

2019/2020 FISCAL NOTE

Ordinance/Motion: 2019-XXXX
 Title: 2020-2025 Parks, Open Space, and Trails Replacement Levy
 Affected Agency and/or Agencies: Parks and Recreation Division, Department of Natural Resources and Parks (DNRP)
 Note Prepared By: Jennifer Lehman, Parks and Recreation Division, DNRP
 Date Prepared: February 21, 2019
 Note Reviewed By: Hannah Burn, Office of Performance, Strategy, and Budget
 Date Reviewed: February 21, 2019

Description of request:

AN ORDINANCE providing for the submission to the qualified electors of King County at a special election to be held in King County on August 6, 2019, a proposition authorizing a property tax levy in excess of the levy limitation contained in chapter 84.55 RCW for a period of six consecutive years, at a total rate of not more than \$0.1682 per one thousand dollars of assessed valuation in the first year and limiting annual levy increases to local inflation and population growth in the five succeeding years.

Revenue to:

Agency	Fund Code	Revenue Source	2019/2020	2021/2022	2023/2024
Parks Levy Collection Sub-Fund/ Parks and Recreation	1454	Property Tax Levy Lid Lift (Net) ^{1,2}	\$108,000,000	\$232,000,000	\$252,000,000
TOTAL			\$108,000,000	\$232,000,000	\$252,000,000

Expenditures from¹⁰:

Agency	Fund Code	Department	2019/2020	2021/2022	2023/2024
Reimbursement of Election Costs ³	1454	DNRP	\$3,000,000	\$0	\$0
Seattle Aquarium ⁴	1454	DNRP	\$2,000,000	\$4,000,000	\$2,000,000
King County Parks Operations ⁵	1451	DNRP	\$41,000,000	\$89,000,000	\$99,000,000
King County Parks Capital Program ⁶	3581	DNRP	\$48,000,000	\$108,000,000	\$118,000,000
King County Cities ⁷	1454	DNRP	\$9,000,000	\$19,000,000	\$21,000,000
Woodland Park Zoo ⁸	1454	DNRP	\$5,000,000	\$12,000,000	\$12,000,000
TOTAL			\$108,000,000	\$232,000,000	\$252,000,000

Expenditures by Categories

	2019/2020	2021/2022	2023/2024
Reimbursement of Election Costs	\$3,000,000	\$0	\$0
Wages/Benefits ⁹	\$25,000,000	\$53,000,000	\$59,000,000
Supplies/Services ⁹	\$16,000,000	\$36,000,000	\$40,000,000
Capital Outlay	\$48,000,000	\$108,000,000	\$118,000,000
Other Transfers	\$16,000,000	\$35,000,000	\$35,000,000
TOTAL	\$108,000,000	\$232,000,000	\$252,000,000

Does this legislation require a budget supplemental?

Yes, if the proposed ballot measure is approved by voters.

Notes and Assumptions:

1. The levy period covers 2020 through 2025. The final biennium of the levy period (2025-2026) is not shown here, but is included in the legislation's accompanying financial plan. Levy rate of 16.82¢ per \$1000 assessed value (AV) in the first year, 2020. Subsequent revenue is calculated as prior year collections multiplied by the limit factor, plus revenue from new construction built during the year. Forecast assumptions for assessed value, new construction, local inflation (CPI-W), and population growth are from the August 2018 Office of Economic and Financial Analysis (OEFA) and PSB projections.
2. Total revenues are net levy proceeds. Gross levy proceeds are total revenues estimated to be generated with a 16.82¢ levy rate, before undercollection and exemption assumptions are applied. Assumed exemptions/undercollection are the exemption of qualifying households per RCW 84.36.381, and a one percent undercollection rate assumed countywide for property taxes.
3. Election costs will be paid by the General Fund in 2019 and reimbursed from levy proceeds in 2020 if the ballot is approved.
4. Distribution to the Seattle Aquarium shall be no more than \$8 million over the six years.
5. 40% of the remaining revenue funds King County Parks operations and maintenance, 4-H Program support, targeted equity grants, and King County Search and Rescue support.
6. 47% of the remaining revenue funds: continued and expanded regional trail development; open space acquisition and stewardship; community partnerships and grants; and recreation repair and renovation, including play areas, ballfields, and backcountry trails.
7. 8% of the remaining revenue is distributed to the cities in King County (the county shall retain a small amount to be used for expenditures related to administration and distribution of levy proceeds).
8. 5% of the remaining revenue is distributed to the Woodland Park Zoo (the county shall retain a small amount to be used for expenditures related to administration and distribution of levy proceeds).
9. The breakdown of King County Parks Operations between Wages/Benefits and Supplies/Services reflect historic ratios for King County Parks.
10. Figures shown are rounded to the nearest million dollars, as a result percentages may not be precise in each year as presented in this plan.