

**2021 - 2022 2nd Omnibus Financial Plan
Parks Operating Fund / 000001451**

Category	2019-2020 Actual	2021-2022 Adopted Budget	2021-2022 Revised Budget	2021-2022 Biennial-to-Date Actuals	2021-2022 Estimated	2023-2024 Projected	2025-2026 Projected
Beginning Fund Balance	17,381,154	17,500,000	22,349,687	22,349,687	22,349,687	17,181,038	24,613,330
Revenues							
Parks Levy	81,427,047	88,184,240	91,036,165	23,962,064	91,036,165	105,056,075	55,360,523
Business Revenue	7,228,831	6,363,998	6,363,998	1,630,954	6,363,998	11,389,978	5,780,555
Parks Capital Planning Reimbursement	1,586,680	-	-	-	-	-	-
Levy Administration Fee	1,020,884	1,496,715	1,548,710	401,721	1,548,710	1,800,748	938,152
Interest Earnings and Other Miscellaneous	793,759	236,000	236,000	(86,624)	236,000	154,000	115,000
Total Revenues	92,057,201	96,280,953	99,184,873	25,908,114	99,184,873	118,400,801	62,194,230
Expenditures							
Parks Operations and Maintenance	84,141,737	102,297,059	102,921,824	27,567,135	105,579,547	113,103,956	58,509,052
Parks Capital Planning and Administration	1,586,680	-	-	-	-	-	-
Community Partnerships & Grants	991,132	-	-	-	-	-	-
Targeted Equity Grants	69,119	2,950,000	4,380,882	71,138	4,476,266	3,300,000	2,250,000
WSU Cooperative / 4-H	200,000	200,000	200,000	41,667	200,000	205,000	105,000
King County Search and Rescue	100,000	200,000	200,000	100,000	200,000	200,000	100,000
Vacancy Contra	-	(610,000)	(610,000)	-	(610,000)	-	-
Total Expenditures	87,088,668	105,037,059	107,092,706	27,779,939	109,845,813	116,808,956	60,964,052
Estimated Underexpenditures		5,251,853	5,354,635		5,492,291	5,840,448	3,048,203
Other Fund Transactions							
Total Other Fund Transactions	-	-	-	-	-	-	-
Ending Fund Balance	22,349,687	13,995,747	19,796,490	20,477,862	17,181,038	24,613,330	28,891,711
Reserves							
Cash Flow Reserve	10,886,084	13,129,632	13,386,588	13,386,588	13,386,588	14,601,120	15,241,013
2023-2025 Parks Stewardship Funds						3,100,000	3,200,000
Expenditure Contingency Reserve		919,857	919,857	919,857	3,794,450	6,912,211	10,450,698
Targeted Equity Grants Carry Forward	1,430,881						
Total Reserves	12,316,965	14,049,489	14,306,445	14,306,445	17,181,038	24,613,330	28,891,711
Reserve Shortfall	-	(53,742)	-	-	-	-	-
Ending Undesignated Fund Balance	10,032,723	-	5,490,045	6,171,418	-	-	-

Financial Plan Notes

All financial plans have the following assumptions, unless otherwise noted in below rows.
2021-2022 Adopted and Revised Budget ties to PBCS and matches 2021-2022 Estimated.
Outyear revenue and expenditure inflation assumptions are consistent with figures provided by PSB's BFPA guidance.

Revenues Notes:

- 2019-2020 Actuals includes the final year of the 2014-2019 King County Parks Levy. Starting in 2020, a portion of the 2020-2025 King County Parks Levy will be transferred to this fund. Levy estimates are based on the August 2021 OEFA forecast and the Fund 1454 financial plan.
- Business revenue includes user fees and entrepreneurial efforts to support the park system and reduce the burden on taxpayers. Starting in 2020, the target will reset to \$5.5 million and grow one percent annually. However, due to the public health measures intended to slow the spread of coronavirus, very little business revenue is assumed in 2020 as a result of many events and leagues canceled for the season. Business revenue is expected to slowly recover in 2021-2022, and is between one-half to two-thirds of the business revenue originally planned when developing the 2020-2025 Parks Levy.
- Parks Capital Planning Reimbursement is reimbursement from Parks Capital Fund 3581 for staff and resources that support the overall capital program. Starting in 2020, expenditures will be charged directly to the capital fund.
- The levy administration fee is a portion of the levy allocated to other entities and programs that is retained by King County to contribute to the costs of managing and administering the levy.

Expenditure Notes:

- The 2020-2025 Levy represented a number of changes to F1451 including:
 - Starting in 2020, Community Partnerships and Grants will be funded through the Parks Capital Fund 3581.
 - Targeted Equity Grants will be funded through the operating fund starting in 2020. This is a program through which King County provides monies in order to achieve equitable opportunities and access to public parks and recreation for underserved communities.
 - Parks will continue to contribute \$100,000 per year starting in 2020, on a reimbursement basis, to the Washington State University Cooperative Extension in order to operate the 4-H program in King County.
 - Starting in 2020, Parks will contribute \$100,000 per year, on a reimbursement basis, to King County Search and Rescue Association.
- Office of Performance, Strategy, and Budget adds a vacancy contra to agency budgets to approximate the amount of budget unspent each biennium due to position vacancies.
- Estimated underexpenditure is 5% of the total budget based on historical spending patterns and expenditure targets.
- Out-year expenditures include the vacancy contra and estimated 5% underexpenditure within the total for Parks Operations & Maintenance.

Reserve Notes:

- Cash Flow Reserve is set to three-months of budgeted expenditures, in compliance with Motion 13764, because the main revenue for this fund is a property tax which is collected in the second quarter of each year. This reserve stabilizes the fund's cash balance from dipping below zero before the property tax payments are made in April and October.
- 2023-2025 Parks Stewardship Funds reserves future levy proceeds to be programmed in future budgets for additional maintenance and stewardship resources in order to keep pace with the growing inventory of parks and trails.
- Expenditure Contingency Reserve reserves funding for operational costs that may grow faster (~10-20 percent) in comparison to the outyear growth rates provided by PSB (~3 percent). For example between 2014-2019, Parks' share of central county services has grown faster than average due to the agency taking on a larger scope of work. Central county services includes computer workstations, legal support, and the coordinating financial transactions.
- Targeted Equity Grants Carry Forward reserves funding for the Targeted Equity Grants program that is not expected to be spent in 2020. Funds carry forward to 2021-2022 and reappropriated in the 1st omnibus ordinance.