Budget 2026

General Notes / Assumptions

REVENUE:

Levy - $2,024,626 – This is a 1% increase over 2025, should we end close to the 1% threshold, which I expect us to do.

KC Levy - $75,000 new money in 2026. Plus, an additional left-over credit from unspent grant funds. Similar Park districts are estimating this at $25,000. This funding begins in 2026 and is included in the forecast years.

Other Revenue (lodging, programming, etc.) – I have applied a 5% increase to all, year over year to account for rate changes. I have not applied factors for increased usage.

CASH FLOW:

With this budget draft, cash flow is solid. We will still see a dip below the $300,000 level in cash reserves in September of 2026. Modifications to budgeted CIP expenditures were made to avoid dips below a $200,000 threshold.

- 2026: September cash balance ends $279,067
- 2027: March cash balance ends $251,720 & September ends $199,520
- 2028: February cash balance ends $201,101, March ends $182,072 and September ends $225,657.
- 2029: September cash balance ends $269,878.

These are the same periods of time that have predicted lower-level reserves in previous budget cycles.

EXPENSES:

Wages – Our payroll contractor will have their forecasting completed the week of 11/10. I've asked them to double check my considerations and assumptions. I considered a 2.8% COLA + a 3.2% adjustment for taxes/insurances/benefits across the board. In some cases, I made other adjustments I will outline below.

General
Inflation adjustment is applied to all expenses in forecasting years. This is a practice I proposed to Elaine, and wouldn't you know it, it was very similar to how she inferred future expenses. The source is here.

According to the King County source linked, inflation is expected as follows:

- 2026 +3.9%
- 2027 +3.6%
- 2028 +3.5%
- 2029 +3.3%

Budget Category Notes

Admin

- Revenue now includes KC Levy Direct Appropriation ($100,000)
- In addition to the general wage adjustment, I have added approximately $10,000 to continue to utilize Elaine for support. It has been very valuable and inexpensive.
- Reduced contractors line item by this ~$10,000.
- Increased computers and tech services line item by ~$5,000 to purchase computers.
- Increased professional services line item by ~$11,000 to cover increased accounting, payroll, and computer services costs.
- Adjusted property taxes to be in line with actual. This is an increase of ~$4,000.

Maintenance

- Increased materials by $20,000 to perform top dressing at VES fields.
- Increased materials by $10,000 to fix/replace community bulletin board.
- Utilities ran over most of the year in 2025. I right sized that up by $12,000.
- We will conduct a blower door test at Ober Park this year to get a baseline on how drafty our facility is prior to addressing envelope improvements.
- Extraordinary Maintenance
    - Maintained a $9,000 budget line for this into 2026.
- Tools and Equipment
    - Maintained $10,000 for tools and equipment.

Commons

- Budget now includes accurate Commons Fee Payments.
- Year over year the salaries seem to run over budget. I believe this is because use of common facilities also increase year over year. This creates a need to increase this line item above the general adjustments for salary. I increased it ~$10,000.

Programming

- Across the items that support our programming, we suggest a 13% increase in expenditures. We spent more than anticipated in 2025 on printing, concerts in the park to pay acts, and the Strawberry Festival. This brings our 2026 expenses to $344,730. In addition, we are adding more programming in 2026. The full list (Eric is still adding some!) is below:
    - Humanities guest speakers
    - Freelance Beaver doc
    - Nature doc
    - Buskers in the Park (very exciting!)
    - Winter pickleball tournament
    - Egg Hunt
    - Vashon Velo Raptors Bike Club event
    - Story Walk
    - Kite Day
    - Low Tide
    - Summer pickleball tournament
    - Scavenger hunts

    - Strawberry Festival
    - Concerts in the Park
    - Attack the Track
    - Boo Bash
    - Holiday Movie
    - Open House
    - Play in the Park (a live play)
- Increased advertising by $3,000 to support additional programming.
- Decreased professional fees by $3,000 to offset the increase in advertising and we think we have plenty in that line item.

Pool

- Salary increases are beyond the general description for wage increases above. Currently, we budget recognizing that we will close early on many days during the winter. In 2026, we will be aggressively promoting the pool on social media, utilizing our energetic and fun lifeguards to make content. It is also my intention to keep the pool open during all our hours advertised. Not that there will not be exceptions – but if we are going to promote the pool, and get more folks using it, I want to make sure we are budgeted to cover those additional hours.
- I've kept the expenses pretty much flat because they are running really well in 2025.
- Additional filter discs are included in this budget - $5,000.

Pt Rob

- Revenue continues to run below projections for 2025. I have budgeted this as flat for 2026.
- Due to reduced lodgings, salaries ran a little under. Salaries/benefits lines are reduced by ~$7,000.
- Utilities are increased by ~$2500

Fern Cove

- Revenue - $2400/month the Caretaker arrangement. It is going well.
- We are anticipating septic repairs. I have adjusted this repair estimate down from $11,000 to $5,000.

CIP – <u>Discussion scheduled for 11/12</u>

- Community Bulletin Board removed from the list. We can fix/replace this in house.
- Village Green – Removed irrigation controller due to vandalism. Staff replaced and repaired the irrigation system. Additional work is needed at VES on the irrigation, but it will not require a major capital investment.
- VES – Removed irrigation controller, shade sails for dugouts, and replace dugouts. Staff completed this work during 2025.
- Ober – Removed drainage repairs around Ober. We can complete this in house.
- Ober (other locations) – Removed because this can be placed into our maintenance budget.
- Equipment – Removed lift. We can rent a lift as needed.
- 2026 Proposed Project Highlights
    - BARC Renovation – Grant awarded in 2025. Work will continue into 2026 and finish before Spring 2026.
    - Pickleball Courts – Should a location be determined, we will apply for a grant to fund construction. $20,000 in match is planned in 2027 should this come to fruition.

- Fisher Pond – We are not ready for a capital investment in a heating system. The building is not insulated or air tight. However, grants are available (although funding is limited). We will write a grant in 2026 for use this year and beyond.
- Ober Park – Gas furnace $42,000. Maintenance staff will work to make the building air tight. We will conduct a before and after door blower test to measure our success. After maintenance is completed with their envelope improvements, the building will be better positioned to replace one of the gas furnaces.
- Playground Sails – Will reapply for grants to support this effort.
- Pool Renovation/Engineer – The engineering firm will continue their design work into 2026. Early estimates are under $5,000,000 for a total renovation of the facility. We will work with legislators and granting bodies to fund this work in future years.
- Point Robinson Quarters A Bath/Entry Restoration – The components are purchased and will be installed in 2026 (winter).
- Point Robinson barn, store, wellhouse repairs – I think we should go the grant route on these items. In short, these are old buildings in a difficult location. They do act as excellent storage for us but perhaps capital investments from levy dollars could be spent for a greater impact for our community.
- Point Robinson paint the lighthouse – $30,000 - This is our most visited park and the lighthouse needs painted.
- Tramp Harbor Dock – apply for suite of grants again. Pursue direct appropriation from the legislature to support this effort.
- Invasives – $24,000 - Continue this work into 2026. Location TBD.
- Vashon Adventures - $50,000 – supplemental information for discussion is included in your packet.
- Equipment
    - $20,000 - Exmark Vertex mower to cut berms.
    - $40,000 – Recreational Pickup – the current rec pick up would become a maintenance vehicle.
    - $13,000 – Connex storage boxes – storage is at a premium and we need more of it.