Newsletter Number 12 9/25/2023



Is there really a need for a Metropolitan Park District to support the Friends Of The Pool's over \$20 million dollar Methow Aquatics Complex???

https://nopooltaxes.com

Friends of the Pool Facebook Page Dialog with Pasayten (aka PapaPete Peterson)... They banned my regular account earlier on another post.

Question

PapaPete Peterson to FOTP

Tonasket Park and Recreation District... Tonasket Swimming Pool

Not a Metropolitan Park District

Not a permanent taxing authority levy... Six year cycle with voter approval. Did you know that .18 per thousand translates to \$18 per year if you own a \$100,000 home?

No tax dollars used to build the pool - Tonasket Community Pool is a million dollar facility donated to the Community by the Community? Support of the levy allows them to maintain the pool.

No appointed Board... Tonasket Park and Recreation District commissioners are volunteers

Did you know it costs \$80K to run the pool each year and \$20K is received each year through admissions. The Tonasket Park and Recreation District covers the remaining cost of operating a pool..

https://tonasketparks.org/



TONASKETPARKS.ORG

Friends of the Pool - Twisp answer to

<u>PapaPete Peterson</u> what if they didn't renew the levy? Then how would they operate? This is what the MPD guards against.

We are not proposing the district will pay for a new pool in full. We need to demonstrate a sustainable operating plan to leverage grants from agencies and foundations and to donors to raise capital. Some levy capacity may be required for financing. We need a district to do this.

We want our local leaders to come together and govern for a common, shared value and so we are looking to the interlocal agreement to create that framework.

The commission, though appointed are 3/5 elected officials and all are accountable to the taxpayers directly or by the councils who can remove them if they are deemed to perform unsatisfactory. This could be a quicker turn than waiting for an election to remove one from office.

TranGo and EMS districts generate tax revenues and they don't have elected boards. The MPD is similar and has built in safeguards for sustained funding, accountability and transparency.

PapaPete Peterson answer to

<u>Friends of the Pool - Twisp</u> I do not believe TranGo and EMS districts are Metropolitan Park Districts. There districts seem to trust the 6 year levy cycle. Why don't you trust the voters to renew the levy? Yet you want the voters to trust the commission. I do not approve of that logic. Look how well that works in national and state politics. You need a better plan that will have true required voter input. Not a permanent taxing authority that actually is not required to listen to the voters or your Citizens Advisory Committee. A six year levy cycle is a very reasonable funding source that MAKES the commission/district and the voters work together. In addition, excess levies of the other districts are fully supported thru the Washington tax exemption programs. The regular levy of your Metropolitan Park District is not. You WILL be a burden on limited income seniors.

Next Question

PapaPete Peterson

Fund the pool operations with a Sales Tax option

The FOTP looked at 4 funding methods... 3 park districts and a PFD sales tax option. They excluded the sales tax option because they thought it had to be county wide to generate enough revenue for operations, maint, AND supplement building the pool. The local city sales tax option WOULD WORK if it was for operations and maint ONLY!!! Build the pool with grants and donations... Don't build it on the back of all the taxpayers. Don't create a Metropolitan Park District.

Year Tax Type Total Taxable

Twisp

2023 Quarter 1 Sales \$9,064,861

2022 Quarter 4 Sales \$12,132,721

2022 Quarter 3 Sales \$13,333,064

2022 Quarter 2 Sales \$12,176,874

Total Sales \$46,707,520

Add 0.2% pool sales tax \$93,415

Winthrop

2023 Quarter 1 Sales \$13,161,226

2022 Quarter 4 Sales \$16,394,175

2022 Quarter 3 Sales \$24,148,852

2022 Quarter 2 Sales \$19,262,811

Total Sales \$72,967,064

Add 0.2% pool sales tax \$145,934

Total Pool Sales Tax Revenue per year \$239,349

I would not mind a local 0.2% sales tax add on to support a reasonable pool for the Valley. Much better than a Metropolitan Park District and a permanent property tax. In addition, tourists would also be helping to pay for the operations of the pool, not just the local tax payers. Food exemptions still exist so as to not to unreasonably burden the fixed/low income folks.

Friends of the Pool - Twisp answer to

PapaPete Peterson the main reason we steered away from a PFD was that PFDs can only be created at county or town boundaries...therefore we didn't need the county as whole to fund it, but it was requires to that. Sales tax from Twisp alone was not adequate and it didn't seem appropriate to tax commerce in Omak for a local project here. Sen. Brad Hawkins passed legislation to create PFDs across county boundaries but to our understanding there is no enabling legislation that grants authority to local jurisdictions to impose a sales tax for recreational purposes outside forming a Public Facilities District which must be established at the county or city/town boundary. So we looked to the rec district approach.

Ray we'd welcome discussion of this If you are aware of another way the towns can impose a sales tax, please inform us.

Also, the Methow Aquatics District creates a governance structure that is needed.

PapaPete Peterson answer to

Friends of the Pool - Twisp

Dang... Unrestricted sales tax option already at the max... Both Twisp and Winthrop (and the county) are already collecting the maximum 0.5% first half and 0.5% second half unrestricted sales taxes. Funds for O&M of a pool would have to come out of their original budgets for the revenue (1.0% total).

Now I am looking at a PFD/Sales Tax option (0.2%) for the operation and maintenance of a "regional" swimming pool.

A PFD with additional sales tax authority can be created for contiguous cities, but Winthrop and Twisp are not contiguous. I have asked the AG office some questions...

Could Winthrop and Twisp each create a PFD and combine the funds to support a joint pool?

Could a school district boundary be used for a PFD?

Could two cities and a small portion of unincorporated county between them form a PFD?

Maybe Winthrop and Twisp could extend their boundaries to become contiguous?

Anyway, waiting for a response from AG Office. I also passed this info on to Andy Hover as the AG Office may not respond to opinion questions from private citizens.

In the meantime, I also found this...

https://www.atg.wa.gov/.../extent-authority-cities-which...

https://www.atg.wa.gov/.../authority-public-facilities...

And this...

Olympia, Lacey, and Thurston County created a regional PFD... Why not Twisp, Winthrop, Mazama, and Okanogan County?

https://cityoflacey.org/.../boards-commissions/carpfd/....

https://olympia.granicus.com/MetaViewer.php?view_id=8...

In summary, I did note on the AG Opinion web page that they may not answer these opinion questions for a private citizen. They will for government officials. If that is the case, maybe Andy can help out.

Against Proposition 1 and a Metropolitan Park District... But for a reasonable cost and funded pool for the Methow Valley.

Friends of the Pool - Twisp answer to

<u>PapaPete Peterson</u> thanks for your interest and research. We did look into the PFD and from what we could tell, it has be continuous boundaries or county-wide. Sen Brad Hawkins who I spoke to more than once regarding this, introduced legislation to creat a bi-county PFD for the purpose of an aquatics center in Wenatchee. But unless legislation reauthorizes how a PFD is created, we are limited to existing boundaries. Proposition 1, while not perfect does benefits locals as it generates revenues from of high value of many non-resident homes and resort properties.

PapaPete Peterson answer to

Friends of the Pool - Twisp ...and burdens rents, low income families, and fixed income seniors.

Did you look at Twisp and Winthrop each creating their own PFD and then combining the funds (\$240,000 per year at 0.2%) thru an interlocal agreement to support the regional pool? The county does not need to be part of it. Little taxable sales outside the towns anyway.

Then non-resident tourists also help pay...

Next Question

PapaPete Peterson

From the FOTP webpage...

How will the Aquatics District be funded?

Creating this Aquatics District means that all property owners within the district will pay a tax based on the assessed value of their property. For every \$100,000 of property value you own, the most you'd pay is \$75. The tax will never be more than that, but it could be less.

They kind of throw out the maximum \$75 tax value as a distraction... Here is a table for most assessed values:

\$100K - \$75 per year \$200K - \$150 \$300K - \$225 \$400K - \$300 \$500K - \$375 \$600K - \$450 \$700K - \$525 \$800K - \$600 \$900K - \$675 \$1mil - \$750

Per year... Forever...

Plus, they can issue debt and propose ADDITIONAL excess levies.

Next Question

PapaPete Peterson

The FOTP is always hyping the property tax exemption program for fixed income folks so as the Proposition 1 tax levy burden will be lessened on them...

There are a few factors they do not openly disclose...

If you are a renter, you will most likely not realize any exemption as the full amount will most likely be passed on to you.

This is basically a senior citizen exemption only... No exemption for low income families...

To qualify:

- At least 61 years of age.
- At least 57 years of age and the surviving spouse or

domestic partner of a person who was an exemption

participant at the time of their death.

- Unable to work because of a disability.
- A disabled veteran with a service-connected

evaluation of at least 80% or receiving compensation

from the United States Department of Veterans

Affairs at the 100% rate for a service-connected

disability.

Level 1 income seniors will get no exemption as Proposition 1 will be a regular levy and not an excess levy.

Level 2 and 3 will get only partial exemptions... 35% (max \$70K) and 60% of assessed value respectively

Property tax levies eligible for exemption

There are three levels of exemption depending on your

final calculated combined disposable income.

• Level 3 - You are exempt from paying excess levies

and Part 2 of the state school levy. Generally

speaking, excess levies are the voter-approved levies.

• Level 2 - You are exempt from paying excess levies,

Part 2 of the state school levy, and regular levies

on \$50,000 or 35% of the assessed taxable value,

whichever is greater (but not more than \$70,000 of

the taxable value).

• Level 1 - You are exempt from paying excess levies,

Part 2 of the state school levy, and regular levies

on \$60,000 or 60% of the assessed taxable value,

whichever is greater

Okanogan

Level 1 \$30,300

Level 2 \$35,350

Level 3 \$41,000

Deferral \$45,450

Read the rules of the program!!! Fixed/low income seniors, individuals, and families will still be significantly burdened! How will this burden affect low income spanish speaking families who most likely are renters?

https://dor.wa.gov/.../files/2022-02/PTExemption Senior.pdf

PapaPete Peterson to FOTP

From the Twisp Works "ADVOCACY" website section... https://twispworks.org/programs/advocacy/

Great demographic stats!!!

Summary of Key Findings

Over a thousand homes were built in the Methow watershed between 2005 and 2020, the majority of which lay outside incorporated towns.

Today, there are 2,650 full-time residential homes and 1,966 part-time homes, with an estimated population of 6,400 full-time residents and 4,380 part-time residents. This growth has been fueled primarily by amenity migration, particularly during Covid-19. Economic Study - 61% of residents are full-time

Today, the Methow's population is characterized by retirees, remote workers and long-time residents. Nearly 40 percent of the population is over 60 years old, with 20 percent under 18. Altogether, 60 percent of the population is not of working age. These demographics contribute to a shortage of workers and shrinking labor force.

The median household income for families who live and work in the Methow Valley is \$57,779, with nearly 60 percent of working families making less than \$55,000 a year. Economic Study - 60% working families make less than \$55,000 a year.

The overall demographic trends in the Methow Valley suggest that not only is the population aging as more retirees move to the Methow, but also that poverty is increasing among families with children and among working families in general. Working families face limited mobility and service wage jobs that have not kept pace with the rising cost of homes and property. In other words, wealth is concentrated in the incoming residents, while long term residents and local families face increasing economic disparity.



TWISPWORKS.ORG

Next Question

PapaPete Peterson

Why didn't you choose one of the other two district types that have a 6 year levy cycle? They have more than sufficient potential tax revenues for your stated operations/maint of the complex. Note that I am not in favor of any park/rec district. Maybe a sales tax addon could have been worked out.

Question: Are you afraid if the Board and pool doesn't cut it with the community priorities or expectations that it might be voted down in a future cycle? Why don't you trust the voters? You expect the voters to trust the appointed Board.

Do you also need the district to help fund the construction with the MPD format for taxing authority and debt funding? Were your petition signature seekers clear on this point and other powers of an MPD? I doubt it.

With a MPD permanent taxing authority and appointed Board, you will have NO guaranteed accountability to the taxpayers who are footing the bill. The "Citizens Advisory Committee" are "nominated/selected" by the Board itself and may not be representative of the whole taxpayer community. In addition the CAC are advisory only. The Board can really do what it likes.

Next Question

PapaPete Peterson

"Few doubt the importance or need for a community pool. Many have reservations or objections about the Methow Aquatics District, the levy, and the governance structure chosen to lead this effort."

Why not an elected Board?

From the FOTP website...

"How will the commissioners be selected?

As it is currently written, each Town Council will appoint two commissioners: one elected council member and one member-at-large. The members-at-large will be appointed every two years to fill the seats. Anyone living within the Aquatics District boundaries can be nominated as an at-large commissioner.

The 5th rec district commissioner will be our County Commissioner from District 2.

This structure is a common form of governance for districts with limited purposes like transit and EMS districts that operate between more than one town or county. It's a proven structure that works, is accountable, and transparent."

As of 2021, MRSC (https://mrsc.org/.../park-and.../metropolitan-park-districts) is aware of 23 metropolitan park districts within the state. 8 were for pools. Of the 8, 6 have elected Boards. Why not choose an elected Board so the taxpayers/voters have a more direct involvement in how the District is run? Your structure is NOT the common form. Are you afraid that an elected Board might have some members that are independent thinkers and are not in lockstep with your plan?

The 8 MPD's in Washington that focus on pools...

Des Moines Pool Metropolitan Park District Nov. 2009 Des Moines Elected board Maintain and operate existing Mt. Rainier Pool (with additional funding from Normandy Park MPD and Highline School District).

Normandy Park Metropolitan Park District Nov. 2009 Normandy Park City council (ex officio) Help fund existing Mt. Rainier Pool (along with Des Moines Pool MPD and Highline School District).

Odessa Metropolitan Park District Nov. 2020 Odessa School District within Lincoln County Elected board Maintain and improve Odessa swimming pool facilities.

Si View Metropolitan Park District Feb. 2003 North Bend and nearby unincorporated King County Elected board Operate the Si View Park Community Center and Pool, which had been closed due to county budget cuts, as well as other park facilities.

Stevenson Community Pool District Feb. 2021 City of Stevenson and urban growth area Elected board Maintain and operate Stevenson swimming pool

Tukwila Pool Metropolitan Park District April 2011 Tukwila Elected board Operate the Tukwila Pool, preventing potential closure following recession and general fund shortfalls.

White Salmon Valley Pool Metropolitan Park District Nov. 2018 Bingen-White Salmon Elected board Construct, operate, and maintain White Salmon Valley swimming pool

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 Operate the William Shore Memorial Pool, preventing its closure.

Friends of the Pool - Twisp answer to

<u>PapaPete Peterson</u> we modeled it after the Port Angeles example. If you've followed local politics here, we often have open seats on boards and commissions. Our structure ensures if no one volunteers to run, there will always be governance created by elected officials representing the towns and county. Further, this capitalizes on the existing knowledge of elected officials as we start a whole new governing entity. We are looking for our current leadership to do this work for the whole valley.

PapaPete Peterson answer to

<u>Friends of the Pool - Twisp</u> I do not agree with your opinion of local politics here... I also do not think that a town council member brings that much "existing knowledge" to the table. I go back to my statement that I think you are afraid of independent thinkers that might get elected to the Board. Six out of eight existing MPD's involving pools have elected Boards. We are not that different from them. Just like you were afraid of the other two park distract formats you could have chosen that had 6 year levy cycles for approval by the voters. Do you not trust the voters?

Friends of the Pool - Twisp answer to

<u>PapaPete Peterson</u> we are putting this to the voters and asking our existing leadership to work for our valley to ensure public swimming.

PapaPete Peterson answer to

Friends of the Pool - Twisp You do not need a Metropolitan Park District to ensure public swimming.