160	\$8,100	-1%
Vending Revenue	\$500	\$500	\$500	0%
Sales of Taxable Merchandise	\$7,500	\$7,500	\$7,500	0%
Total Sales of Merchandise	\$8,000	\$8,000	\$8,000	0%
Pass Sales	\$86,000	\$86,400	\$88,000	2%
General Admissions	\$63,000	\$63,700	\$65,000	2%
Swim Classes/Instruction	\$88,000	\$89,000	\$90,000	1%
Exercise Classes	\$67,000	\$67,600	\$70,000	3%
Camps and Special Events	\$9,200	\$9,200	\$10,000	8%
Total Recreation Programing	\$313,200	\$315,900	\$323,000	2%
Rentals (Short-Term)	\$10,000	\$10,500	\$12,500	16%
Equipment and Locker Rentals	\$5,000	\$5,500	\$5,750	4%
Lease of County Land (DNR Other)	\$250	\$250	\$0	0%
Rentals (Contracted)	\$30,000	\$30,600	\$32,500	6%
Total Rentals	\$45,250	\$46,850	\$50,750	8%
Private Gifts (non-gov)	\$0	\$100	\$0	0%
Total Gifts from Private Sources	\$0	\$100	\$0	0%
Misc. Other	\$500	\$600	\$500	-20%
Total Other Misc. Revenue	\$500	\$600	\$500	-20%
Sale of County Timber	\$22,000	\$22,000	\$20,000	-10%
Total Sale of County Timber	\$22,000	\$22,000	\$20,000	-10%
TOTAL OPERATIONAL REVENUE	\$892,450	\$891,610	\$935,350	5%

NON-OPERATIONAL REVENUE				
Commerce Energy Grant	\$0	\$0	\$0	0%
Total State Grants	\$0	\$0	\$0	0%
Opportunity Fund Grant	\$39,960	\$39,960	\$0	0%
Utility Incentitive Rebate	\$0	\$0	\$0	0%
Misc/PILT	\$0	\$49	\$0	0%
Total Local Gov't Grants/ Payments	\$39,960	\$40,009	\$0	0%
County Line of Credit	\$0	\$0	\$0	0%
Total Other Non-Revenues	\$0	\$0	\$0	0%
General Obligation Bond Proceeds	\$0	\$0	\$0	0%
LOCAL Loan Proceeds	\$0	\$0	\$0	0%
Total Proceeds of Long Term Debt	\$0	\$0	\$0	0%
NON OPERATIONAL REVENUE	\$39,960	\$40,009	\$0	
TOTAL REVENUE	\$932,410	\$931,619	\$935,350	0%

Chart 4: 2017 General Fund Revenue by Category

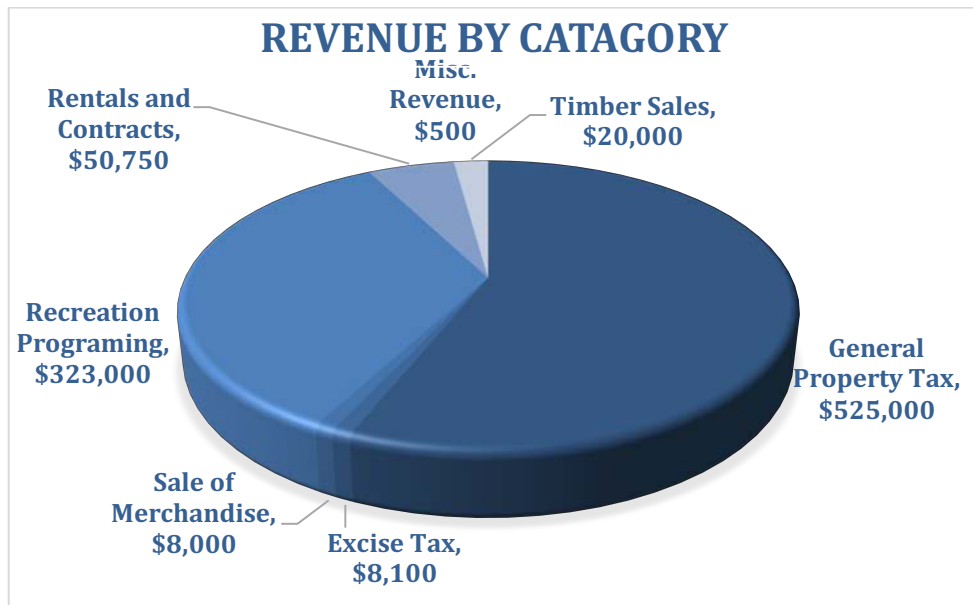


Chart 5: 2017 General Fund Revenue by Category Graph

GENERAL FUND REVENUE ANALYSIS AND ASSUMPTIONS

The following four revenue assumptions were used in developing the district budget:

- Timber revenue increased in 2016, but timber revenue can range from \$0 to \$25,000 without any notice.
- Several other tax revenue streams continue to swing dramatically and are difficult to anticipate and budget (i.e. excise tax and county timber sales).
- Previous years property tax payments that have not been paid total \$7,300.
- The Revised Code of Washington (RCW) limits Metropolitan Park Districts to a maximum regular property tax rate of \$0.75/\$1000 of assessed value (RCW 36.61.210).

EARNED REVENUE

In determining the financial health of a Park District, the key indicator is the growth of the District's earned revenue or non-tax revenue. Earned revenue incorporates all the charges for service and program

revenues for the District. Even though the largest single source of revenue for all Park Districts will be property tax revenue, earned revenue is always the best indicator of the financial health of the District. In 2017, District earned revenue will be 40% of the total revenue. The average earned revenue for operating a Park District in Washington State in 2014 was 20% of total revenue. The chart below shows the earned revenue in each category.

EARNED REVENUE BY CATAGORY

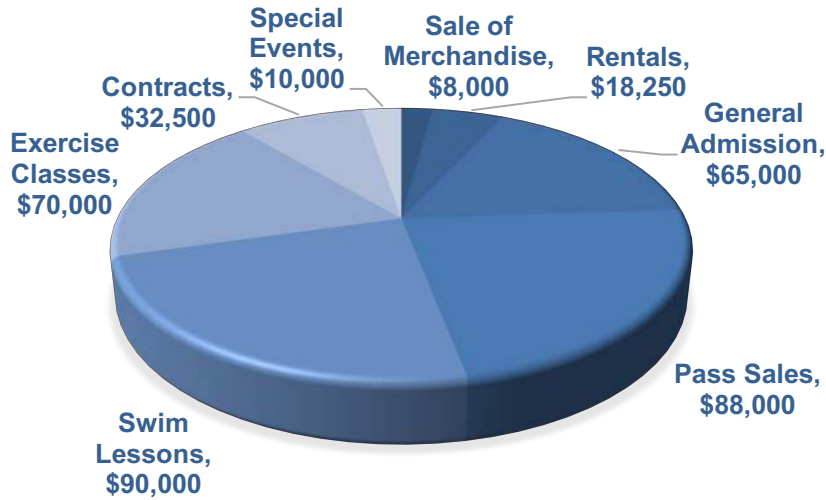


Chart 6: Earned Revenue by Category

REVENUE COMPARISON BY YEAR

Description	2013	2014	2015	2016 Amended	2016 Est.	2017 Budget	Variance over 2016 Budget
OPERATIONAL REVENUE							
Real and Personal Property Tax	\$464,803	\$475,312	\$479,946	\$495,000	\$490,000	\$525,000	7%
Sale of Tax Title Property	\$0	\$0	\$0	\$0	\$0	\$0	0%
Total General Property Tax	\$464,803	\$475,312	\$479,946	\$495,000	\$490,000	\$525,000	7%
Leasehold Excise Taxes	\$4,978	\$5,028	\$5,777	\$5,500	\$5,500	\$5,500	0%
Timber/Harvest Excise Tax	\$2,869	\$3,247	\$2,551	\$3,000	\$2,660	\$2,600	-2%
Total Excise Taxes	\$7,847	\$8,275	\$8,328	\$8,500	\$8,160	\$8,100	-1%
Vending Revenue	\$30	\$567	\$357	\$500	\$500	\$500	0%
Sales of Taxable Merchandise	\$10,327	\$6,742	\$8,029	\$7,500	\$7,500	\$7,500	0%
Total Sales of Merchandise	\$10,357	\$7,309	\$8,386	\$8,000	\$8,000	\$8,000	0%
Pass Sales	\$59,231	\$67,431	\$70,635	\$86,000	\$86,400	\$88,000	2%
General Admissions	\$51,285	\$53,301	\$51,230	\$63,000	\$63,700	\$65,000	2%
Swim Classes/Instruction	\$66,991	\$90,123	\$84,575	\$88,000	\$89,000	\$90,000	1%
Exercise Classes	\$63,811	\$69,550	\$64,353	\$67,000	\$67,600	\$70,000	3%
Camps and Special Events	\$11,949	\$5,273	\$12,483	\$9,200	\$9,200	\$10,000	8%
Total Recreation Programing	\$253,267	\$285,678	\$283,276	\$313,200	\$315,900	\$323,000	2%
Rentals (Short-Term)	\$5,840	\$7,553	\$6,913	\$10,000	\$10,500	\$12,500	16%
Equipment and Locker Rentals	\$2,786	\$4,218	\$4,368	\$5,000	\$5,500	\$5,750	4%
Lease of County Land (DNR Other)	\$317	\$182	\$181	\$250	\$250	\$0	0%
Rentals (Contracted)	\$26,317	\$31,940	\$28,572	\$30,000	\$30,600	\$32,500	6%

Total Rentals	\$35,260	\$43,893	\$40,034	\$45,250	\$46,850	\$50,750	8%
Private Gifts (non-gov)	\$6,500	\$6,701	\$250	\$0	\$100	\$0	0%
Total Gifts from Private Sources	\$6,500	\$6,701	\$250	\$0	\$100	\$0	0%
Misc. Other	\$1,664	\$2,164	\$433	\$500	\$600	\$500	-20%
Total Other Misc. Revenue	\$1,664	\$2,164	\$433	\$500	\$600	\$500	-20%
Sale of County Timber	\$12,417	\$2,315	\$9,163	\$22,000	\$22,000	\$20,000	-10%
Total Sale of County Timber	\$12,417	\$2,315	\$9,163	\$22,000	\$22,000	\$20,000	-10%
TOTAL OPERATIONAL REVENUE	\$792,115	\$831,647	\$829,816	\$892,450	\$891,610	\$935,350	5%
NON-OPERATIONAL REVENUE							
Commerce Energy Grant	\$415,000	\$0	\$0	\$0	\$0	\$0	0%
Total State Grants	\$415,000	\$0	\$0	\$0	\$0	\$0	0%
Opportunity Fund Grant	\$0	\$0	\$0	\$39,960	\$39,960	\$0	0%
Utility Incentive Rebate	\$0	\$230,043	\$0	\$0	\$0	\$0	0%
Misc./PILT	\$42	\$0	\$44	\$0	\$49	\$0	0%
Total Local Gov't Grants/ Payments	\$42	\$230,043	\$44	\$39,960	\$40,009	\$0	0%
County Line of Credit	\$11,814	\$0	\$0	\$0	\$0	\$0	0%
Total Other Non-Revenues	\$11,814	\$0	\$0	\$0	\$0	\$0	0%
General Obligation Bond Proceeds	\$623,616	\$0	\$0	\$0	\$0	\$0	0%
LOCAL Loan Proceeds	\$425,760	\$0	\$0	\$0	\$0	\$0	0%
Total Proceeds of Long Term Debt	\$1,049,376	\$0	\$0	\$0	\$0	\$0	0%
NON OPERATIONAL REVENUE	\$1,476,232	\$230,043	\$44	\$39,960	\$40,009	\$0	
TOTAL REVENUE	\$2,268,347	\$1,061,690	\$829,860	\$932,410	\$931,619	\$935,350	0%

Chart 7: Revenue Comparison by Year

Section 7: General Fund Expenses

2017 GENERAL FUND EXPENSES BUDGET

Expenses in the 2017 General Fund budget reflects no increase in total expenses. Operational expenses show a 3% increase due to an anticipated state accountability audit and the new expense of providing sick leave to all employees resulting from the passage of Initiative 1433.

The District has a General Obligation Bond and two Washington State LOCAL Loans that require a 2017 payment of \$164,929 for principle and interest, a \$37,600 increase (31%) over 2016. In the 2017 budget, we continue to maintain one year of loan and bond payments (\$150,000) in reserves to ensure greater financial stability in these uncertain economic times.

Description	2016 Amended	2016 Est.	2017 Budget	Variance of 2016 Budget
OPERATIONAL EXPENSE				
Clerk of the Board	\$1,500	\$1,280	\$1,500	0%
Wages Lifeguard	\$150,000	\$148,000	\$152,000	1%
Wages Instructor	\$51,500	\$51,000	\$52,000	1%
Wages Head Guard	\$64,000	\$64,000	\$64,000	0%
Wages Supervisors	\$94,000	\$90,400	\$94,000	0%
Wages Maintenance/Janitorial	\$16,000	\$15,800	\$16,000	0%
Wages Executive Director	\$47,250	\$47,250	\$47,250	0%
Sick and Vacation Pay	\$2,800	\$2,800	\$20,000	86%
Overtime	\$0	\$0	\$0	0%
Salaries and Wages Total	\$427,050	\$420,530	\$446,750	4%
Benefits	\$30,000	\$29,000	\$30,000	0%
Cafeteria Plan	\$12,000	\$12,000	\$12,000	0%
Unemployment	\$1,000	\$1,000	\$1,000	0%
Department of L&I	\$17,000	\$17,000	\$17,000	0%
Personnel Benefits Total	\$60,000	\$59,000	\$60,000	0%
Office Supplies				
Office Supplies	\$10,500	\$10,300	\$9,000	-17%
Computers and Supplies	\$1,700	\$1,700	\$2,000	15%
Program Supplies and Equipment				
Exercise Classes	\$1,000	\$1,000	\$1,000	0%
Swim Classes/Instruction	\$1,000	\$1,000	\$1,000	0%
Camps and Special Events	\$1,250	\$1,250	\$500	-150%
Maintenance and Repairs Supplies				
Uniforms and Clothing	\$2,000	\$1,800	\$2,000	0%
Pool Chemicals	\$11,000	\$10,700	\$12,000	8%
Cleaning and Janitorial Supplies	\$7,200	\$7,000	\$7,200	0%
Lifeguard Supplies and Equip.	\$3,500	\$2,300	\$3,500	0%
Maintenance Supplies	\$2,500	\$1,300	\$2,500	0%
Miscellaneous Supplies				
Supplies Purchased For Inventory/Resale	\$5,400	\$5,400	\$5,000	-8%
Small Tools and Minor Equip.	\$1,000	\$1,000	\$1,000	0%

Supplies Total	\$48,050	\$44,750	\$46,700	-3%
Professional Services				
IT/Computer Service	\$5,000	\$4,900	\$5,000	0%
Transaction Services/Rec1	\$3,000	\$2,800	\$3,000	0%
Accounting Services	\$15,000	\$15,000	\$15,600	4%
Legal Services	\$2,000	\$1,200	\$2,500	20%
Communications				
Telephone	\$3,000	\$2,900	\$3,000	0%
Postage and Mailing	\$500	\$500	\$500	0%
Website/Internet	\$1,500	\$1,500	\$1,500	0%
Training/Travel				
Training	\$4,400	\$4,400	\$4,600	4%
ED Travel Allowance	\$2,400	\$2,400	\$2,400	0%
Travel for Training	\$1,500	\$1,500	\$1,500	0%
Travel Misc.	\$0	\$0	\$0	0%
Advertising				
Program Advertising	\$700	\$700	\$600	-17%
Rentals and Leases				
Equipment Leases/Rentals	\$2,000	\$2,000	\$2,000	0%
Insurance				
Liability Insurance	\$15,500	\$15,500	\$16,000	3%
Utility				
Electrical/Water/Sewer	\$90,000	\$90,000	\$92,000	2%
Repairs and Maintenance				
Building Repairs	\$20,000	\$16,500	\$16,500	-21%
Equipment Repairs	\$1,500	\$1,500	\$1,500	0%
Office/IT Equipment Repairs		\$0	\$0	0%
Miscellaneous				
Printing and Copying Supplies	\$500	\$200	\$500	0%
Memberships and Dues	\$4,000	\$3,700	\$3,700	-8%
Subscriptions	\$0	\$0	\$0	0%
Merchant/Credit Card Service Fees	\$11,000	\$11,000	\$11,000	0%
Misc. Service/Discrepancies	\$0	\$0	\$0	0%
Intergovernmental Services				
County Clerk Services	\$0	\$0	\$0	0%
State Auditor	\$0	\$0	\$5,000	100%
PA City Maintenance Services	\$0	\$0	\$0	0%
Clallam County Taxes	\$375	\$375	\$375	0%
B&O Tax/Agency	\$12,000	\$11,600	\$12,500	4%
Services Total	\$195,875	\$190,175	\$201,275	3%
OPERATIONAL EXPENSE TOTAL	\$730,975	\$714,455	\$754,725	3%
NON-OPERATIONAL EXPENSE				
Loans and Bonds (interest)	\$40,252	\$38,400	\$35,000	-15%
Debt Service Interest Total	\$40,252	\$38,400	\$35,000	-15%
TOTAL NON-OPERATIONAL EXPENSE	\$40,252	\$38,400	\$35,000	-15%

TOTAL EXPENSE	\$771,227	\$752,855	\$789,725	2%
NET INCOME	\$161,183	\$178,764	\$145,625	-11%
County Loan Line of Credit (principle)	\$0	\$0	\$0	0%
Loans and Bonds (principle)	\$90,000	\$90,000	\$131,000	31%
Debt Service Principle Total	\$90,000	\$90,000	\$131,000	31%
Building and Structures	\$45,000	\$45,000	\$10,000	-350%
Machinery and Equipment	\$20,000	\$20,000	\$0	0%
Capital Outlays Total	\$65,000	\$65,000	\$10,000	-550%
TOTAL ASSET OUTLAYS TOTAL	\$155,000	\$155,000	\$141,000	-10%
GRAND TOTAL EXPENSE	\$926,227	\$907,855	\$930,725	0%
SURPLUS	\$6,183	\$23,764	\$4,625	-34%

Chart 8: 2017 General Fund Expense by Category

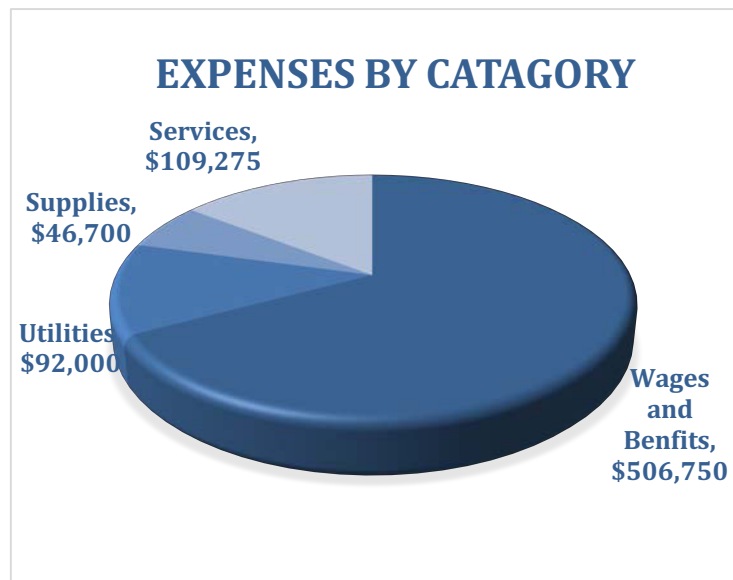


Chart 9: 2017 General Fund Expense by Category Graph

GENERAL FUND EXPENSE ANALYSIS AND ASSUMPTIONS

- State accountability audit for 2017, scheduled every three years (\$5,000)
- A new \$10,000 cost for changes in sick leave rules and minimum wage.
- The Consumer Price Index (CPI) is likely to increase between 0.7% and 1.5% per year over the next several years.
- The cost of supplies and services not included in the CPI are also likely to increase between 0.7% and 1.5% per year over the next several years.

EXPENSE COMPARISON BY YEAR

Description	2013	2014	2015	2016 Amended	2016 Est.	2017 Budget	Variance of 2016 Budget
OPERATIONAL EXPENSE							
Clerk of the Board	\$0	\$0	\$820	\$1,500	\$1,280	\$1,500	0%
Wages Lifeguard	\$99,679	\$117,637	\$130,809	\$150,000	\$148,000	\$152,000	1%

Wages Instructor	\$39,110	\$45,780	\$48,801	\$51,500	\$51,000	\$52,000	1%
Wages Head Guard	\$59,978	\$58,214	\$50,661	\$64,000	\$64,000	\$64,000	0%
Wages Supervisors	\$73,271	\$81,525	\$98,146	\$94,000	\$90,400	\$94,000	0%
Wages Maintenance/Janitorial	\$12,617	\$12,954	\$13,752	\$16,000	\$15,800	\$16,000	0%
Wages Executive Director	\$45,000	\$45,000	\$47,062	\$47,250	\$47,250	\$47,250	0%
Sick and Vacation Pay	\$3,119	\$0	\$2,810	\$2,800	\$2,800	\$20,000	86%
Overtime	\$254	\$0	\$0	\$0	\$0	\$0	0%
Salaries and Wages Total	\$333,028	\$361,110	\$392,861	\$427,050	\$420,530	\$446,750	4%
Benefits	\$26,117	\$27,000	\$28,812	\$30,000	\$29,000	\$30,000	0%
Cafeteria Plan	\$11,314	\$12,000	\$12,904	\$12,000	\$12,000	\$12,000	0%
Unemployment	\$1,465	\$1,145	\$2,951	\$1,000	\$1,000	\$1,000	0%
Department of L&I	\$15,175	\$16,200	\$14,123	\$17,000	\$17,000	\$17,000	0%
Personnel Benefits Total	\$54,071	\$56,345	\$58,790	\$60,000	\$59,000	\$60,000	0%
Office Supplies							
Office Supplies	\$9,080	\$6,329	\$8,829	\$10,500	\$10,300	\$9,000	-17%
Computers and Supplies	\$990	\$378	\$1,718	\$1,700	\$1,700	\$2,000	15%
Program Supplies and Equipment							
Exercise Classes	\$117	\$949	\$759	\$1,000	\$1,000	\$1,000	0%
Swim Classes/Instruction	\$28	\$57	\$98	\$1,000	\$1,000	\$1,000	0%
Camps and Special Events	\$891	\$1,106	\$665	\$1,250	\$1,250	\$500	-150%
Maintenance and Repairs Supplies							
Uniforms and Clothing	\$1,563	\$1,081	\$2,620	\$2,000	\$1,800	\$2,000	0%
Pool Chemicals	\$15,965	\$10,277	\$15,256	\$11,000	\$10,700	\$12,000	8%
Cleaning and Janitorial Supplies	\$6,666	\$6,656	\$5,931	\$7,200	\$7,000	\$7,200	0%
Lifeguard Supplies and Equip.	\$4,545	\$1,892	\$3,646	\$3,500	\$2,300	\$3,500	0%
Maintenance Supplies	\$6,521	\$5,061	\$3,311	\$2,500	\$1,300	\$2,500	0%
Miscellaneous Supplies							
Supplies Purchased For Inventory/Resale	\$4,331	\$4,221	\$5,507	\$5,400	\$5,400	\$5,000	-8%
Small Tools and Minor Equip.	\$1,537	\$921	\$87	\$1,000	\$1,000	\$1,000	0%
Supplies Total	\$52,234	\$38,928	\$48,427	\$48,050	\$44,750	\$46,700	-3%
Professional Services							
IT/Computer Service	\$1,598	\$2,747	\$2,405	\$5,000	\$4,900	\$5,000	0%
Transaction Services/Rec1	\$3,790	\$4,839	\$3,620	\$3,000	\$2,800	\$3,000	0%
Accounting Services	\$12,600	\$15,000	\$15,120	\$15,000	\$15,000	\$15,600	4%
Legal Services	\$6,720	\$2,208	\$3,005	\$2,000	\$1,200	\$2,500	20%
Communications							
Telephone	\$1,078	\$1,619	\$2,877	\$3,000	\$2,900	\$3,000	0%
Postage and Mailing	\$257	\$256	\$365	\$500	\$500	\$500	0%
Website/Internet	\$310	\$1,214	\$1,586	\$1,500	\$1,500	\$1,500	0%
Training/Travel							
Training	\$3,001	\$6,278	\$3,685	\$4,400	\$4,400	\$4,600	4%
ED Travel Allowance			\$2,400	\$2,400	\$2,400	\$2,400	0%
Travel for Training	\$1,332	\$1,736	\$1,378	\$1,500	\$1,500	\$1,500	0%
Travel Misc.	\$0	\$0	\$0	\$0	\$0	\$0	0%
Advertising							

Program Advertising	\$1,465	\$632	\$812	\$700	\$700	\$600	-17%
Rentals and Leases							
Equipment Leases/Rentals	\$1,859	\$1,956	\$2,165	\$2,000	\$2,000	\$2,000	0%
Insurance							
Liability Insurance	\$11,106	\$11,314	\$13,155	\$15,500	\$15,500	\$16,000	3%
Utility							
Electrical/Water/Sewer	\$94,628	\$75,892	\$76,788	\$90,000	\$90,000	\$92,000	2%
Repairs and Maintenance							
Building Repairs	\$4,654	\$9,270	\$19,938	\$20,000	\$16,500	\$16,500	-21%
Equipment Repairs	\$3,479	\$4,984	\$4,370	\$1,500	\$1,500	\$1,500	0%
Office/IT Equipment Repairs	\$355	\$0	\$0		\$0	\$0	0%
Miscellaneous							
Printing and Copying Supplies	\$609	\$392	\$133	\$500	\$200	\$500	0%
Memberships and Dues	\$3,204	\$3,916	\$2,100	\$4,000	\$3,700	\$3,700	-8%
Subscriptions	\$0	\$9	\$186	\$0	\$0	\$0	0%
Merchant/Credit Card Service Fees	\$7,029	\$9,092	\$9,157	\$11,000	\$11,000	\$11,000	0%
Misc. Service/Discrepancies	\$0	\$3	\$9	\$0	\$0	\$0	0%
Intergovernmental Services							
County Clerk Services	\$4,032	\$4,032	\$2,000	\$0	\$0	\$0	0%
State Auditor	\$0	\$4,794	\$0	\$0	\$0	\$5,000	100%
PA City Maintenance Services	\$6,100	\$0	\$0	\$0	\$0	\$0	0%
Clallam County Taxes	\$243	\$323	\$323	\$375	\$375	\$375	0%
B&O Tax/Agency	\$9,250	\$9,559	\$10,228	\$12,000	\$11,600	\$12,500	4%
Services Total	\$178,699	\$172,065	\$177,805	\$195,875	\$190,175	\$201,275	3%
OPERATIONAL EXPENSE TOTAL	\$618,032	\$628,448	\$677,883	\$730,975	\$714,455	\$754,725	3%
NON-OPERATIONAL EXPENSE							
Loans and Bonds (interest)	\$33,426	\$50,536	\$42,196	\$40,252	\$38,400	\$35,000	-15%
Debt Service Interest Total	\$33,426	\$50,536	\$42,196	\$40,252	\$38,400	\$35,000	-15%
TOTAL NON-OPERATIONAL EXPENSE	\$33,426	\$50,536	\$42,196	\$40,252	\$38,400	\$35,000	-15%
TOTAL EXPENSE	\$651,458	\$678,984	\$720,079	\$771,227	\$752,855	\$789,725	2%
NET INCOME	\$1,616,889	\$382,706	\$109,781	\$161,183	\$178,764	\$145,625	-11%
County Loan Line of Credit (principle)	\$150,001	\$257,808	\$0	\$0	\$0	\$0	0%
Loans and Bonds (principle)	\$10,860	\$77,950	\$112,369	\$90,000	\$90,000	\$131,000	31%
Debt Service Principle Total	\$160,861	\$335,758	\$112,369	\$90,000	\$90,000	\$131,000	31%
Building and Structures	\$1,369,802	\$88,259	\$38,317	\$45,000	\$45,000	\$10,000	-350%
Machinery and Equipment	\$23,215	\$5,219	\$1,605	\$20,000	\$20,000	\$0	0%
Capital Outlays Total	\$1,393,017	\$93,478	\$39,922	\$65,000	\$65,000	\$10,000	-550%
TOTAL ASSET OUTLAYS TOTAL	\$1,553,878	\$429,236	\$152,291	\$155,000	\$155,000	\$141,000	-10%
GRAND TOTAL EXPENSE	\$2,205,336	\$1,108,220	\$872,370	\$926,227	\$907,855	\$930,725	0%
SURPLUS	\$63,011	-\$46,530	-\$42,510	\$6,183	\$23,764	\$4,625	-34%

Chart 10: Expense Comparison byYear

Section 8: Taxing Authority

Taxes make up approximately 60% of the revenue budget. Most of the tax revenue is in the form of property tax.

DISTRICT STATUTORY TAXING CAPACITY

The maximum lawful tax rate a Metropolitan Park District is allowed by Revised Code of Washington (RCW) section 35.61.210 is \$0.75 per \$1,000 of District assessed valuation. The 2017 levy tax rate is estimated at \$0.181. The remaining taxing capacity is not anticipated to be needed in the operation of the District.

HISTORICAL PROPERTY TAX FOR DISTRICT AND ALL LEVY AMOUNTS

Property taxes are assessed to the citizens in March of each year for 1st half payment due on April 30th and the 2nd half due on October 30th. Several limitations control the growth of regular property tax levies and revenues:

- Initiative 747 (RCW 84.52.050), voter approved in 2001, requires state and local governments to limit their property tax increases to 1% each year, or the IPD, whichever is less, unless an increase greater than this limit is approved by voters in an election.
- Revised Code of Washington (RCW) 84.52.043(2) limits all regular tax levies within counties to \$5.90 per \$1,000 of assessed value (AV). If the taxes of all districts collectively exceed this amount, a proportionate adjustment is applied until the total is reduced to the 1 percent limit.

Initiative 747 limitations do not apply to the District in the near term because the District has only been using a portion of the maximum lawful levy limit and would only apply when the District reaches its levy limit.

2017 LEVY

The levy rate is a product of the amount of the total taxes assessed and property values. After the District establishes the levy amount by the District Board of Commissioners rate, the County applies the total assessment to the total property values within the entity that then results in a levy rate per \$1,000 of assessed value

The Clallam County Assessors Office has certified the property values (assessed values/AV) for the District at 4.67% higher than 2016 assessed values. This increase in property values will be the second increase since 2008 and indicates that AV's bottom was in 2015. The property values for the District have declined a total of 19.2% since the voters approved the Park District formation in 2009.

The District Board has decided to return to the levy amount the voters approved in 2009, which was \$525,000. The Board decided the increase to be \$30,000 for 2017, which will total \$525,000 for the 2017 tax levy, making the levy approximately \$0.181 per \$1,000 of AV's, which is the same as 2014, 2015 and 2016.

The District Board has continued to have the District citizen's best interest in mind during the budget process concerning regular property taxes. The table below provides a history of levy rates.

DISTRICT HISTORICAL PROPERTY VALUES AND LEVY RATES

Year	Property Value (AV)	% Increase / Decrease	Highest Lawful Levy	Levy Amount	A/V per \$1,000
2009	\$3,498,913,138	N/A	\$2,624,185	\$525,000	\$0.150
2010	\$3,198,254,744	-8.59%	\$2,398,691	\$475,000	\$0.148
2011	\$3,125,867,763	-2.26%	\$2,344,401	\$465,000	\$0.148
2012	\$2,908,002,027	-6.97%	\$2,181,002	\$465,000	\$0.159
2013	\$2,745,879,119	-5.58%	\$2,059,409	\$465,000	\$0.169
2014	\$2,668,958,264	-2.80%	\$2,001,719	\$475,000	\$0.178
2015	\$2,672,420,425	0.13%	\$2,004,315	\$480,000	\$0.179
2016	\$2,748,532,729	2.85%	\$2,061,400	\$495,000	\$0.180
2017	\$2,877,000,000	4.67%	\$2,157,500	\$525,000	\$0.180
Total % Increase/Decrease		-18.5%			

Chart 11: Property Values and Levy Rates by Year

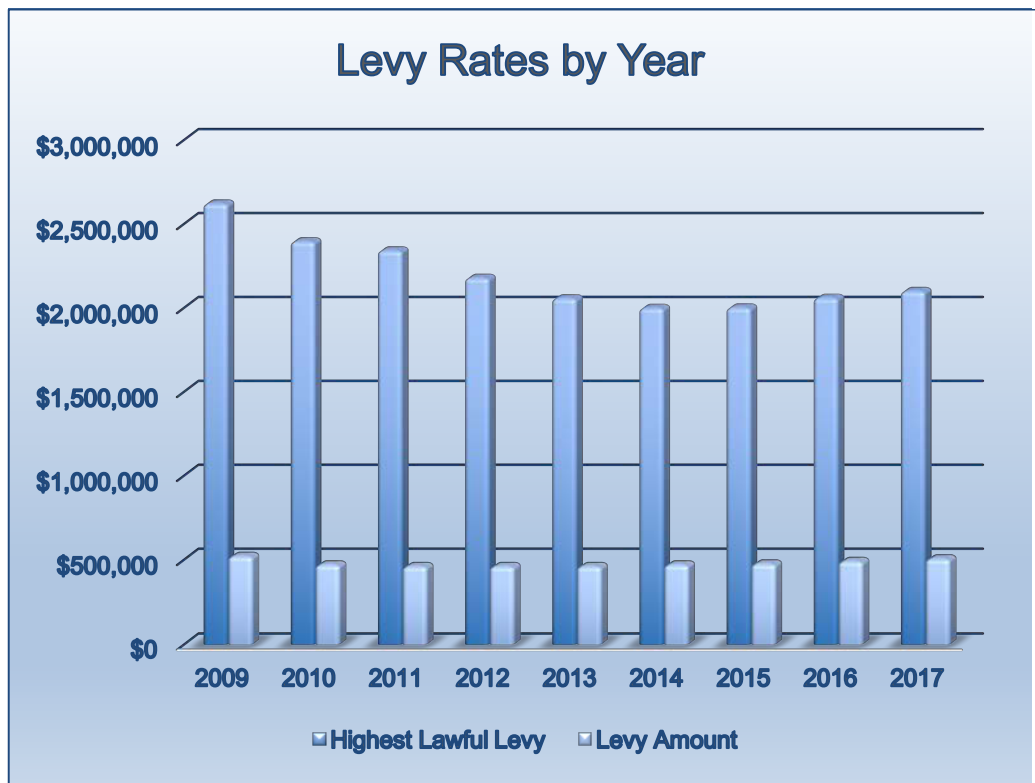


Chart 12: Lawful and Actual Levy Rates Comparison by Year Graph

OTHER TAXING REVENUE

The District also receives tax revenue from timber harvest taxes and excise taxes and proceeds from the sale of county timber. These revenues vary drastically from year to year and are difficult to predict.

Section 9: Long Term Debt

DEBT MANAGEMENT POLICY

The District's debt management policy is to plan and direct the use of debt so that debt service payments will be a predictable and manageable part of the annual budget. The District will raise capital at the lowest possible cost through maintenance of a high credit rating and reputation in the credit markets.

A General Obligation Bond and two capital loans from the State of Washington LOCAL program comprise all the long term debt by the District. At the end of the 2017 budget year, the total outstanding debt will be reduced to \$759,064.

DISTRICT STATUTORY DEBT LIMITS AND AVAILABLE CAPACITY

In accordance with RCW 35.61.100, the District may incur non-voter approved debt to the maximum of 0.25% of the District assessed valuation. In addition, in accordance to RCW 35.61.110 the District may, together with existing voter-approved indebtedness and nonvoter-approved indebtedness, increase debt to a maximum of 2.5% of the District assessed valuation.

Long Term Debt Limit and Available Capacity				
Type of Debt	2017 District Valuation	Statutory Debt Limit	Total Debt Outstanding	Available Capacity
Non-Voter Approved (.25%)	\$2,877,000,000	\$7,192,500	\$759,064	\$6,433,436
Voter Approved (2.5%)	\$2,877,000,000	\$71,925,000	\$0	\$71,925,000

Chart 13: Debt Limits and Available Capacity

BOARD AND LOAN PAYMENTS FOR 2017

	Interest Payment	Principle Payment	Total Payment	Remaining Balance
Local I	\$3,857	\$12,588	\$16,446	\$72,800
Local II	\$16,488	\$55,170	\$71,658	\$302,175
Kitsap Bond	\$14,018	\$62,808	\$76,826	\$384,089
Total	\$34,363	\$130,566	\$164,929	\$759,064

Chart 14: Bond and Loan Payments for 2017

Section 11: Personnel

The District Budget for 2017, 67% of the General Fund operational expenditures are dedicated to wages, salaries and benefits. The District has several classifications of employees from part time to full time salaried. Currently, the District has collective bargaining agreements with any classification of employees. The District facility is open 103 hours per week that requires 2.5 FTE's for each position. The following is a list of each classification and details:

Position	Schedule	FLSA	Sick Leave	Annual Leave	Benefits	Deferred Comp
Lifeguard	PT Hourly	Yes	Yes	No	No	Yes
Instructor	PT Hourly	Yes	Yes	No	No	Yes
Head Lifeguard	PT/FT	Yes	Yes	No	No	Yes
Janitors	PT Hourly	Yes	Yes	No	No	Yes
Assist. Manager	FT Salary	No	Yes	Yes	Yes	Yes
Aquatic Manager	FT Salary	No	Yes	Yes	Yes	Yes
Executive Director	PT Salary	No	Yes	Yes	Yes	Yes

Chart 15: Employee Classification and Benefits Detail

MINIMUM WAGE AND SICK LEAVE CHANGES

The initiative 1433 affects us by requiring to provide Sick Leave and adjust the minimum wage. The minimum wage affects us by needing to increase all tiers since the lowest tier is raising. The table below shows how the minimum wage increases will occur.

Date	Hourly Rate Under Current Law	Hourly Rate Under I-1433	Difference
2017	\$9.55	\$11.00	\$1.45
2018	\$9.77	\$11.50	\$1.73
2019	\$10.02	\$12.00	\$1.98
2020	\$10.28	\$13.50	\$3.22
2021	\$10.56	\$13.86	\$3.30
2022	\$10.83	\$14.23	\$3.40

Chart 16: Future Changes in Minimum Wage Law

DISTRICT FULL TIME EQUIVALANTS

The District budget calls for 13.2 Full Time Equivalent (FTE) positions for 2017, which is the same as the FTE's for 2016. Each week, Head Lifeguard coverage is done with the Assistant Manager (20 hours per week) and the balance of hours is done with Head Lifeguards.

The increase in FTE's since 2013 is due to the increase in our programming and attendance of the facility as shown in our earned revenue increases.

Position	2013 FTE	2014 FTE	2015 FTE	2016 FTE	2017 FTE
Lifeguard	3	4.1	5.1	5.1	5.1
Instructors	3.8	2.3	3.0	3.0	3.0

Head Lifeguard	1.3	1.8	2.1	2.1	2.1
Janitors	0	0.5	0.5	0.5	0.5
Assistant	2.0	1.0	1.0	1.0	1.0
Aquatic Manager	2.0	1.0	1.0	1.0	1.0
Executive	0.7	0.7	0.7	0.5	0.5
TOTAL FTE's	12.8	11.4	13.2	13.2	13.2

Chart 17: FTE's by Personnel Category Yearly Comparison

WAGE SCHEDULE FOR 2017

Appendix

Appendix 1: Strategic Plan and Accomplishments

AWARDS/AUDITS RECEIVED IN 2016

- Star Guard four-star facility safety award
- Washington Cities Insurance Association 2015 Compact for completion of risk reduction

THE 2015-2020 STRATEGIC PLAN

We started our new five-year strategic plan in 2015 (2015-2020). The first Strategic Plan (2010-2013) was designed to get the District up and running with all the needed repairs and capital improvements finished. The 2015-2020 Strategic Plan is composed of five strategic initiatives that address our core functional areas and maintain our strategic values:

- ***Exceeding Customer Expectations***
- ***Long Term Financial Stability***
- ***Operational Excellence and Safety***
- ***Expansion***

These initiatives are based upon work and input from the Citizens Advisory Committee, staff, customers and community. These strategic initiatives are core to the mission and vision of the District and do not change from year to year. They are areas that we will always continue to pursue and improve.

These initiatives are broken down into 13 goals. Each goal will have action task(s) that can be measured to evaluate performance in achieving the desired outcomes. Appendix 1 will show the action tasks and performance measurements.

A critical piece of the process included input from the District Board of Commissioners, Advisory Committee members and staff. The input included assessing the District's strengths, weaknesses, opportunities, and threats (SWOT). Through roundtable discussions and SWOT analysis we refined our four strategic initiatives and developed the goals to be accomplished. The action items to accomplish the goals were developed using the Specific, Measurable, Attainable, Realistic, Timely (SMART) principles to identify specific action plans and key performance indicators designed so the goals can be measureable, precise and able to be managed on an ongoing basis.

While this Strategic Plan represents a final product, it is a living document and the strategic planning process is ongoing. An evaluation of our strategic initiatives and goals relative to established metrics for achievement takes place annually during the budget process.

- **STRATEGIC INITIATIVE #1: EXCEEDING CUSTOMER EXPECTATIONS**
 - *Goal #1: Increase the number of programs and events for all ages and socio-economic groups to increase the use of the District facility*
 - *Goal #2: Develop on-going training for customer service and financial transactions*
 - *Goal #3: Find opportunities to increase positive cooperative relationships and partnerships*
 - *Goal #4: Establish electronic and Social Media presence to distribute District information*

- **STRATEGIC INITIATIVE #2: LONG TERM FINANCIAL STABILITY**
 - *Goal #1: Increase earned revenue to reduce reliance on tax revenue*
 - *Goal #2: Maintain adequate reserved balance fund levels*
 - *Goal #3: Create sinking fund to provide for long-term equipment replacement*
 - *Goal #4: Implement Best Practices in Finance and Accounting*
- **STRATEGIC INITIATIVE #3: OPERATIONAL EXCELLENCE AND SAFETY**
 - *Goal #1: Provide the safest possible environment for the public and employees*
 - *Goal #2: Increase the use of Certified Instructors for programming*
 - *Goal #3: Increase compliance with Accessibility and ADA Standards with the facility*
 - *Goal #4: Increase staff retention*
 - *Goal #5: Increase certification and training opportunities for job development*
- **STRATEGIC INITIATIVE #5: EXPANSION**
 - *Goal #1: Establish needs and priorities for expansion*
 - *Goal #2: Develop an expansion design and cost estimate*
 - *Goal #3 Do a financial analysis of possible expansion*
 - *Goal #4 Develop phasing and timeline of expansion*
 - *Goal #5 Complete expansion*

2016 STRATEGIC GOAL ACCOMPLISHMENTS

Annually, management and staff collaborate on the initiatives, which are essentially the goals for the next fiscal year. During this process, timelines and expectations are set forth, agreed upon, and documented. Quarterly, the Executive Director and Managers evaluate their progress on their objectives. The following lists of accomplishments include strategic plan objectives from both Strategic Plans that have been met. These objectives have been noted with a checkmark (✓).

The District uses four core functional areas as the starting foundation when developing strategic initiatives and goals. These areas are:

- ***Customer Service and Programming***
- ***Long Term Financial Stability***
- ***Operational Excellence and Safety***
- ***Team Development***

Based upon these core functions, the 2015 highlights are as follows:

CUSTOMER SERVICE AND PROGRAMMING

- ✓ Increase in people who receive our email newsletter to 2000
- ✓ Increase looks and responses from our Facebook page
- ✓ Added additional exercise and therapy classes
- ✓ Increased private swim lesson program
- ✓ Increased private lessons
- ✓ Certified additional exercise instructors
- ✓ Assistant Manager went to the WRPA Business Management School

The District started what we hope to be a legacy program for our District in 2015. The District has committed to teaching each child in our District how to swim for no cost. To accomplish this we partnered with the Port Angeles School District and are having every 2nd grade class come to the pool for 4 weeks as part of the school PE program. The District is covering the cost of the lessons and the school district is covering the cost of transportation. Our local hospital is funding the cost of shirts that are given to each child when they graduate. If the kids where the shirts to the pool on weekends they can swim for free to practice.

The District continues to participate with several organizations to provide specialized programming, including:

- United State Coast Guard
- Port Angeles Swim Club
- Port Angeles School District
- Olympic Medical Center
- Peninsula College
- Therapeutic Associates
- Local hotels and motels
- Lower Elwha Tribe
- North Olympic Peninsula Library

FINANCIAL STABILITY

- ✓ Fully funded our two reserves, which total \$210,000
- ✓ Stabilized operational costs
- ✓ Received GFOA and WFOA budget presentation awards
- ✓ Developing an expansion plan and determining the costs of expansion

OPERATIONAL EXCELLENCE AND SAFETY

- ✓ Reduced our utility expense by \$70,000 each of the last two years.
- ✓ Participated in a unannounced Star Guard lifeguard review and received a 4 out of 5 stars.
- ✓ Added additional lifeguard training instructor
- ✓ Added a junior lifeguard program

TEAM DEVELOPMENT

- ✓ Participated in the following training and certification programs
 - Aquatic Facility Operators School
 - Starfish Aquatics International
 - Aquatic Exercise Association Certification (all our exercise instructors participated)
 - Washington Recreation and Park Association Aquatic Management School
 - Certified National Recreation and Parks Executive and Professional
- ✓ Instituted new longevity pay scale
- ✓ Updated our Employee Handbook
- ✓ Created a separate Benefited Employee Handbook

APPENDIX 2: 2016 BUDGET-AT-A-GLANCE

William Shore Pool District

Budget-At-A-Glance

2016 Operating Budget

This "Budget-At-A-Glance" is a snapshot of the Districts 2016 budget. The budget is adopted by the District Commissioners annually and is a forecast of revenues and expenditures for the fiscal year.



Mission Statement

To provide high quality, safe, and accessible aquatic programs and facilities that enhances the quality of life for all ages, cultures, and abilities, which encourages health, wellness, learning and fun.

Vision Statement

To provide a well-functioning and well-maintained aquatic center that enhances quality of life by offering a diversity of recreational opportunities for people of all ages and needs.

The District has a strong commitment to conservative fiscal planning. At the end of 2016, the District's **closing balance will be \$296,978**. Each year the District has a **\$40,000 surplus**. We continue to live within our financial means while providing important activities and delivering quality programs to the community.

Where Your Property Tax Dollar Goes?



225 E. 5th St.
 Port Angeles, WA 98362
 (360)417-9767
 williamshorepool.org

BOARD OF COMMISSIONERS

Brad Collins
President
 Mike Chapman Bill Peach
 Anna Manildi Cherie Kidd

Capital Improvement Projects

The projects will continue to be modest in the 2016 budget. This is a result of expansion plans targeted for 2020. In order to not duplicate projects, we have decided to limit capital spending to areas not associated with future expansion. Some of this year's CIP projects include:

- Paint Exterior of Building
- New Signage
- Expansion Design Study

Energy Improvements

We are now two years past our energy improvement project. Our contractor tracked energy use for the two years and reported a savings of over \$70,000 per year in utility use.

Fully Funded Reserves

The District has established two financial reserves that are fully funded and protect the District against unexpected interruptions in revenues. The reserve funds ensure continued delivery of services while addressing emergencies and providing stability during economic downturns.

The first reserve is in the amount of \$150,000 which is one years worth of our bond and loan payments. The second reserve is for operating expenses and is funded at \$60,000 or 10% of operating expenses.

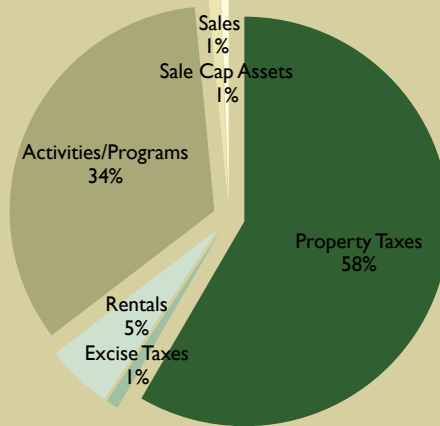
Financial Reports

Current and historical budget and audit documents are accessible at <http://www.williamshorepool.org>



2015 Revenue

"Where Our Money Comes From"



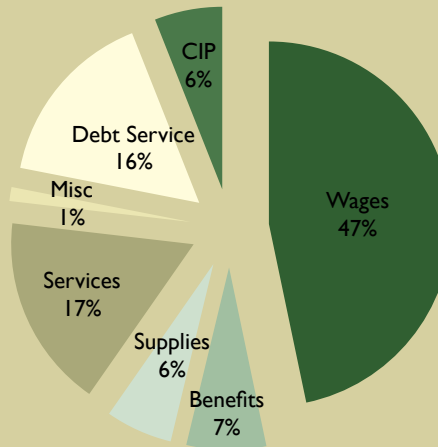
2016 REVENUE

Property Tax:	\$495,000
Excise Tax:	\$8,500
Rentals/Contracts:	\$44,250
Merchandise:	\$8,000
Programs:	\$287,000
Sale Capital Assets:	\$5,000
Misc Revenue:	\$1,500

Total: \$849,250

2015 Expenditures

"Where the Money Goes"



2016 EXPENDITURES

Wages:	\$377,313
Benefits:	\$57,000
Supplies:	\$47,850
Services:	\$138,450
Misc. Expense:	\$10,000
Debt Service:	\$128,619
Capital Projects:	\$48,500

Total: \$807,732

Budget Highlights

- \$15,000 increase in tax revenue
- \$48,500 in capital improvement projects
- Maintaining a one year bond payment reserve (\$150,000)
- Maintaining a 10% operating reserve (\$60,000).
- General Fund balance of \$296,978 at end of 2016
- 1% increase in operating expenditures
- Assessed property values increased for first time since 2008.

Budget Priorities

- Complete the "Expansion 2020" study.
- Forecast future revenues to account for property value increase
- Continue to stabilize operating expenses
- Increase non-tax revenue
- Continue to invest in capital improvements of the facility
- Increase certified instructors

