



Parks Funding Exploratory Committee Meeting #7





December 8, 2022



Local Land Acknowledgement

We acknowledge that the Southern Salish Sea region lies on the unceded and ancestral land of the Coast Salish peoples, the Duwamish, Muckleshoot, Puyallup, Skykomish, Snoqualmie, Snohomish, Suquamish and Tulalip tribes and other tribes of the Puget Sound Salish people, and that present-day City of Kirkland is in the traditional heartland of the Lake People and the River People. We honor with gratitude the land itself, the First People – who have reserved treaty rights and continue to live here since time immemorial – and their ancestral heritage.



PFEC Meeting Schedule    	PFEC Stage	Date	Topic
	Building Blocks: Current operations & complexity; PROS Plan Results	9/15	Welcome, Teambuilding, Overview, Juanita Beach Park Tour
		9/29	Peter Kirk Park & Community Center Tour, PFEC Roadmap, Benefits of Parks & Recreation, Aquatics in Kirkland
		10/13 Zoom	Parks & Rec 101: Current Operations & Future Possibilities: Maintenance Focus
		10/27 Zoom	Facility Feasibility Study Update with Opsis Architecture
	Building Blocks: PFEC input on feasibility study direction; all about finance	11/10 Zoom	Parks & Rec 101: Current Operations & Future Possibilities: Recreation and Administration Focus
		12/8	Kirkland Budget, Funding Mechanisms & Ballot Measure History
	Deliberation & Decision Making	1/12/2023	Investment options (costing details) to bring Kirkland community members Parks Services & Recreation Programs they want! & Project Selection Criteria
		1/9 or 1/21	Tour of City of Sammamish Community & Aquatic Center (2 options)
		1/26	Feasibility Study Results Project Selection and Funding Mechanism Conversation
		2/9	Project Selection and Funding Mechanism Conversation
		2/23	Final Recommendations for Council & Celebration
	Council Presentation	3/7	<i>Tentative date for PFEC to present recommendations to Council</i>

Agenda Overview

- Dinner, team connecting time
- WA State Property Tax
- Funding mechanisms for ballot measure(s)
- *Break*
- City Budget Overview
- Q&A and Discussion
- *Closing (done by 8:30pm)*



Video: Washington State Property Tax



https://youtu.be/4y97Wr_aEMk



PROPERTY TAX OVERVIEW

PARKS FUNDING EXPLORATORY COMMITTEE (PFEC) MEETING
DECEMBER 8, 2022

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PROPERTY TAX LEVY

- Washington's property tax system unique in the United States
 - "Budget-Based" property tax
 - Limits on Aggregate basis
- Based on Uniform levy rate and Property's Assessed Valuation
- Cities and other taxing districts establish the total dollar amount of property tax revenue for the upcoming year (subject to several restrictions)
- Once the total dollar amount is established, the county assessor calculates the levy rate:
 - The rate that each property owner must pay
 - **Levy Amount** The Levy – total amount that the agency receives
 - **Levy Rate** Amount individual property owner pays, dollar amount per \$1,000 of assessed valuation

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PROPERTY TAX LEVY FORMULA

State law dictates the maximum allowable levy formula:

Current year's regular levy amount

- x Levy limit factor (lesser of 101% or 100% + inflation*)
- + New construction levy (new assessed value at prior year's rate)
- + Prior year levy corrections added to next year's levy
- = Maximum allowable regular levy amount for next year**

* Inflation is based on the Implicit Price Deflator (IPD), which is 6.46% for the 2023 tax year; thus, the levy limit factor equals 101%, which is less than 106.46%.

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2023 KIRKLAND PROPERTY TAX LEVY 1% INCREASE

1% Increase (Regular Levy)

- \$41,098,407 with the assumed 1% optional levy increase for 2023

Budget Component	2022 Amount	1% Increase	2023 Amount
General Fund & Street Fund	25,024,442	250,244	25,274,686
2002 Parks Maintenance Levy	1,572,376	15,724	1,588,100
2012 Streets Levy	3,756,178	37,562	3,793,740
2012 Parks Levy	2,933,531	29,335	2,962,866
2020 Fire Prop 1	7,404,965	74,050	7,479,015
Total	40,691,492	406,915	41,098,407

6% limit would provide \$2,441,490. \$2.03 million greater than 1% limit

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2023 CITY OF KIRKLAND PROPERTY TAX LEVY

Kirkland Total Property Tax Allowable Is Not Changed by Assessed Valuation Rising or Falling

Ordinance O-4827	Amount
2022 Regular Levy	40,691,492
Optional 1 percent Increase	406,915
New Construction	634,949
Other Adjustments	51,608
Total Regular Levy	41,784,964
Excess Levy	-
Total 2023 Final Levy	41,784,964

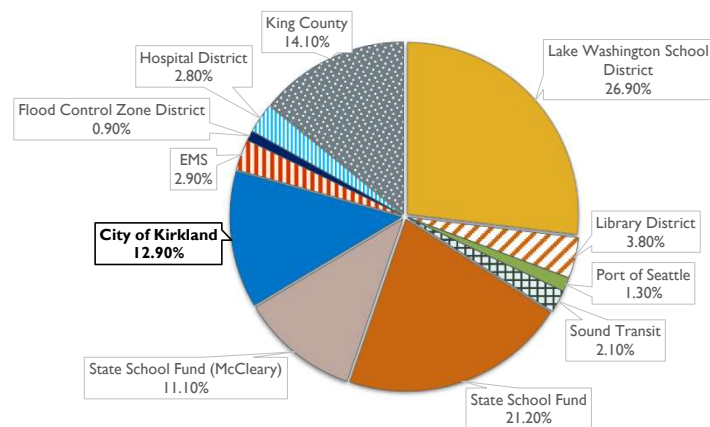
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PROPERTY TAX LEVY LIMITS

- **“Regular” Levies**
 - Voted or Non-Voted: Subject to: Rate Limitations and Amount Limitations
 - Rate Limits: By Individual Taxing District: Statutory
 - 1% (\$10/\$1,000) Aggregate: Constitutional
 - \$5.90/\$1,000 Aggregate: Statutory
- **“Excess” Levies**
 - Always Voted
 - Minimum voter turnout and supermajority always required.
 - Not subject to limitations

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2022 KIRKLAND PROPERTY TAX DISTRIBUTION



Total 2022 Levy: \$8.71/\$1,000 AV

Kirkland City Levy Rate 2022 - \$1.11008

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PROPERTY TAX LEVY

Assessed Valuation (AV) and Levy Rate

- When total AV increases, the levy rate correspondingly decreases
- The City does not collect more than the lawfully allowable levy amount
- 2023 Total Property Tax Collections limited to \$41,784,964

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QUESTIONS?



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PARKS FUNDING OPTIONS

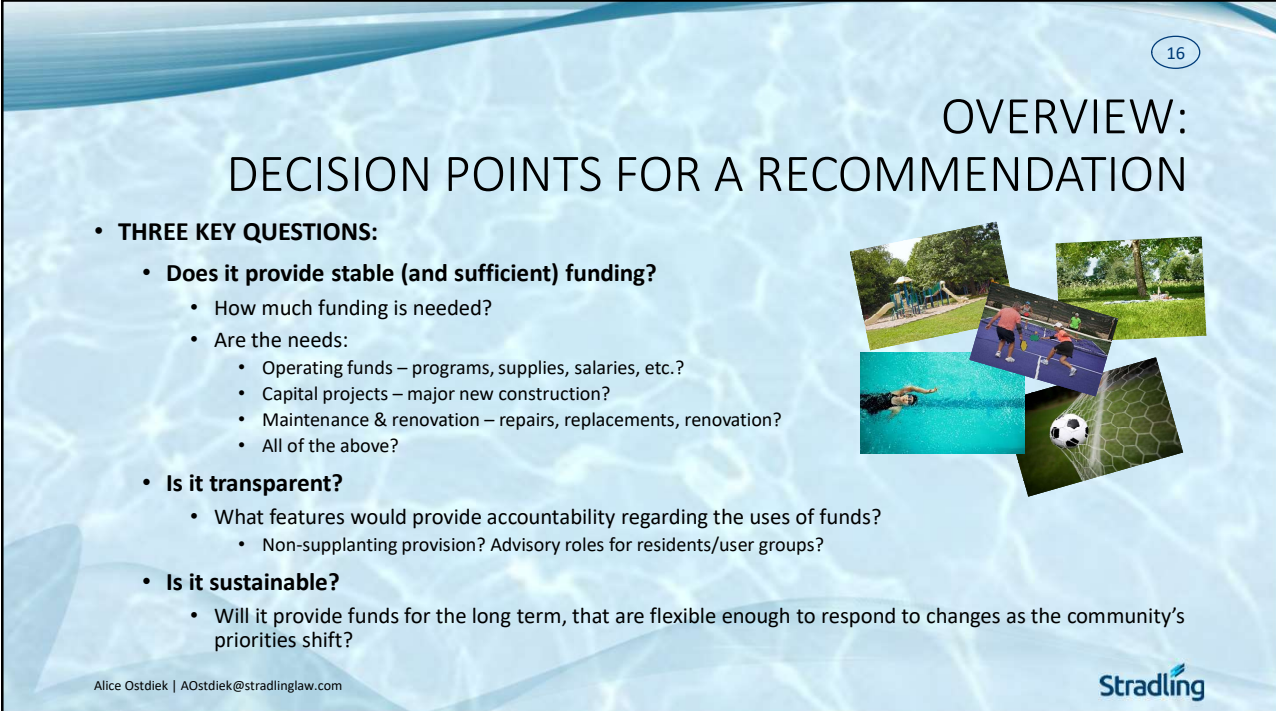


Achieving Stable, Transparent, and Sustainable Financial Support for Kirkland's Parks

*City of Kirkland
Parks Funding Exploratory Committee Meeting
December 8, 2022*

Presented by:


Alice Ostdiek, Shareholder
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OVERVIEW: DECISION POINTS FOR A RECOMMENDATION

- **THREE KEY QUESTIONS:**
 - **Does it provide stable (and sufficient) funding?**
 - How much funding is needed?
 - Are the needs:
 - Operating funds – programs, supplies, salaries, etc.?
 - Capital projects – major new construction?
 - Maintenance & renovation – repairs, replacements, renovation?
 - All of the above?
 - **Is it transparent?**
 - What features would provide accountability regarding the uses of funds?
 - Non-supplanting provision? Advisory roles for residents/user groups?
 - **Is it sustainable?**
 - Will it provide funds for the long term, that are flexible enough to respond to changes as the community's priorities shift?



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OVERVIEW

Achieving Stable, Transparent, and Sustainable Financial Support for Kirkland's Parks

- **Potential New Revenue Sources**
 - **City Property Taxes – Levy Lid Lift**
 - Expanding the City Regular Levy
 - Levy lid lift (50%)
 - **City Bond Measure**
 - Bond Ballot Measure
 - Voted excess levy (60%+turnout)
 - **Metro Park District**
 - New MPD property tax levy
 - MPD Levies Explained
 - District Formation
 - Governance & financial resources
 - Ballot measure considerations

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PARKS FUNDING BASICS

• City Parks Funding Options

Parks are a general governmental function, competing with other priorities for resources

- Property tax options for new funding
 - Levy Lid Lift
 - Regular property tax limitations may be lifted (50% voter approval)
 - Maintenance/operations
 - Limited to 9 years for capital
 - Bond Levy (capital only)
 - Voted (60% voter approval w/ 40% minimum turnout)
- Other options for new funding
 - Limited; competition with existing resources (utility tax, B&O tax, etc.)
 - No natural policy nexus with many of these sources
 - Other new tools would require State legislation (e.g., proposal for new sales tax option)



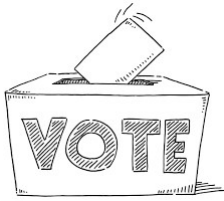
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LEVY LID LIFT

(SIMPLE MAJORITY VOTER APPROVAL)



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- A “Levy Lid Lift” is...
 - ✓ Voter approval to increase an existing regular levy by more than the amount otherwise allowed under the 101% levy lid
- A “Levy Lid Lift” is not...
 - ✓ A separate levy
 - ✓ Bond authorization
 - ✓ An “excess” levy
- A “Levy Lid Lift” requires...
 - ✓ Simple majority (50%) voter approval
- A “Levy Lid Lift” is best suited for...
 - ✓ Ongoing expenses of operations
 - ✓ Maintenance needs & minor (pay-as-you-go) capital
 - ✓ 9-year limit on using for bond-financed capital needs

Comparison of Levy Lid Lift Mechanisms:

(updated through December 2022)

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- **Basic (Plain Vanilla) Option**
 - Single Year Bump, 1% increases thereafter
 - May “Carry Forward” to reset levy base
- **Multi-Year Option**
 - Multi-Year
 - Year 1 Bump (amount)
 - Years 2-6 - Choose a Limit Factor
 - May “Carry Forward” to reset levy base

	“Basic” Option – ONE YEAR INCREASE (RCW 84.55.050(1))	“Multi-year” Option – INCREASE FOR UP TO SIX YEARS (RCW 84.55.050(2))
Summary	The “Basic” option is voter authorization to increase the levy amount by more than would otherwise be allowed for <u>ONE YEAR</u> . May use new levy to “reset” base. See “Carry Forward Options” below.	The “Multi-Year” option is voter authorization to increase levy amount by more than would otherwise be allowed in each year for up to <u>SIX YEARS</u> , for a specified purpose. May use new levy to “reset” base. See “Carry Forward Options” below.
Elections	Any election date. Election must be held not more than 12 months before levy collection year.	Primary or general election date only. Election must be held not more than 12 months before first levy collection year.
Purpose Limitation	Optional. May be limited to specified purposes for a period of time if set forth in ballot proposition. <ul style="list-style-type: none"> • If limited purpose includes repaying bonds, carry-forward expires after 9 years. (Except Thurston County.) 	Required. Must be restricted to specific purpose for the initial period of up to six years, optional after that. <ul style="list-style-type: none"> • Non-supplanting restriction applies in King County (2023)¹ • If limited purpose includes paying debt service on bonds, carry-forward expires after 9 years. (Except Thurston County.)
Expiration?	One-year initial bump. See “Carry Forward Options” below.	Year 1 initial bump plus “limit factor” increases for following 5 years. (Total 6 years.) See “Carry Forward Options” below.
Levy Year 1 Levy Years 2-6	Year 1: Ballot measure sets maximum levy rate for Year 1. Future Years: Unless carried forward, levy base for calculating Highest Lawful Levy (HLL) reverts and is calculated as if the measure were never approved. See Carry-Forward Options, below.	Year 1: Ballot measure sets maximum levy rate for Year 1. Years 2-6: “Limit Factor” stated in ballot measure sets the Highest Lawful Levy (HLL) in Years 2-6. <ul style="list-style-type: none"> • Limit factor may be any increment or variable index (e.g. CPI); need not be the same each year Future Years: Unless carried forward, levy base for calculating HLL reverts and is calculated as if the measure were never approved. See Carry-Forward Options, below.
Carry-Forward Options	“Carry Forward” – Optional after Year 1, only if stated in ballot title. <ul style="list-style-type: none"> • Allows levy base to reset based on Year 1 levy amount. • Statutory 1% (or IPD) limit on increases applies after Year 1. Optional: May restrict length of time or purpose for which the lid lift will be carried forward after Year 1.	“Carry Forward” – Optional after Year 6, only if stated in ballot title. <ul style="list-style-type: none"> • “Carry Forward” allows base reset based on Year 6 (or final year). • Statutory 1% (or IPD) limit on increases applies after Year 6. Optional: May restrict length of time or purpose for which the lid lift will be carried forward after Year 6.

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¹ For measures proposed by jurisdictions located in King County beginning in 2023, additional funds may not supplant “existing funds” used for the specified purpose. “Existing funds” means operating expenditures for the calendar year in which the ballot measure is approved, excluding lost federal funds, lost or expired state grants or loans, extraordinary events not likely to recur, changes in contract provisions beyond the control of the taxing district receiving the services, and major nonrecurring capital expenditures.

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LEVY LID LIFTS

BASIC (PLAIN VANILLA) OR MULTI-YEAR

Basic Levy Lid Lift:

- Election:
 - Any election less than 12 months before levy is made
 - Simple majority approval
- Must:
 - Lift the "lid" on amount to be levied in year 1
 - State total levy rate proposed for year 1
- May:
 - Carry forward in base (make "permanent")
 - 101% lid applies to any "carry-forward" period
 - Limit purpose or time of carry-forward period
 - Typically used for operating costs
 - If purpose includes repayment of bonds (except Thurston County), **carry-forward limited to 9 years**

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Multi-Year Levy Lid Lift:

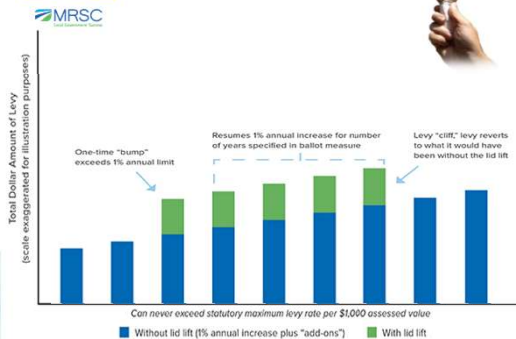
- Election:
 - Primary or General Election only
 - Less than 12 mos before first levy is made
 - Simple majority approval
- Must:
 - Lift the "lid" on amount in year 1
 - State total rate proposed in year 1
 - Identify a limit factor for the next 5 years (total 6 yrs)
 - Specify a limited purpose for 6 years
 - "Non-supplant" limit (King Co) applies again in 2023
- May:
 - Carry forward in base (make "permanent")
 - 101% lid applies to carry-forward period
 - Limit purpose or time for carry-forward*
 - Typically used for operating costs
 - If purpose includes repayment of bonds (except Thurston County), **carry-forward limited to 9 years**

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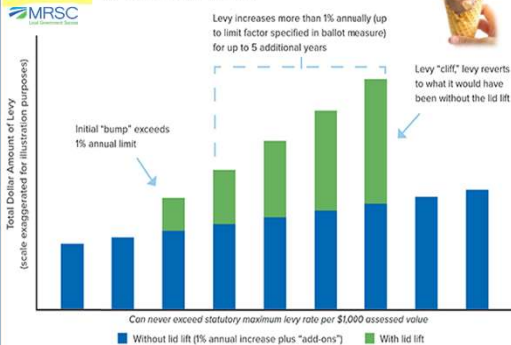
TEMPORARY LEVY LID LIFTS

SINGLE-YEAR TEMPORARY LEVY LID LIFT



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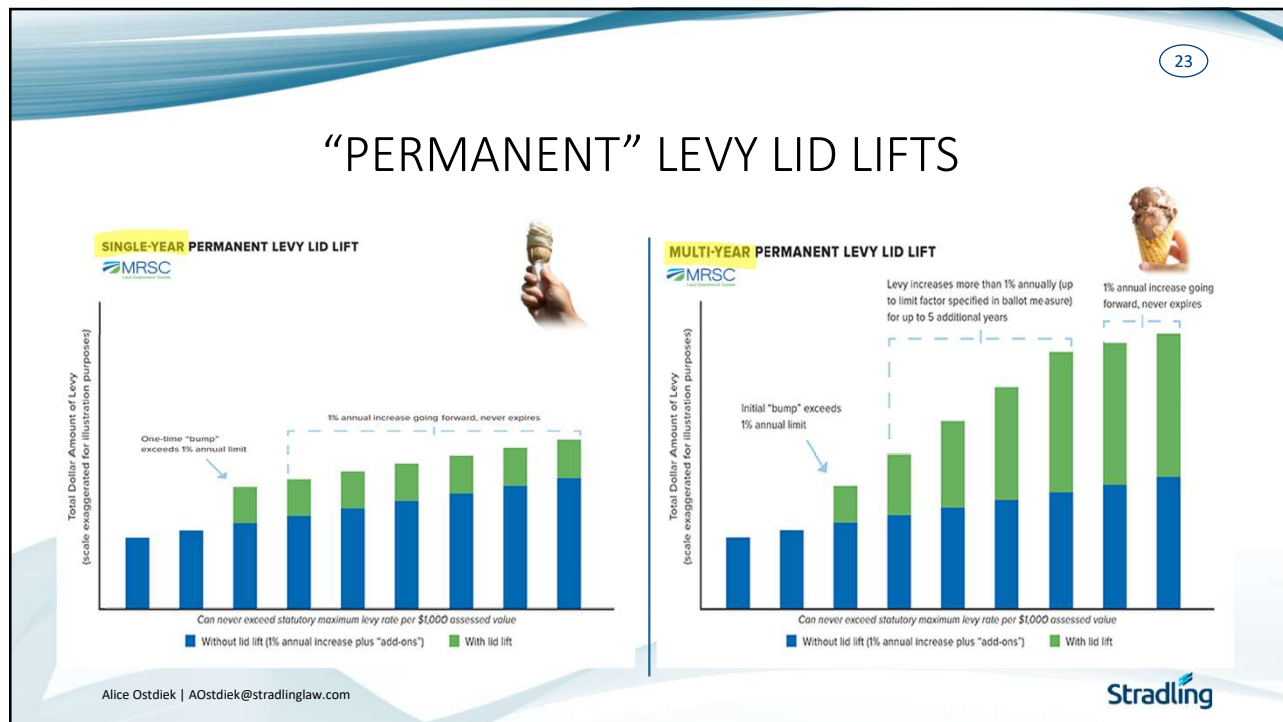
MULTI-YEAR TEMPORARY LEVY LID LIFT



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“PERMANENT” LEVY LID LIFTS



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DECISION POINTS FOR A RECOMMENDATION

- **Is a Levy Lid Lift the right tool?**
 - **Does it provide stable (and sufficient) funding?**
 - How much funding is needed?
 - Are the needs:
 - Operating funds – programs, supplies, salaries, etc.?
 - Capital projects – major new construction?
 - Maintenance & renovation – repairs, replacements, renovation?
 - All of the above?
 - **Is it transparent?**
 - What features would provide accountability regarding the uses of funds?
 - Non-supplanting provision? Advisory roles for residents/user groups?
 - **Is it sustainable?**
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CONSIDERATIONS FOR A LEVY LID LIFT RECOMMENDATION

- If the recommendation is to pursue a Levy Lid Lift:

- Basic (One-Year) Option or Multi-Year Option?
 - Basic Option will reset base at higher level, but increases will be capped at 1% going forward
 - Multi-Year Option gives a longer ramp to reset base, increases will return to 1% after Year 6
- Considerations:
 - Selection of a Limit Factor (Multi-Year only)
 - Defining a Limited Purpose (Multi-Year/Basic)
 - Operations/Maintenance only? Capital?
 - Carry-Forward Period (Multi-Year/Basic)
 - Low-Income Senior Citizens/Persons with Disabilities Exemption (Multi-Year/Basic)
 - The State exemption that applies to other voted levies can be made applicable to the increase



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OTHER VOTED LEVIES

Bond Measures & Excess Property Taxes



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- A "Bond Measure" is...
 - ✓ Voter approval to:
 - ✓ Issue debt (up to a proposed amount) for capital purposes AND
 - ✓ Levy excess property taxes sufficient to repay the debt.
- A "Bond Levy" is ...
 - ✓ A separate excess levy
 - ✓ Not subject to limitations:
 - ✓ Rate limits, 1% limit, the \$5.90 limit, and the 101% limit
 - ✓ May not exceed amount needed to repay the bonds
- A "Bond Measure" requires...
 - ✓ Supermajority (60%) voter approval AND 40% minimum turnout
 - ✓ Turnout is measured based on the last State general election
- A "Bond Measure" ...
 - ✓ May be used for capital purposes only; no replacement of equipment
 - ✓ Must specify the maximum amount of debt authorized
 - ✓ Must specify the object to be financed
 - ✓ Must specify the maximum term (length) of debt repayment (and the levy)
 - ✓ May be up to 40 years

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DECISION POINTS FOR A RECOMMENDATION

- **Is a Bond Measure the right tool?**
 - **Does it provide stable (and sufficient) funding?**
 - How much funding is needed?
 - Are the needs:
 - Operating funds – programs, supplies, salaries, etc.?
 - Capital projects – major new construction?
 - Maintenance & renovation – repairs, replacements, renovation?
 - All of the above?
 - **Is it transparent?**
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CONSIDERATIONS FOR A BOND MEASURE RECOMMENDATION

- **If the recommendation is to pursue a Bond Measure:**
 - What projects would be funded?
 - Phasing - which projects would be built first?
 - What should the repayment period be?
 - When should it be placed on the ballot?
 - When would projects be ready to be financed
 - Consider timing of other measures, minimum turnout, supermajority approval, and other factors
 - Is there a strategy for ensuring there are sufficient funds to operate the project(s) once completed?
 - Other considerations:
 - City Administration and Finance teams will choose debt features and guide the process for achieving lowest borrowing costs over a period that will make the debt affordable



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METROPOLITAN PARK DISTRICTS: FINANCIAL RESOURCES & LIMITATIONS

- Regular Levy (*primary source of funding*)
 - Max statutory levy rate = \$0.75/\$1,000 AV
 - **2017 Amendments:** An MPD initiated by Council resolution may limit the maximum regular levy rate at a level below the statutory maximum (RCW 35.61.020)
 - 101% Levy Lid
 - Maximum levy amount is calculated based on the first year's maximum rate
 - Levy Bumping Risk
 - MPD levies are not as protected in a levy prorationing situation as the City's levy
 - If AV drops, pressure increases on rate limitations; in some areas, this could put a MPD levy at risk
 - *Probably low risk for Kirkland in foreseeable future*



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METROPOLITAN PARK DISTRICTS: FORMATION & GOVERNANCE CONSIDERATIONS

- **Governing Board Options**
 - City Council acts as Board of Park Commissioners
 - Only available if boundaries are coextensive with City's
 - Will be dependent on City in exercising certain powers, such as debt issuance
 - Separately Elected Board of Park Commissioners
 - Acts independently; may issue its own debt
 - Interlocal - Appointed Board
- **Purpose Limitations (2017 Amendments to RCW 35.61.020)**
 - An MPD initiated by Council resolution may limit the proposed district's purposes
 - "to acquire, construct, renovate, expand, operate, maintain, and provide programming for specifically identified public parks or recreational facilities"
 - If limited, facilities must be identified in the ballot proposition or in an MPD Plan approved by Council



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MPD RELATIONSHIP TO CITY

- **Technically, it is a separate legal “municipal corporation.”**
 - If Councilmembers act as the Board of Park Commissioners, it is important to keep Council business separate.
- **Interlocal Agreement(s) are critical.**
 - Can structure the MPD as a “pass-through” funding entity only.
 - Relationship can be flexible and clearly documented in Interlocal Agreements between City and MPD.
 - An Interlocal Agreement between the City and the MPD can:
 - Be structured as an operating agreement or as a funding conduit
 - Ensure that administration is not duplicated
 - Cap the amount of additional taxes that the City will collect for parks and/or create a stable baseline of minimum City funding
 - Create citizen advisory boards, oversight and transparency
- **An MPD can be used in combination with other City financing tools.**
 - Can be used in conjunction with a bond ballot measure (for voted debt) or in conjunction with non-voted debt



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METROPOLITAN PARK DISTRICTS: FORMATION & GOVERNANCE

- **Formation Steps**
 - Initiated by Council Resolution (or by Petition of voters)
 - Only one formed by Council may limit the purpose or levy
 - No BRB/SEPA review if boundaries are coextensive w/ City
 - Ballot Measure
 - Simple majority voter approval (no minimum turnout requirement)
 - Formation is effective upon election certification
 - Boundaries set as of election certification date
 - NOTE: By State law, taxing district boundaries are fixed as of August 1
 - May require “gap” funding if approved at a fall (primary or general) election



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DECISION POINTS FOR A RECOMMENDATION

- **Is a Metropolitan Park District the right tool?**
 - **Does it provide stable (and sufficient) funding?**
 - How much funding is needed?
 - Are the needs:
 - Operating funds – programs, supplies, salaries, etc.?
 - Capital projects – major new construction?
 - Maintenance & renovation – repairs, replacements, renovation?
 - All of the above?
 - **Is it transparent?**
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 - Advisory roles for residents/user groups?
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CONSIDERATIONS FOR A METRO PARK DISTRICT RECOMMENDATION

- **If the recommendation is to pursue a Metro Park District:**
 - **Formation/Governance Considerations**
 - Boundaries co-extensive with the City?
 - Proposed by Council? Or by Petition?
 - Governed by Council? Elected Body?
 - If multi-jurisdictional, by Interlocal?
 - **Financing Considerations:**
 - Should the purposes be limited?
 - Should the levy rate be limited?
 - **Interlocal Agreement & Operating Considerations**
 - How should the relationship between the City and MPD be structured?



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BALLOT MEASURES: SUMMARY

- Summary of Basic Vote Requirements

- Bond Ballot Measure:

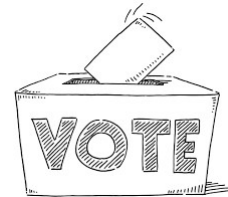
- Voter approval - 60% supermajority and 40% turnout
 - Limited to repaying bonds issued for capital purposes

- Levy Lid Lift:

- Voter approval – 50% simple majority
 - Limited to time and purpose specified in ballot measure

- Metro Park District Formation:

- Voter approval - 50% (simple majority)



Name of District	Election Date	Boundaries	Governance
Bainbridge Island Metropolitan Park and Recreation District	Sept. 2004	Bainbridge Island	Elected board
Chuckanut Community Forest and Recreation District	Feb. 2013	Part of Bellingham	Elected board
Colfax Metropolitan Park District	Nov. 2016	Colfax	City council (ex officio)
Des Moines Pool Metropolitan Park District	Nov. 2009	Des Moines	Elected board
Eastmont Metro Parks and Recreation	May 2004	East Wenatchee and nearby unincorporated areas of Douglas County	Elected board
Fall City Metropolitan Park District	March 2009	Fall City area (unincorporated King County)	Elected board
Greater Clark Parks District	Feb. 2005	Vancouver unincorporated growth area (Clark County)	County council (ex officio)
Key Peninsula Metropolitan Park District	Feb. 2004	Key Peninsula (unincorporated Pierce County)	Elected board
Metro Parks Tacoma	1907	Tacoma and nearby unincorporated Pierce County, including Browns Point & Dash Point	Elected board
Normandy Park Metropolitan Park District	Nov. 2009	Normandy Park	City council (ex officio)
Odessa Metropolitan Park District	Nov. 2020	Odessa School District within Lincoln County	Elected board
Olympia Metropolitan Park District	Nov. 2015	Olympia	City council (ex officio)
Peninsula Metropolitan Park District	May 2004	Unincorporated Pierce County near Gig Harbor	Elected board
Pullman Metropolitan Park District	Sept. 2002	Pullman	City council (ex officio)
Seattle Park District	Aug. 2014	Seattle	City council (ex officio)
Shelton Metropolitan Park District	April 2010	Shelton	City council (ex officio)
Si View Metropolitan Park District	Feb. 2003	North Bend and nearby unincorporated King County	Elected board
Stevenson Community Pool District	Feb. 2021	City of Stevenson and urban growth area	Elected board
Tukwila Pool Metropolitan Park District	April 2011	Tukwila	Elected board
Tumwater Metropolitan Park District	Nov. 2018	Tumwater	City council (ex officio)
Village Green Metropolitan Park District	Aug. 2008	Kingston area (unincorporated Kitsap County)	Elected board
White Salmon Valley Pool Metropolitan Park District	Nov. 2018	Bingen-White Salmon	Elected board
William Shore Memorial Pool Park District	May 2009	Port Angeles School District No. 121 (City of Port Angeles and part of unincorporated Clallam County)	2 county commissioners, 2 city councilmembers, 1 resident elected by the board

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SUMMARY: DECISION POINTS FOR A RECOMMENDATION

• THREE KEY QUESTIONS:

- **Does it provide stable (and sufficient) funding?**
 - How much funding is needed?
 - Are the needs:
 - Operating funds – programs, supplies, salaries, etc.?
 - Capital projects – major new construction?
 - Maintenance & renovation – repairs, replacements, renovation?
 - All of the above?
- **Is it transparent?**
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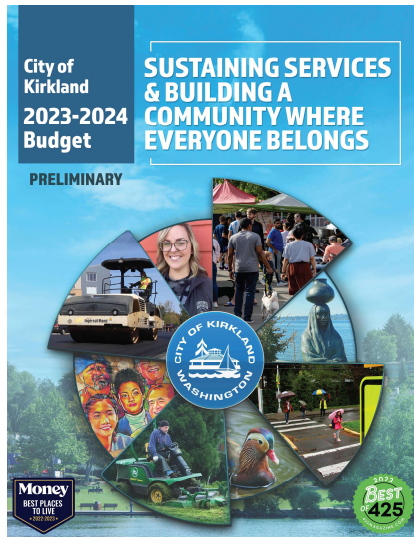
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Recent Local Levy & Bond Ballot Measures

Ballot Measure	On the Ballot	Type	Amount	Years Obligated	Voter Approved ?	Yes	No
Maple Valley: General Obligation Bonds Park and Recreation Facility Improvements	2016 April	Bond	\$0.54	20	No	36.97%	63.03%
Bellevue: Neighborhood Safety, Connectivity, and Congestion	2016 Nov	Levy	\$0.15	20	Yes	54.13%	45.87%
Bellevue: Fire Facilities	2016 Nov	Bond	\$0.13	20	Yes	56.98%	43.02%
Bothell: Transportation, Street Maintenance	2016 Nov	Levy	\$0.50	9	Yes	54.12%	45.88%
Duvall: Parks, Recreation, Other	2016 Nov	Levy	\$0.33	9	Yes	50.99%	49.01%
Maple Valley: General Obligation Bonds Park and Recreation Facility Improvements	2017 Feb	Bond	\$0.35	20	No	52.76%	47.24%
Bothell: Safe & Secure Capital Bond	2018 Nov	Bond	\$0.26	20	Yes	64.97%	35.03%
Bothell: Safe & Secure Levy	2018 Nov	Levy	\$0.44	12	Yes	61.24%	38.76%
Mercer Island: Levy Lid Lift for Public Safety, Youth, Family & Senior Services, and Parks & Recreation	2018 Nov	Levy	\$0.24	Permanent	No	42.51%	57.49%
Shoreline: Aquatic, Recreation and Community Center and Parks and Recreation Improvements	2019 Nov	Bond	\$0.51	20	No	54.01%	45.99%
KIRKLAND: Fire and EMS	2020 Nov	Levy	\$0.24	Permanent	Yes	71.28%	28.72%
Si View Metropolitan Park District: Levy Lid Lift for Parks and Recreation Services and Operations	2020 Nov	Levy	\$0.07	Permanent	Yes	53.97%	46.03%
Si View Metropolitan Park District: New Aquatic Center Bond	2020 Nov	Bond	\$0.22	30	No	56.29%	43.71%
Lake Forest Park: Walkways, Safe Connections, Parks, and Recreation	2021 Nov	Levy	\$1.57	Permanent	No	34.91%	65.09%
Shoreline: Park Improvements and Park Land Acquisition	2022 Feb	Bond	\$0.20	20	Yes	69.97%	30.03%
Si View Metropolitan Park District: New Aquatic Center Bond	2022 Aug	Bond	\$0.195	30	No	57.87%	42.13%
Bellevue: Parks and Open Space	2022 Nov	Levy	\$0.20	9	Yes	55.21%	44.79%
Mercer Island: Park Operations and Maintenance	2022 Nov	Levy	\$0.096	15	Yes	64.27%	35.73%
Redmond: Public Safety	2022 Nov	Levy	\$0.366	permanent	No	47.08%	52.92%

"Amount" based on first year measure rate
in cents per \$1,000 Assessed Value

Levy measures need 50%+ yes votes to pass.
Bond measures need 60%+ yes votes to pass.
Green cells in "Yes": measure received 50%+ of votes



City of Kirkland Budget Overview

PARKS FUNDING EXPLORATORY
COMMITTEE (PFEC) MEETING

DECEMBER 08, 2022

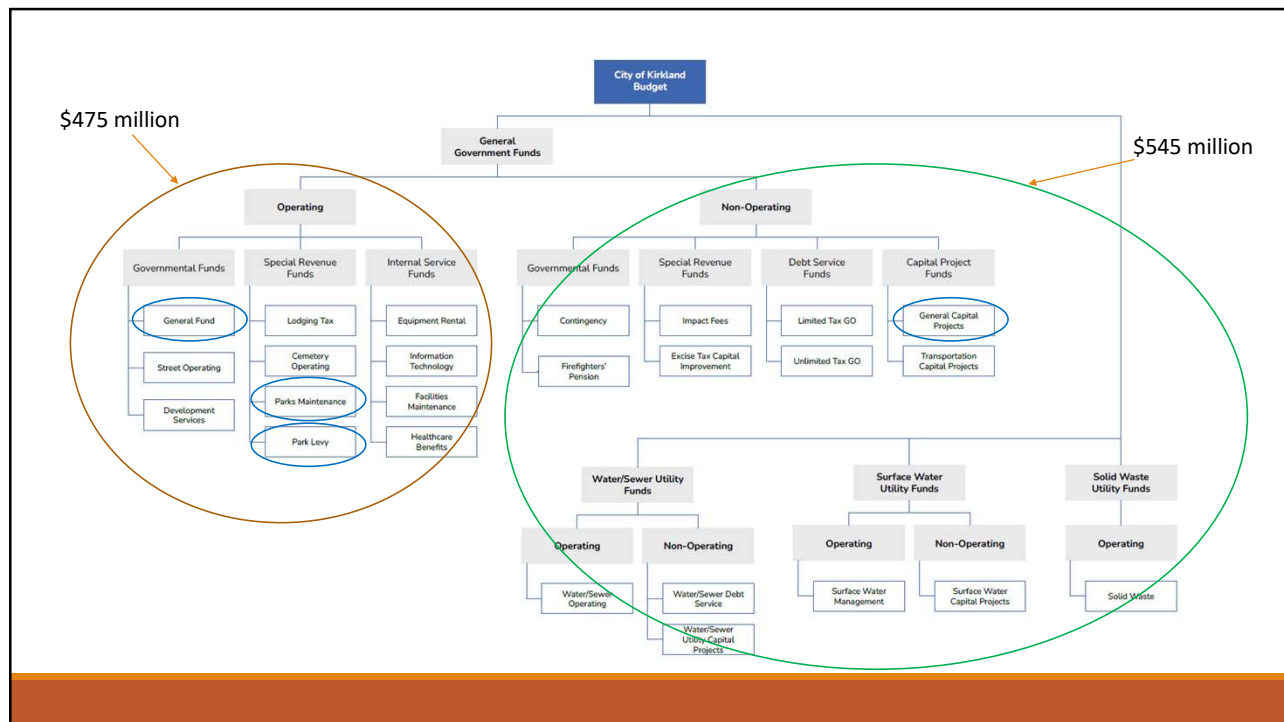
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Key Information

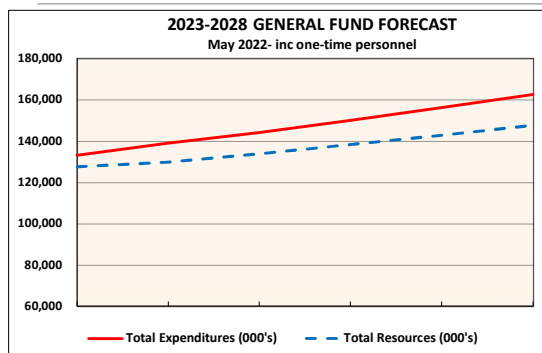
1. Total 2023-2024 Budget - \$1.02 billion (\$574 million in new revenues across all funds)
2. 2023 – 2024 General Fund - \$294 million,
3. Use example levy amount for comparison

Category	Amount	Cents per \$1,000
Total Levy (per thousand)	\$ 0.30	
Average annual cost for median homeowner	\$ 272	
Aggregate Annual Amount	\$ 11,500,000	
Capital Projects*	\$ 9,500,000	\$ 0.25
Operating Costs	\$ 2,000,000	\$ 0.05

*would support \$125 million debt issuance



May 2022 Forecast



- May 2022 forecast showed \$14.8 million deficit in 2023-2024
- Included all one-time costs in the 2021-2022 budget
- Did not use ending 2022 one-time funding
- Did not assume any changes to revenue structures

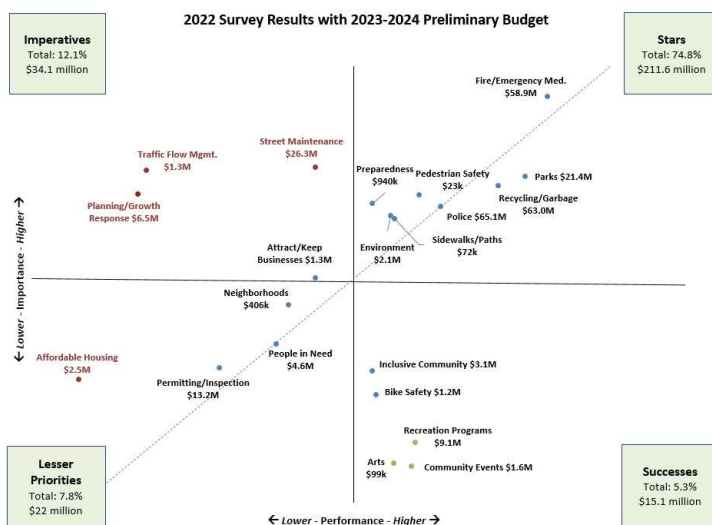
	2023	2024	2025	2026	2027	2028
Total Expenditures (000's)	133,049	138,794	143,938	149,880	156,075	162,534
Total Resources (000's)	127,461	129,633	133,766	138,189	142,784	147,558
Net Change (000's)	(5,589)	(9,161)	(10,172)	(11,691)	(13,291)	(14,976)
Biennial Net Resources (000's)		(14,750)		(21,863)		(28,267)

2022 Community Survey – Quad Priority Areas in Rank Order

1. Fire and Emergency Medical Services
2. Maintaining Streets
3. Managing Traffic Flow
4. **City Parks**
5. Recycling & Garbage Collection
6. Pedestrian Safety
7. City Planning and Response to Growth
8. Emergency Preparedness
9. Police Services
10. Protecting Our Natural Environment

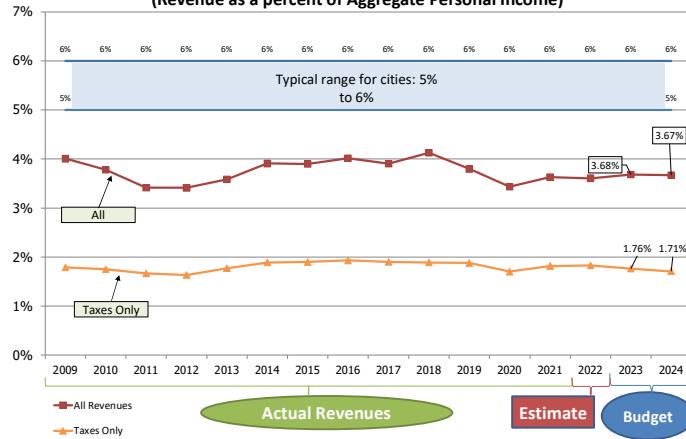


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Strategic
Anchor:
Responsive

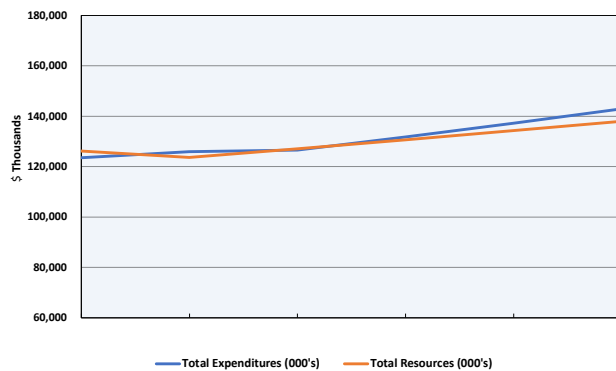
The Price of Government
City of Kirkland, Washington
(Revenue as a percent of Aggregate Personal Income)



Strategic
Anchor:
Affordable

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2023-2028 GENERAL FUND FORECAST
 October 2022 - City Manager's Proposed Budget



Strategic
Anchor:
Sustainable

	2023	2024	2025	2026	2027	2028
Total Expenditures (000's)	123,517	125,945	126,618	131,764	137,268	142,911
Total Resources (000's)	126,161	123,661	127,060	130,585	134,243	138,039
Net Change (000's)	2,644	(2,284)	442	(1,179)	(3,025)	(4,872)
Biennial Net Resources (000's)		360		(737)		(7,897)

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Department	2023-2024 Preliminary Budget
Police	69,327,726
Fire	60,348,769
Parks and Community Services	24,757,404
Public Works	15,509,308
Finance and Administration	15,466,754
City Manager	6,660,131
Municipal Court	6,268,484
Human Resources	4,213,992
City Attorney	2,873,453
City Council	1,165,843
Non-Departmental & Reserves	87,582,002
Total General Fund Base Budget	294,173,866

General Fund by Department

- Around 50% of the General Fund is used for Public Safety
- Parks and Public Works are approximately 15% of the General Fund combined – both departments have non-General Fund activity
- Reserves and non-departmental includes policy reserves, departmental reserves, transfers to capital and debt payments

Estimated Annual Debt Service Through Bond Measure

- Example levy of \$0.30 per \$1,000 of assessed valuation would generate approximately \$11.5 million.

Category	Amount	Cents per \$1,000
Total Levy (per thousand)	\$ 0.30	
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Capital Projects*	\$ 9,500,000	\$ 0.25
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*would support \$125 million debt issuance

- That would be equivalent to the following percentages of General Fund departments

Levy	% of General Fund	% of Police	% of Parks	% of Support Departments
\$11.5 million total	8%	33%	93%	63%
\$2 million annual operating	2%	6%	16%	11%
\$9.5 million capital	6%	27%	77%	52%

