



Bend Park & Recreation District

adopted

budget

For Fiscal Year Ending 2020 - 21

[www.bendparksandrec.org](http://www.bendparksandrec.org)



*play for life*

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# Bend Park & Recreation DISTRICT

## Budget Committee Fiscal Year 2020-21

### Board Members

### Term Expires

Nathan Hovekamp	June 30, 2021
Deb Schoen	June 30, 2021
Ted Schoenborn	June 30, 2021
Jason Kropf	June 30, 2023
Ariel Mendez	June 30, 2023

### Citizen Members

### Term Expires

Thomas Fisher	December 31, 2020
Joanne Matthews	December 31, 2020
Daryl Parrish	December 31, 2021
Larry Kimmel	December 31, 2022
Donna Owens	December 31, 2022

Executive Director  
Don Horton

Administrative Services Director  
Lindsey Lombard

Finance Manager  
Betsy Tucker

Bend Park & Recreation District  
799 SW Columbia Street  
Bend, OR 97702  
541-389-7275  
[www.bendparksandrec.org](http://www.bendparksandrec.org)





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Bend Park & Recreation District  
Oregon**

For the Fiscal Year Beginning

**July 1, 2019**

*Christopher P. Morrell*

Executive Director



# Bend Park & Recreation DISTRICT

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## **District Budget Message - Budget for Fiscal Year 2020-21**

### **To Bend Park and Recreation Budget Committee Members and District Residents**

I am pleased to present the 2020-21 Bend Park and Recreation District (district) Proposed Annual Budget for the fiscal year beginning July 1, 2020 and ending June 30, 2021. This budget represents the district's comprehensive financial plan for providing park and recreation services for community residents and visitors for the coming fiscal year.

Budgeting is a collaborative and community process. Other planning efforts, such as the district's Comprehensive Plan, strategic planning, financial forecasting, capital improvement planning, and annual action planning, drive the annual budget development. The board of directors and staff seek and receive community input in the development, review, and revision of these planning documents throughout the year. The budget represents the board's and community's fiscal priorities for the upcoming twelve months of operations based on these long-range plans, which support the district in achieving its vision of building a community connected to nature, active lifestyles, and one another.

In this coming year, we will see a shift in priorities to ensure district financial stability, capital improvement projects will be completed and postponed, and the district will discover and adjust to what a park and recreation organization looks like in the aftermath of a pandemic crisis. The following influences were critical factors in our budget development.

### **Budgeting in a time of crisis**

Developing a budget will always have its share of unknown variables that we try to prepare for and anticipate needs, and in this regard, developing the 2020-21 budget is no different from any other year. However, the appearance of COVID-19 is a variable like nothing we have experienced before. Budget development in the middle of a pandemic presents numerous challenges.

We used a dual approach to develop the 2020-21 budget. The budget reflects the stark reality of the disruption COVID-19 has caused and, at the same time, allows for the most optimistic outcome we can imagine. Departments other than recreation significantly reduced their budgeted expenditures, eliminated nearly all new program requests, and lowered levels of service in some areas.

In contrast, the recreation budget reflects relatively normal operations in the coming fiscal year, even though we recognize this is not a likely scenario. What this does is budget the lowest subsidy amount we believe is feasible for the new fiscal year, while also appropriating enough expenditures for us to operate. At the same time, we have set aside enough contingency to cover us in the event revenues decrease at a higher rate than we can cut costs. By adopting this strategy, we have prepared a budget that allows us the most considerable amount of flexibility in the coming year. The momentum we



District Office | Don Horton, Executive Director

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experienced in 2019-20 may have come to a startling pause, but we look forward to resuming services and operations, and this budget will allow us to respond quickly. We have detailed the cuts to the 2020-21 budget in the COVID-19 Impact and Budget Decisions document on page 15.

### **Recreation Changes**

Recreation faces several changes in the 2020-21 budget year that are both exciting and challenging.

**Larkspur Community Center:** The 2020-21 budget year includes the completion of the Larkspur Community Center (Larkspur). This facility is built upon the Bend Senior Center legacy and designed to welcome all ages and abilities while further enhancing programs and opportunities for older adults. The proposed budget contains the final cost for completing this project, expanded programs, and operating the new facility.

**Juniper Swim & Fitness Center Pool Replacement:** Maintaining, repairing, and renovating physical assets is an important way we take care of what the community values. The Juniper Swim & Fitness Center (JSFC) 25-meter pool, small children's pool, surrounding decks, turned 40-years old in 2018. The indoor pool is one of the heaviest used district assets, and the reliability and performance of this asset are critical to serving community needs. The budget reflects a six-month closure of the indoor pools at JSFC to complete the project. During this time, we will shift staff and resources to Larkspur. Replacement of the pools have been on our capital improvement plan for the past several years, but pushed out in anticipation of the opening of Larkspur.

**Property Tax Subsidy:** The general fund subsidy was maintained at a fairly consistent amount for the past ten years, controlled by program growth and marginal fee increases. In the current fiscal year and going forward, we anticipate the subsidy will experience significant growth with facilities and programs operating at or near capacity, highly-competitive market conditions, ever-rising personnel costs, and a district priority of keeping services affordable. Pandemic aside, the general fund subsidy is expected to increase in 2020-21 to from its 10-year average of \$1.24 million to \$3.7 million, with a significant portion of the increase due to Larkspur's opening and JSFC's temporary closing. We considered the option to budget a high-cost, low revenue year in recreation. However, the recreation subsidy impact on the general fund compounds in such a way that we fear we would not be able to recover financially in future years, resulting in the likely scenario of having to significantly reduce overall recreation services.

### **Taking care of what we have**

The district recognizes the importance of prioritizing operations of the facilities and services we provide community residents, with taking care of our assets, all of which are supported by general fund property taxes.

**Preparing for Future Impacts:** This budget proposes funding to implement the outcome of the Compensation and Equal Pay Act study in 2020-21. This study was embarked on to ensure that our employment practices follow state law, and to assess the district's wage comparability with other peer organizations. It is not known what the total financial impact of the study will be, therefore, \$500,000 has been carried over from the current year and allocated in personnel services across all department budgets to cover necessary adjustments that may result from the study's outcomes.

**Investing in Our Staff:** The proposed budget has a lower personnel cost increase than we have seen in recent years. A positive contributing factor is the PERS lump-sum payment of \$1.5 million made in 2019-20 to reduce our unfunded liability. This one-time payment decreased the district's monthly employer contribution rates to PERS on February 1, 2020, and will lower future contribution rates over the next twenty years. Another positive contributor to the lower increase in personnel is the



lower health insurance rate increases we have negotiated – medical premiums increase by a low 3 percent in the coming year. Finally, the budget includes COLA and merit increases, but until we have a better sense of what the COVID-19 financial impact will be to the district, we have postponed the decision to pay employees the budgeted COLA and merit increases in the coming year.

### **Financial stability**

In an ordinary budget year, we speak to costs, such as wages, PERS, health insurance, and construction escalating at rates faster than property tax revenues and testing the ability of the district to continue to expand facilities and services for the growing community with property tax revenues. This year, we have added a pandemic to the list of challenges we face.

The district's current year revenues were initially estimated to exceed the 2019-20 budget. With the onset of COVID-19 and the resulting closure and cessation of all recreation services, we will end the current year with revenues of \$1.89 million less than our original estimates. The district's substantial reliance on fee-based services, coupled with a loss of revenue of this magnitude, requires the district to respond proportionately.

In the current year, the district cut and reduced levels of service, laid off 329 staff, and postponed asset management and capital improvement projects. The district also quickly reassigned recreation positions to perform park maintenance and stewardship duties, arranged for employees to telework, adopted video-conferencing for meetings, and kept information flowing regularly and consistently to the public, board, patrons, and staff. The district is poised to respond to changes with resilience.

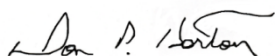
In a moment of significant historic instability, the district continues to offer quality services, maintain positive staff morale (as positive as it can be in this circumstance), and develop a financially sustainable budget set to serve the district and its community well into the future. We maintain our commitment to fiscal prudence in all business decisions, including those related to staffing, employee benefits, developing and renovating parks, trails, and facilities, limiting or reducing future maintenance costs, and balancing tax support and fees in operating recreation programs and facilities. This balanced proposed budget reflects the district's continued commitment to long-term financial stability, no matter the circumstance.

### **Conclusion**

The district's offerings and services provide a sense of place. Our philosophy of "Play for Life" is about living in the moment, but also about creating a legacy for the future. We believe that play holds the key to happy and healthy lives in our community - now and for generations ahead.

This budget reflects the cumulative effort, support, and policy direction from the board of directors and the budget committee, and the professional aims and contributions of district staff. It is through the dedication and commitment of all that we can effectively support the priorities of community members through responsible financial planning and management of their tax dollars. Finally, I wish to express my appreciation and gratitude to the board of directors and the citizens on the budget committee for their invaluable leadership and service.

Respectfully submitted,



Don Horton

Executive Director

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## Introductory Section

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## 2020-21 Budget Development Calendar

### 2019

December      Publish ad seeking new Budget Committee member(s)

### 2020

January 7      Board of Directors appoint new Budget Committee member(s)

January 31      Budget Committee orientation

February 4      Board Annual Workshop

April 29      Budget Committee meeting notice published

May 21      Proposed budget available to public and Budget Committee

May 26      Budget Committee meeting to hear budget message, receive public input, review proposed budget, approve proposed budget, property tax rate, and property tax levy for debt service

May 28      Continuation of Budget Committee meeting, if necessary

June 8      Notice of budget public hearing published

June 16      Public hearing held by Board of Directors to receive public input, adopt budget and impose and categorize property taxes

July 15      Tax levy certified by Deschutes County



## **Budget Cycle**

Most local governments in Oregon, from the smallest cemetery district to the largest city, must prepare and adopt an annual budget. The law provides for two important things:

- It establishes standard procedures for preparing, presenting, and administering the budget.
- It requires citizen involvement in the preparation of the budget and public disclosure of the budget before its formal adoption.

### What is a budget?

A budget is a financial plan containing estimates of expenditures and revenues for a single fiscal year (July 1 – June 30) or for a 24-month period, a “biennial” budget.

### Who is on the budget committee?

The budget committee consists of the members of the Board of Directors and an equal number of citizens at large.

Budgeting is not something done once a year. It’s a continuous operation, and it takes 12 months to complete a cycle. The budgeting process is actually in three parts: the budget is prepared, approved, and finally adopted. The budget must be prepared far enough in advance so that it can be adopted before June 30. After adopting the budget, the governing body will make the necessary appropriations and certify the tax levy to the county assessor.

The budget cycle is divided into nine steps:

### Preparing the budget

1. Budget officer appointed. Each local government must have a budget officer, either appointed by the governing body or designated in the local government’s charter. The budget officer is under the supervision of either the executive officer or the governing body.
2. Proposed budget prepared. The budget officer is responsible for preparing or supervising the preparation of the proposed budget for presentation to the budget committee.

### Approving the budget

3. Budget officer publishes notice. When the budget officer is ready to present the budget and the budget message is to be delivered, the budget officer publishes a “Notice of Budget Committee Meeting.”
4. Budget committee meets. At least one meeting must be held to (1) receive the budget message and budget document, and (2) hear the public. At any time before the budget committee meeting, the budget officer may provide a copy of the proposed budget to each member of the budget committee. The budget is a public record at this point. The budget officer may choose to distribute the proposed budget at the noticed budget committee meeting, rather than earlier.

At the budget committee meeting, the budget message is delivered. The budget message explains the proposed budget and significant changes in the local government’s financial position. At this meeting, the budget committee may provide members of the public the opportunity to ask questions about or comment on the budget.

If public comment is not allowed at this meeting, the budget committee must provide the public with the opportunity at subsequent meetings. After the initial meeting, the budget committee may meet as many times as needed to revise and complete the budget.

#### Committee approves budget

5. When the budget committee is satisfied with the proposed budget, including any additions to or deletions from the one prepared by the budget officer, it is approved. If the budget requires an ad valorem tax to be in balance, the budget committee must approve an amount or rate of total ad valorem property taxes to be certified for collection.

#### Advertising and holding hearings

6. Budget summary and notice of budget hearing published. After the budget is approved, the governing body must hold a budget hearing. The governing body must publish a summary of the budget approved by the budget committee and notice of budget hearing five to 30 days before the scheduled hearing.
7. Budget hearing held. The governing body must hold the budget hearing on the date specified on the public notices. The purpose of the hearing is to receive citizens' testimony on the budget approved by the budget committee. Additional hearings may be held. All hearings are open to the public.

#### Adopting the budget

8. Budget adopted, appropriations made, tax levy declared and categorized. By law, the governing body may make changes in the approved budget before or after it is adopted, but no later than the beginning of the fiscal year to which the budget relates. However, there are limitations;

Taxes may not be increased over the amount approved by the budget committee, and estimated expenditures in a fund may not be increased by more than \$5,000 or 10 percent, whichever is greater, without first publishing a revised budget summary and holding another budget hearing.

After the budget hearing, and after considering relevant testimony, the governing body adopts the budget. It should not be formally adopted until the latter part of June so last-minute revisions to revenue or expenditure estimates can be incorporated.

The governing body must prepare a resolution or ordinance to (1) formally adopt the budget, (2) make appropriations, and if needed, (3) levy and (4) categorize any tax. The budget is the basis for making appropriations and certifying the taxes. The resolution or ordinance must be adopted no later than June 30.

#### Budget filed and levy certified

9. The final step in the budget cycle is to certify any necessary property tax levy. Districts levying a property tax must submit budget documents to the county assessor's office on or before July 15.

#### Procedures for Amending the Adopted Budget

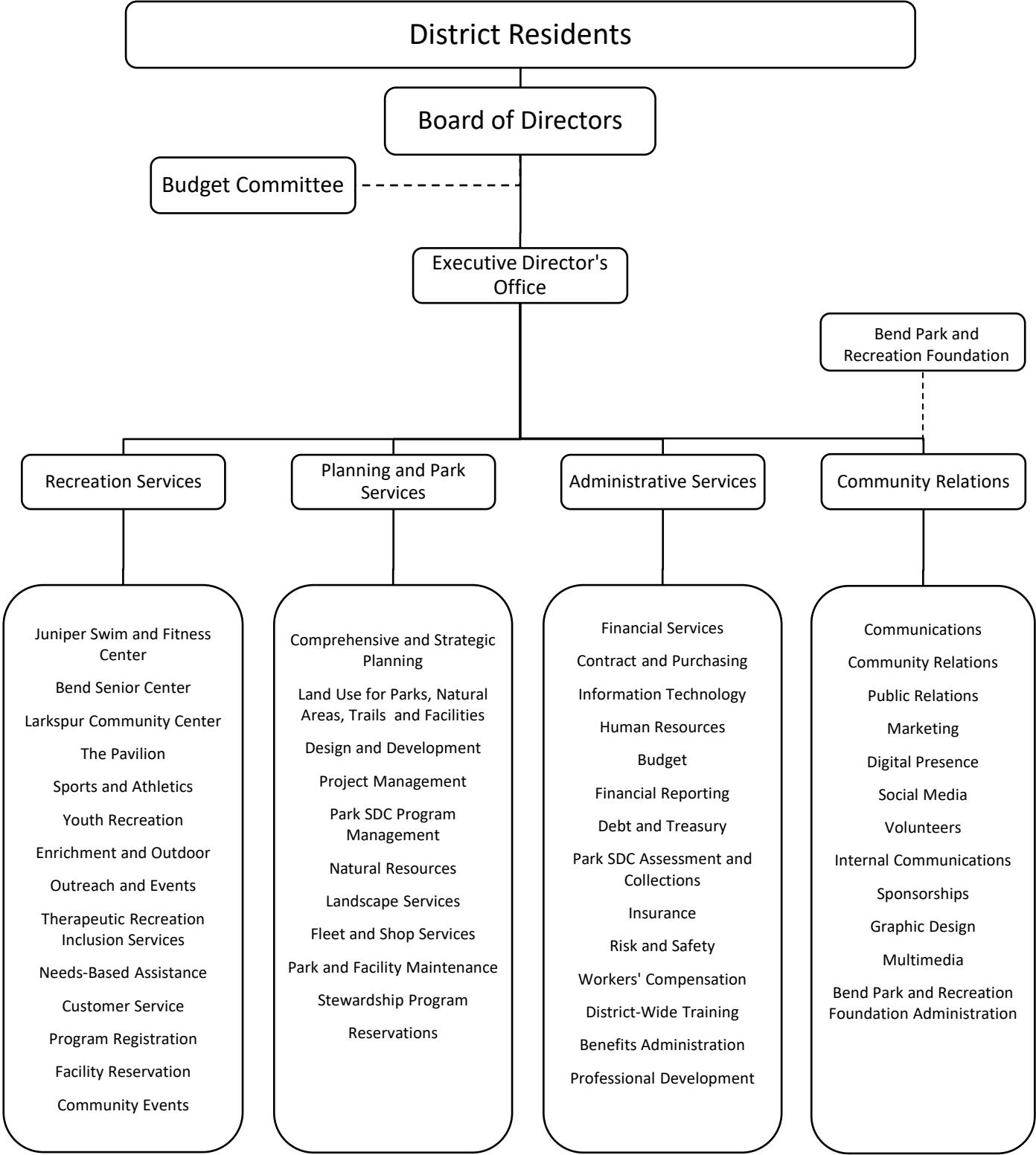
The Board of Directors may approve additional appropriations for unforeseen circumstances and necessary expenditures which could not be reasonably estimated at the time the budget was adopted. Oregon Local Budget Law sets forth procedures to be followed to amend the budget as

events occur after budget adoption. The required procedure is determined by the circumstance resulting in the amendment.

Original and supplemental budgets may be modified during the fiscal year by the use of appropriation transfers between legal categories or appropriation transfers from one fund to another. Such transfers must be authorized by official resolution of the Board of Directors. The resolution must state the need for the transfer, the purpose of the authorized expenditures, and the amount of the appropriation transferred.

Transfers of operating contingency appropriations, which in aggregate during a budget period exceed 15 percent of the total original appropriations of the fund, may only be made after Board adoption of a supplemental budget prepared for that purpose. A supplemental budget less than 10 percent of the fund's original budget may be adopted at a regular meeting of the Board of Directors, and notice must be published stating that a supplemental budget will be considered. A supplemental budget greater than 10 percent of the fund's original budget requires a public hearing, publication in the local newspaper and approval by the Board of Directors.

District Organizational Chart



## District Funds

A fund is a budgetary and accounting mechanism for designating money or other resources for a particular purpose. Each fund constitutes an independent budgetary, fiscal, and accounting entity. The funds used by the District are detailed below. Fund summaries, which provide revenue and expenditure detail, are included within the General Fund and Other Funds sections of this budget document.

**General Fund** – The District’s General Fund is the general operating fund of the District and accounts for the Executive Director’s office, administrative services, planning and design, park services, community relations and recreation services. Principal sources of revenue are property taxes, user fees and charges, interest income, grants and contributions. Primary expenditures are personnel, materials and services necessary to provide quality services for the community.

**Facility Rental Special Revenue Fund** – The Facility Rental Fund is used to account for the proceeds of District facility and park rental revenues (i.e. Aspen Hall, Hollinshead Barn). Primary expenditures are personnel, building maintenance, and renovation costs.

**System Development Charges (SDC) Special Revenue Fund** – The SDC Fund is used to account for the acquisition and development of the community’s park system. Funding is provided by a fee charged against developing residential properties. Expenditures are restricted by state law to capacity-enhancing and reimbursement projects for parks, trails and indoor recreation facilities.

**Facility Reserve Fund** – The Facility Reserve Fund is used to account for acquiring, constructing, and re-developing parks, trails and buildings. Principal revenue sources are from transfers from the General Fund, investment income, and grants and contributions. Primary expenditures of the fund are land acquisitions, new park development, facility projects, and asset management projects.

**Equipment Reserve Fund** – The Equipment Reserve Fund is used to account for new and replacement vehicles, furniture, fixtures, equipment, and technology. Principal revenue sources are from transfers from the General Fund, investment income, and sale proceeds from surplus vehicles and equipment.

**General Obligation (GO) Debt Service Fund** – The GO Debt Service Fund accounts for the accumulation of property taxes levied to pay principal and interest on the 2012 GO bond debt.

The matrix below reflects the relationships between the District’s organizational units and its funds:

Organizational Unit	General Fund	Facility Rental Fund	SDC Fund	Facility Reserve Fund	Equipment Reserve Fund	GO Debt Service Fund
Executive Director's Office and Administrative Services	✓	✓	✓	✓	✓	✓
Strategic Planning and Design	✓		✓	✓		
Park Services	✓	✓		✓	✓	
Community Relations	✓	✓				
Recreation Services	✓	✓		✓	✓	



## Financial Section

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## COVID-19 Impacts and Budget Decisions

### 2019-20 Year End Estimates

The COVID-19 crisis had an immediate impact on 2019-20 revenue and expenditure estimates. The closure of all indoor recreation facilities and rentals and suspension of all recreation services resulted in a 6.9 percent revenue reduction and an 18.2 percent expenditure reduction to 2019-20 general fund estimates from original estimates (pre-COVID-19). These reductions included the difficult decision to lay off 329 recreation employees, reassign several positions to park maintenance duties, and not fill nine park maintenance seasonal positions. Every department made cuts to its materials and services budget. We will transfer \$1 million of the \$3.575 million budgeted to the facility reserve fund, and the balance will remain in the general fund. Numerous asset management projects are on hold for now.

In summary, the COVID-19 crisis has reduced 2019-20 estimates across the district by the following amounts:

<b>General Fund</b>	
Revenue	1,898,000
Personnel	653,000
Materials and services	583,000
Transfer to Facility Reserve Fund	2,575,000
<b>Facility Rental Fund</b>	
Revenue	78,000
Materials and services	8,000
<b>Facility Reserve Fund</b>	
Capital Outlay – Asset Management	190,000

### 2020-21 Adopted Budget

We know COVID-19 will impact our organization in the coming fiscal year, and in recognition of this, the adopted budget reflects revenue and expenditure reduction in the following areas:

<b>General Fund</b>	
Total Revenue – Property Taxes	955,000
Total Expenditures	1,122,000
<u><b>Executive Director's Office and Administrative Services</b></u>	
Part-time Human Resources Assistant*	51,000
Materials and services^	123,000
<u><b>Strategic Planning and Design</b></u>	
Reclass part-time Planner to full-time*	66,000
River project summer intern^	7,000
Materials and services^	27,000
<u><b>Community Relations</b></u>	
Part-time Community Relations Specialist*	49,000
Materials and services^	54,000

Park Services

Big Sky Park Expansion maintenance positions*	144,000
Landscape seasonal positions^	209,000
Administrative Analyst*	87,000
Materials and services^	151,000

Recreation Services

Larkspur Program Coordinator*	107,000
Full-time Administrative Assistant*	47,000

**System Development Charges Fund**

Big Sky Park Expansion^	3,250,200
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**Facility Reserve Fund**

Total Expenditures	733,300
Big Sky Park Expansion^	458,300
Juniper Swim and Fitness Center flooring replacement^	175,000
Sawyer Park parking lot^	100,000

**Equipment Reserve Fund**

Total Expenditures	223,000
Park Services vehicles and equipment*	123,000
Recreation program vehicles^	100,000

**2020-21 Adopted Budget Key**

^Fiscal Year 2020-21 Current Level of Service

\*Fiscal Year 2020-21 New Program Request

## Recreation Services Budget Impacts

The tax subsidy required to support recreation services was forecast to increase significantly in the fiscal year 2020-21 even before the COVID-19 pandemic struck. At the annual board workshop on February 4, 2020, district staff shared that the subsidy would increase from just over \$2 million in the current year to nearly \$3.4 million in the fiscal year 2020-21. The following factors contributed to this increase.

**Cost of current level of service requirements.** The cost of providing existing recreation services is increasing at a greater rate than revenue resulting in significant increases in subsidy requirements. Expense increases are being driven primarily by personnel costs, including minimum wage increases, Equal Pay Act implementation, and other payroll-related expenses. At the same time, revenue growth is limited somewhat by capacity restraints and the desire to keep fees affordable to a broad range of the community. The district has also forecast significant increases in needs-based assistance as a part of overall efforts to reach traditionally underserved populations. The subsidy to support the current level of recreation services was estimated to increase \$563,860 in the current fiscal year (pre-COVID-19) and is budgeted to increase an additional \$569,630 in the upcoming fiscal year 2020-21.

**Larkspur Community Center Operations.** We expect the opening of Larkspur Community Center in the fall of 2020 to relieve some of the overcrowding at Juniper Swim & Fitness Center; however, in doing so, it will also have an impact on revenue at JSFC. The two facilities will share staff and other resources. For these reasons, we have considered Larkspur and JSFC budgets together when estimating the overall impact of opening Larkspur. The combined increase in subsidy for these facilities in the 2020-21 budget is \$725,068.

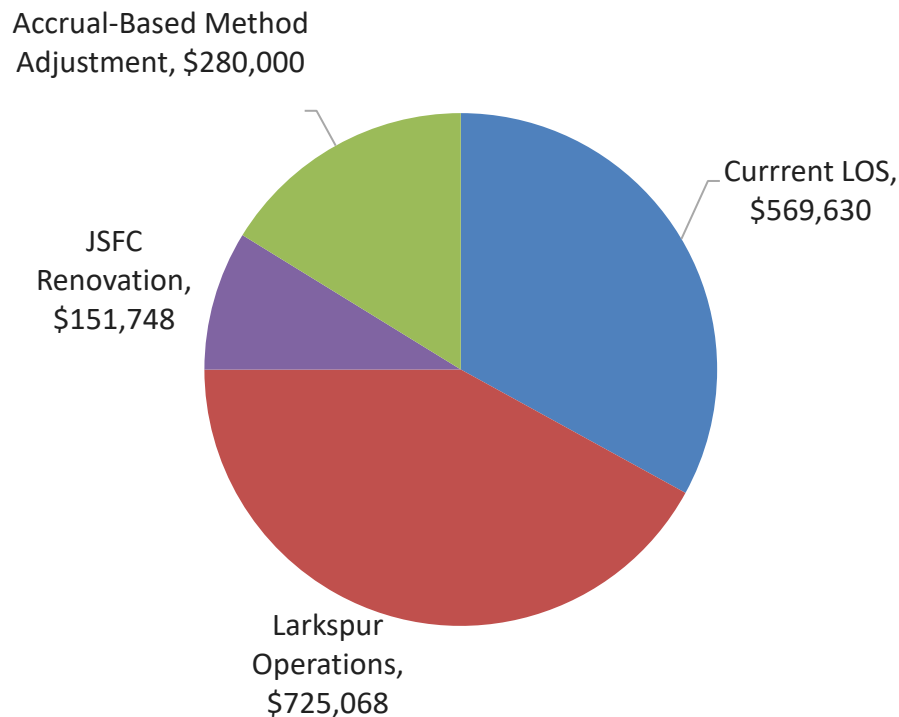
**Juniper Swim & Fitness Center Indoor Pool Renovation.** The renovation of the indoor pools at JSFC will require up to a six-month closure of the indoor pool area resulting in an additional decrease in revenue in the fiscal year 2020-21. Expenses will also decrease but not nearly enough to offset revenue losses. The net impact is a \$151,748 additional subsidy required in the 2020-21 budget.

**Combined Impact.** The three factors described above combine to result in a \$1.45 million increase in the 2020-21 budget over the current subsidy level (pre-COVID-19). The property tax subsidy is very similar to the forecast shared at the annual board workshop.

**Accrual-Based Method Adjustment for PAC.** Since the annual board workshop, district staff identified one additional impact on the 2020-21 budget. The district uses an accrual-based method for revenue accounting for most recreation programs; revenue is recorded at the same time services are provided, and not when the payment is received. The exception is user passes, which are recorded as revenue when payment is received. Next year, we will switch from the cash-based method to the accrual-based method for the PAC, one of our largest summer camps. This change will result in recording \$280,000 of revenue in 2021-22 instead of 2020-21. This change is a one-time adjustment that will not impact future years.



## FY 2020-21 Recreation Services Subsidy Increase \$1,726,446



The graph above summarizes the increases in recreation subsidy from 2019-20 (pre-COVID-19 estimates) to the 2020-21 Budget.

**COVID-19 Impacts.** The COVID-19 pandemic necessitated the closure of all recreation programs and facilities in mid-March and had a substantial impact on the recreation department budget and subsidy. Between revenue loss and ongoing expenses, the 2019-20 estimates for the subsidy is \$2.9 million, \$938,000 more than the original estimates (pre-COVID-19).

Services will not resume until June and even then in a substantially modified manner, while some programs may not take place until the fall. The impact of the pandemic on the recreation budget in the coming year is challenging to estimate due to the uncertainty regarding opening facilities and programs and what participation levels to expect when we resume services. As a result, district staff recommends the 2020-21 budget with the understanding that the actual revenues and expenditures will almost certainly be considerably less than the budget. This strategy will ensure that the recreation department has the resources to meet demand should programs and services ramp up quickly.

The recreation department will endeavor not to exceed the budgeted subsidy of \$3.76 million. The uncertainty regarding continued COVID-19 impacts, combined with opening Larkspur Community Center and the other factors described above, will present substantial challenges. Because of this uncertainty, the district recommends that the 2020-21 budget include an increased contingency in the case that revenues and expenses can not be aligned to meet the budgeted subsidy.

## 2020-21 New Program Requests

The 2020-21 budget includes requests for four additional full-time positions, 8.85 part-time FTE and the materials, equipment, and vehicles that often accompany an increase in staff.

<b>General Fund</b>	
Total Expenditures	268,000
<u>Park Services</u>	
Facilities Specialist II	63,000
Materials and services	7,000
<u>Recreation Services</u>	
Facilities Maintenance Supervisor	101,000
Manager-on-Duty	71,000
Supervisor I	26,000
<b>Equipment Reserve Fund</b>	
Facilities Specialist II vehicle	45,000

**Park Services Facilities Specialist II.** The opening of the Larkspur Community Center increases the need for facility evening and weekend support. The facilities specialist position will spend a portion of their time responding to weekend needs for the Larkspur, JSFC, and Pavilion facilities and the remainder of time focused on deferred work orders and minor ADA improvements. The position will work under the direction of the Park Services Facilities Supervisor and coordinate closely with the recreation facility staff.

**Recreation Facilities Maintenance Supervisor.** The opening of the Larkspur Community Center will also increase the ongoing maintenance and operation needs for recreation facilities. The recreation facility maintenance supervisor will be a working supervisor responsible for overseeing the maintenance of JSFC, Larkspur, and the Pavilion, including supervising the two existing full-time facility positions currently assigned to JSFC, managing maintenance contracts and coordinating with park services for additional support. The position will work under the direction of the recreation services manager overseeing JSFC and Larkspur and will also work closely with the park services facilities supervisor.

**Recreation Manager-on-Duty.** The Larkspur Community Center, like JSFC, will operate more than 100 hours per week. Currently, the Senior Center has one full-time manager-on-duty position, whereas JSFC has two. The additional position at Larkspur will provide 40 hours of critical shift coverage. The center supervisor and part-time staff will cover the remaining hours. The position will report to the Larkspur Community Center supervisor.

**Recreation Supervisor I.** The Kids INC Afterschool Program has grown substantially over the last five years. The program now employs nearly 90 staff at 14 sites and serves over 1,200 kids, an increase of over 50% in five years. To meet the growing staff and program supervision requirements, district staff is proposing a reclass from an existing 30-hour per week recreation assistant position to a full-time recreation supervisor I position. This position will report to the program supervisor, provide

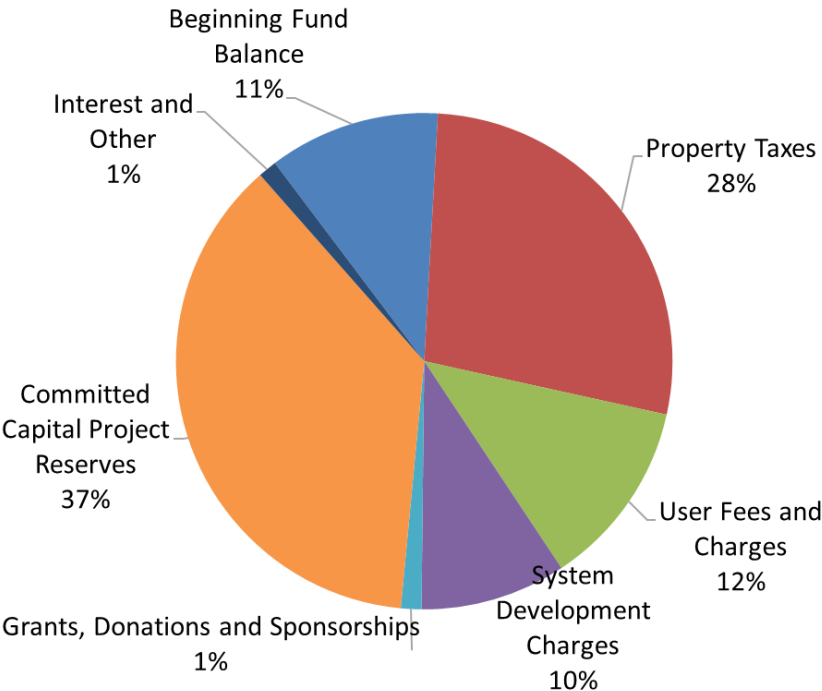
daily staff and program supervision at half of the school sites, and non-school day and summer camp locations.

**Recreation Larkspur Community Center Part-Time Positions.** The 2020-21 budget includes a net 8.85 additional FTE of part-time positions for Larkspur and JSFC combined. The part-time FTE at JSFC will decrease due to the closure of the indoor pools whereas the part-time FTE at Larkspur will increase substantially as the new facility opens. These part-time positions consist of fitness instructors, fitness center attendants, lifeguards, swim instructors, specialty instructors, customer service specialists, and custodians. These front-line employees deliver most of the direct services and are supported by revenue generated from passes and program fees. Many of these employees will work at both Larkspur and JSFC.

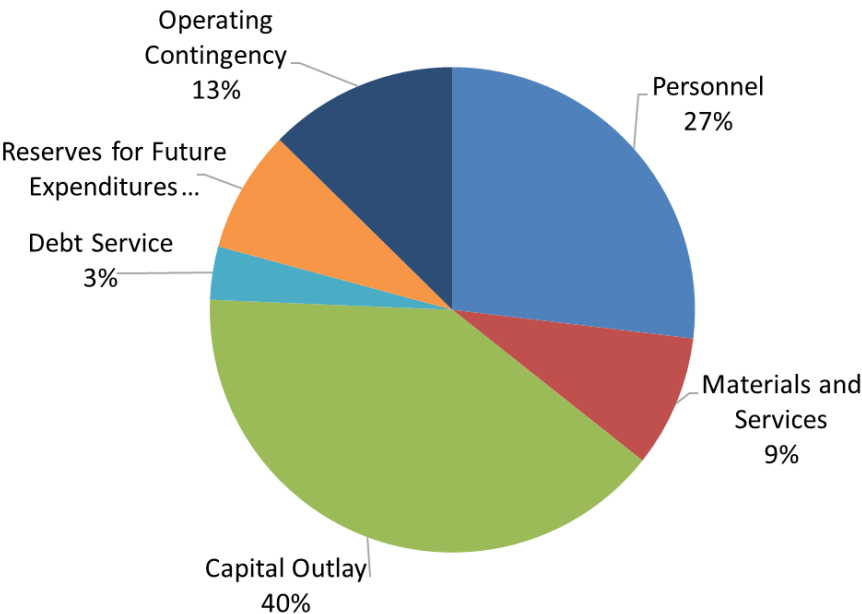
# 2020-21 Budget Overview

The total district budget for fiscal year 2020-21 is summarized in the following two graphs. The first graph reflects the district’s total budgeted resources (less transfers between funds) of \$71,922,890 that will fund this fiscal year’s expenditures and reserves for future years. The second graph reflects the district’s total budgeted expenditures, reserves and contingency (less transfers between funds) of \$69,922,890.

**FY2020-21 Total District Budgeted Resources - \$71,922,890**



**FY2020-21 Total District Budgeted Requirements - \$69,922,890**



**Fiscal Year 2020-21**  
**Summary of Financial Sources and Uses**  
**Total District Adopted Budget and Actual for Three Prior Years**

	<b>2017-18 Actual</b>	<b>2018-19 Actual</b>	<b>2019-20 Estimate</b>	<b>2020-21 Adopted</b>
<b>Funding Resources:</b>				
Property Taxes	\$ 18,154,301	\$ 19,211,320	\$ 20,440,817	\$ 19,830,091
Grants, Donations & Sponsorships	502,241	141,279	153,151	960,450
User Fees & Charges	7,980,385	8,019,156	6,789,666	8,791,533
System Development Charges	6,411,052	7,465,749	6,462,888	6,832,000
Interest	747,949	1,290,910	1,053,028	616,000
Miscellaneous Revenue	263,800	223,676	191,094	164,140
<b>Total Funding Resources:</b>	<b>\$ 34,059,729</b>	<b>\$ 36,352,089</b>	<b>\$ 35,090,644</b>	<b>\$ 37,194,214</b>
<b>Requirements by Category</b>				
Personnel	\$ 14,063,002	\$ 15,077,428	\$ 16,020,424	\$ 18,802,570
Materials and Services	5,291,276	5,424,372	5,404,800	6,139,666
Capital Outlay	8,524,273	8,532,243	22,770,570	27,963,550
Debt Service				
Principal payments	1,366,047	1,440,489	1,514,153	1,602,579
Interest payments	1,000,647	961,728	920,816	877,351
Special Payments	-	-	1,500,000	-
<b>Total Requirements:</b>	<b>\$ 30,245,245</b>	<b>\$ 31,436,260</b>	<b>\$ 48,130,763</b>	<b>\$ 55,385,716</b>
<b>Other Funding Sources:</b>				
Reimbursement for Services Provided	136,072	44,542	50,000	95,000
<b>Total Other Funding Sources:</b>	<b>\$ 136,072</b>	<b>\$ 44,542</b>	<b>\$ 50,000</b>	<b>\$ 95,000</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>3,950,556</b>	<b>4,960,372</b>	<b>(12,990,119)</b>	<b>(18,096,502)</b>
<b>Beginning Fund Balance</b>	<b>38,712,866</b>	<b>42,663,422</b>	<b>47,623,794</b>	<b>34,633,675</b>
<b>Ending Fund Balance</b>	<b>\$ 42,663,422</b>	<b>\$ 47,623,794</b>	<b>\$ 34,633,675</b>	<b>\$ 16,537,173</b>
<b>Other Budgeted Expenditures:</b>				
Contingency	\$ -	\$ -	\$ -	\$ 8,830,130
Reserves for Future Expenditure	-	-	-	5,707,043
Unappropriated Ending Fund Balance	-	-	-	2,000,000
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,537,173</b>

**Fiscal Year 2020-21**  
**Summary of Financial Sources and Uses**  
**Total District Adopted Budget and Budget for Two Prior Years**

	<b>2018-19 Budget</b>	<b>2019-20 Budget</b>	<b>2020-21 Adopted</b>	<b>% Change Prior Year</b>
<b>Funding Resources:</b>				
Property Taxes	\$ 18,465,990	\$ 19,727,811	\$ 19,830,091	0.5%
Grants, Donations & Sponsorships	917,047	236,264	960,450	306.5%
User Fees & Charges	8,255,528	8,505,194	8,791,533	3.4%
System Development Charges	7,123,535	8,960,010	6,832,000	-23.8%
Interest	677,500	770,500	616,000	-20.1%
Miscellaneous Revenue	124,358	172,780	164,140	-5.0%
<b>Total Funding Resources:</b>	<b>\$ 35,563,958</b>	<b>\$ 38,372,559</b>	<b>\$ 37,194,214</b>	<b>-3.1%</b>
<b>Requirements by Category</b>				
Personnel	\$ 15,623,978	\$ 17,480,370	\$ 18,802,570	7.6%
Materials and Services	6,362,564	6,289,007	6,139,666	-2.4%
Capital Outlay	42,165,220	30,907,988	27,963,550	-9.5%
Debt Service				
Principal payments	1,440,489	1,514,153	1,602,579	5.8%
Interest payments	961,729	920,816	877,351	-4.7%
Special Payments	-	1,500,000	-	-100.0%
<b>Total Requirements:</b>	<b>\$ 66,553,980</b>	<b>\$ 58,612,334</b>	<b>\$ 55,385,716</b>	<b>-5.5%</b>
<b>Other Funding Sources and Uses:</b>				
Reimbursement for Services Provided	150,000	180,000	95,000	-47.2%
<b>Total Other Funding Sources:</b>	<b>\$ 150,000</b>	<b>\$ 180,000</b>	<b>\$ 95,000</b>	<b>-47.2%</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>(30,840,022)</b>	<b>(20,059,775)</b>	<b>(18,096,502)</b>	<b>-9.8%</b>
<b>Beginning Fund Balance</b>	<b>42,975,134</b>	<b>42,659,762</b>	<b>34,633,676</b>	<b>-18.8%</b>
<b>Ending Fund Balance</b>	<b>\$ 12,135,112</b>	<b>\$ 22,599,987</b>	<b>\$ 16,537,174</b>	<b>-26.8%</b>
<b>Other Budgeted Expenditures:</b>				
Contingency	2,725,215	10,818,815	8,830,130	-18.4%
Reserves for Future Expenditure	7,809,897	9,281,172	5,707,043	-38.5%
Unappropriated Ending Fund Balance	1,600,000	2,500,000	2,000,000	-20.0%
	<b>\$ 12,135,112</b>	<b>\$ 22,599,987</b>	<b>\$ 16,537,173</b>	<b>-26.8%</b>

**Fiscal Year 2020-21**  
**Summary of Financial Sources and Uses**  
**General Fund Adopted Budget and Budget for Two Prior Years**

	<b>2018-19 Budget</b>	<b>2019-20 Budget</b>	<b>% Change Prior Year</b>	<b>2020-21 Adopted</b>	<b>% Change Prior Year</b>
<b>Funding Resources:</b>					
Property Taxes	\$ 16,717,010	\$ 17,950,000	7.4%	\$ 18,085,000	0.8%
Grants, Donations & Sponsorships	100,768	89,800	-10.9%	43,000	-52.1%
User Fees & Charges	7,867,828	8,101,194	3.0%	8,223,348	1.5%
Interest	175,000	225,000	28.6%	175,000	-22.2%
Miscellaneous Revenue	119,358	169,780	42.2%	150,640	-11.3%
<b>Total Funding Resources:</b>	<b>\$ 24,979,964</b>	<b>\$ 26,535,774</b>	<b>6.2%</b>	<b>\$ 26,676,988</b>	<b>0.5%</b>
<b>Requirements by Category</b>					
Personnel	\$ 15,480,939	\$ 17,303,750	11.8%	\$ 18,466,820	6.7%
Materials and Services	6,020,714	6,094,557	1.2%	5,976,466	-1.9%
Debt Service					
Principal payments	425,489	434,153	2.0%	447,579	3.1%
Interest payments	80,497	70,034	-13.0%	58,969	-15.8%
Special Payments	-	1,500,000	NA	-	-100.0%
<b>Total Requirements:</b>	<b>\$ 22,007,639</b>	<b>\$ 25,402,494</b>	<b>15.4%</b>	<b>\$ 24,949,834</b>	<b>-1.8%</b>
<b>Other Funding Sources and Uses:</b>					
Transfers in from SDC Fund	450,000	560,000	24.4%	575,000	2.7%
Reimbursement for Services Provided	150,000	180,000	20.0%	95,000	-47.2%
Transfer to Reserve Funds	(5,135,000)	(3,925,000)	-23.6%	(5,220,000)	33.0%
<b>Total Other Funding Sources and Uses:</b>	<b>\$ (4,535,000)</b>	<b>\$ (3,185,000)</b>	<b>-29.8%</b>	<b>\$ (4,550,000)</b>	<b>42.9%</b>
<b>Net Increase (Decrease) in Fund Balance</b>	<b>(1,562,675)</b>	<b>(2,051,720)</b>	<b>31.3%</b>	<b>(2,822,846)</b>	<b>37.6%</b>
<b>Beginning Fund Balance</b>	<b>5,662,675</b>	<b>5,901,720</b>	<b>4.2%</b>	<b>8,025,892</b>	<b>36.0%</b>
<b>Ending Fund Balance</b>	<b>\$ 4,100,000</b>	<b>\$ 3,850,000</b>	<b>-6.1%</b>	<b>\$ 5,203,046</b>	<b>35.1%</b>
<b>Other Budgeted Expenditures:</b>					
Contingency	\$ 2,500,000	\$ 1,350,000	-46.0%	\$ 3,203,046	137.3%
Unappropriated Ending Fund Balance	1,600,000	2,500,000	56.3%	2,000,000	-20.0%
	<b>\$ 4,100,000</b>	<b>\$ 3,850,000</b>	<b>-6.1%</b>	<b>\$ 5,203,046</b>	<b>35.1%</b>

## 2020-21 Adopted Budget



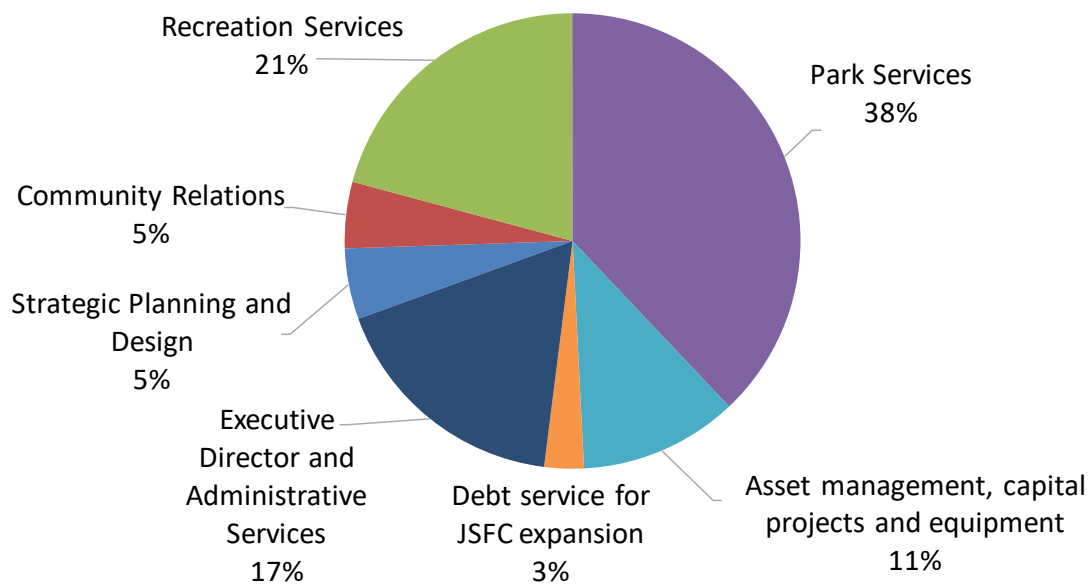
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## Fiscal Year 2020-21 Summary of the General Fund

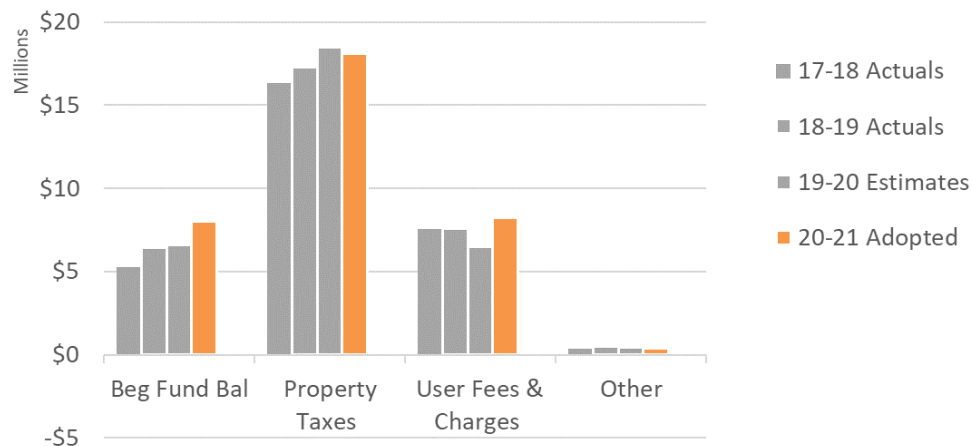
The General Fund accounts for the district's general park and recreation operations, and includes the functions and costs related to the majority of district staff. The organizational units accounted for in the General Fund are: Executive Director's office and administrative services, strategic planning and design, park services, community relations and recreation services.

The main revenue sources of the General Fund are property taxes and user fees and charges. Recreation user fees and charges cover 69 percent of the budgeted direct costs of recreation services. Property tax revenues from the district's permanent tax rate pay for the remainder of the costs in the General Fund, including the interfund transfers.

FY2020-21 General Fund Use of Property Taxes



General Fund Resources  
*2020-21 budget compared to prior year actuals*



## Fiscal Year 2020-21 Summary of the General Fund

	2017-18 Actual	2018-19 Actual	2019-20 Budget	2019-20 Estimate	2020-21 Adopted
<b>RESOURCES</b>					
Beginning Working Capital	\$ 5,249,534	\$ 6,441,781	\$ 5,901,720	\$ 6,591,108	\$ 8,025,892
Current Taxes	16,020,238	17,096,995	17,775,000	17,950,000	17,935,000
Delinquent Taxes	277,216	232,993	175,000	550,000	150,000
User Fees & Charges	7,563,029	7,647,969	8,101,194	6,497,169	8,223,348
Interest	158,511	278,964	225,000	235,000	175,000
Miscellaneous	90,356	116,772	96,780	118,247	84,340
Grants & Donations	25,002	37,326	25,000	28,854	28,000
Fundraising & Sponsorships	56,873	60,460	64,800	15,250	15,000
Interfund Transfers	350,000	400,000	560,000	505,000	575,000
Reimbursement for Services	136,072	44,542	180,000	50,000	95,000
Intergovernmental Reimbursements	44,499	64,273	73,000	50,377	66,300
<b>TOTAL RESOURCES</b>	<b>\$ 29,971,329</b>	<b>\$ 32,422,075</b>	<b>\$ 33,177,494</b>	<b>\$ 32,591,005</b>	<b>\$ 35,372,880</b>
<b>REQUIREMENTS</b>					
<i>By Organizational Unit</i>					
Exec Director & Admin Services	\$ 2,514,593	\$ 2,690,964	\$ 3,515,182	\$ 2,800,562	\$ 3,155,050
Strategic Planning & Design	1,056,123	1,152,434	1,410,916	1,287,041	1,410,388
Park Services	6,142,241	6,419,769	7,161,893	6,840,024	6,867,088
Community Relations	742,403	728,391	883,167	765,508	852,300
Recreation Services	8,699,406	9,198,424	10,427,149	9,517,792	12,158,461
Interfund Transfers	3,867,821	5,135,000	3,925,000	1,350,000	5,220,000
Debt Service	506,962	505,985	504,187	504,187	506,548
Special Payments	-	-	1,500,000	1,500,000	-
Contingency	-	-	1,350,000	-	3,203,046
<b>TOTAL REQUIREMENTS</b>	<b>\$ 23,529,549</b>	<b>\$ 25,830,967</b>	<b>\$ 30,677,494</b>	<b>\$ 24,565,113</b>	<b>\$ 33,372,880</b>
<i>By Category:</i>					
Full-Time Wages	\$ 6,588,791	\$ 7,163,899	\$ 7,688,155	\$ 7,590,838	\$ 8,101,700
Part-Time Wages	3,653,648	3,836,329	4,314,721	3,625,518	4,840,600
Related Payroll Expenses	3,692,816	3,964,838	5,300,874	4,692,920	5,544,007
Total Personnel Services	13,935,255	14,965,066	17,303,750	15,909,275	18,486,307
Materials & Services	5,166,752	5,224,915	6,094,557	5,301,651	5,976,466
Capital Outlay	52,759	-	-	-	-
Interfund Transfers	3,867,821	5,135,000	3,925,000	1,350,000	5,220,000
Debt Service					
Principal Payments	416,047	425,489	434,153	434,153	447,579
Interest Payments	90,915	80,496	70,034	70,034	58,969
Special Payments	-	-	1,500,000	1,500,000	-
Contingency	-	-	1,350,000	-	3,203,046
<b>TOTAL REQUIREMENTS</b>	<b>\$ 23,529,549</b>	<b>\$ 25,830,967</b>	<b>\$ 30,677,494</b>	<b>\$ 24,565,113</b>	<b>\$ 33,392,367</b>
Unappropriated Ending Fund Balance	-	-	2,500,000	-	2,000,000
<b>RESOURCES less REQUIREMENTS</b>					
Resources	29,971,329	32,422,075	33,177,494	32,591,005	35,372,880
Requirements	23,529,549	25,830,967	30,677,494	24,565,113	33,372,880
<b>Ending Fund Balance</b>	<b>\$ 6,441,780</b>	<b>\$ 6,591,108</b>	<b>\$ 2,500,000</b>	<b>\$ 8,025,892</b>	<b>\$ 2,000,000</b>
<b>Personnel Summary</b>					
Full-Time Positions	111.65	117.72	122.02	119.82	124.58
Part-Time/Seasonal Positions	117.78	116.33	127.55	98.64	133.30
<b>Total Staffing</b>	<b>229.43</b>	<b>234.05</b>	<b>249.57</b>	<b>218.46</b>	<b>257.88</b>

**Fiscal Year 2020-21**  
**General Fund**  
**Executive Director's Office and Administrative Services**

	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2019-20</b>	<b>2020-21</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Adopted</b>
<b>RESOURCES</b>					
Current Taxes	\$ 16,020,238	\$ 17,096,995	\$ 17,775,000	\$ 17,950,000	\$ 17,935,000
Delinquent Taxes	277,216	232,993	175,000	550,000	150,000
Interest	158,511	278,964	225,000	235,000	175,000
Miscellaneous	26,299	51,146	17,000	48,000	15,000
Interfund Transfer from SDC Fund	150,000	200,000	130,000	130,000	150,000
<b>TOTAL RESOURCES</b>	<b>\$ 16,632,264</b>	<b>\$ 17,860,097</b>	<b>\$ 18,322,000</b>	<b>\$ 18,913,000</b>	<b>\$ 18,425,000</b>

<b>REQUIREMENTS</b>					
Personnel Services					
Full-Time Wages	\$ 1,127,679	\$ 1,188,478	\$ 1,203,770	\$ 1,194,652	\$ 1,288,300
Part-Time Wages	43,020	38,083	39,700	50,120	42,500
Related Payroll Expenses	531,703	554,845	1,243,760	566,453	777,550
Total Personnel Services	1,702,401	1,781,405	2,487,230	1,811,224	2,108,350
Materials & Services	759,432	909,559	1,027,952	989,338	1,046,700
Capital Outlay	52,759	-	-	-	-
<b>TOTAL REQUIREMENTS</b>	<b>\$ 2,514,593</b>	<b>\$ 2,690,964</b>	<b>\$ 3,515,182</b>	<b>\$ 2,800,562</b>	<b>\$ 3,155,050</b>

<b>RESOURCES less REQUIREMENTS</b>					
Resources	16,632,264	17,860,097	18,322,000	18,913,000	18,425,000
Requirements	2,514,593	2,690,964	3,515,182	2,800,562	3,155,050
<b>Resources less Requirements</b>	<b>\$ 14,117,671</b>	<b>\$ 15,169,133</b>	<b>\$ 14,806,818</b>	<b>\$ 16,112,438</b>	<b>\$ 15,269,950</b>

<b>Personnel Summary</b>					
Full-Time Positions	13.81	14.48	15.00	15.00	15.00
Part-Time/Seasonal Positions	0.71	0.60	0.60	0.60	0.60
<b>Total Staffing</b>	<b>14.52</b>	<b>15.08</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>

**Fiscal Year 2020-21  
General Fund  
Strategic Planning and Design**

	<b>2017-18 Actual</b>	<b>2018-19 Actual</b>	<b>2019-20 Budget</b>	<b>2019-20 Estimate</b>	<b>2020-21 Adopted</b>
<b>RESOURCES</b>					
Interfund Transfer from SDC Fund	\$ 200,000	\$ 200,000	\$ 430,000	\$ 375,000	\$ 425,000
Reimbursement for Services	127,328	40,786	160,000	40,000	75,000
<b>TOTAL RESOURCES</b>	<b>\$ 327,328</b>	<b>\$ 240,786</b>	<b>\$ 590,000</b>	<b>\$ 415,000</b>	<b>\$ 500,000</b>

**REQUIREMENTS**

Personnel Services					
Full-Time Wages	\$ 656,059	\$ 710,016	\$ 844,750	\$ 813,283	\$ 871,400
Part-Time Wages	55,477	41,390	39,040	43,182	63,000
Related Payroll Expenses	258,041	290,269	405,090	352,199	418,600
Total Personnel Services	969,577	1,041,675	1,288,880	1,208,664	1,353,000
Materials & Services	86,546	110,758	122,036	78,377	57,388
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,056,123</b>	<b>\$ 1,152,434</b>	<b>\$ 1,410,916</b>	<b>\$ 1,287,041</b>	<b>\$ 1,410,388</b>

**RESOURCES less REQUIREMENTS**

Resources	327,328	240,786	590,000	415,000	500,000
Requirements	1,056,123	1,152,434	1,410,916	1,287,041	1,410,388
<b>Resources less Requirements</b>	<b>\$ (728,795)</b>	<b>\$ (911,648)</b>	<b>\$ (820,916)</b>	<b>\$ (872,041)</b>	<b>\$ (910,388)</b>

**Personnel Summary**

Full-Time Positions	9.17	9.49	11.00	11.00	11.00
Part-Time/Seasonal Positions	0.85	0.83	0.58	0.53	0.84
<b>Total Staffing</b>	<b>10.02</b>	<b>10.32</b>	<b>11.58</b>	<b>11.53</b>	<b>11.84</b>

**Fiscal Year 2020-21  
General Fund  
Community Relations**

	<b>2017-18 Actual</b>	<b>2018-19 Actual</b>	<b>2019-20 Budget</b>	<b>2019-20 Estimate</b>	<b>2020-21 Adopted</b>
<b>RESOURCES</b>					
Playbook	\$ 8,525	\$ 990	\$ -	\$ -	\$ -
<b>TOTAL RESOURCES</b>	<b>\$ 8,525</b>	<b>\$ 990</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>REQUIREMENTS</b>					
Personnel Services					
Full-Time Wages	\$ 309,876	\$ 341,063	\$ 365,280	\$ 361,132	\$ 380,300
Part-Time Wages	2,523	-	-	-	-
Related Payroll Expenses	131,848	136,688	157,120	149,372	173,000
Total Personnel Services	444,247	477,751	522,400	510,504	553,300
Materials & Services	298,156	250,640	360,767	255,004	299,000
<b>TOTAL REQUIREMENTS</b>	<b>\$ 742,403</b>	<b>\$ 728,391</b>	<b>\$ 883,167</b>	<b>\$ 765,508</b>	<b>\$ 852,300</b>

<b>RESOURCES less REQUIREMENTS</b>					
Resources	8,525	990	-	-	-
Requirements	742,403	728,391	883,167	765,508	852,300
<b>Resources less Requirements</b>	<b>\$ (733,878)</b>	<b>\$ (727,401)</b>	<b>\$ (883,167)</b>	<b>\$ (765,508)</b>	<b>\$ (852,300)</b>

<b>Personnel Summary</b>					
Full-Time Positions	4.63	5.00	5.00	5.00	5.00
Part-Time/Seasonal Positions	0.08	-	0.18	-	-
<b>Total Staffing</b>	<b>4.71</b>	<b>5.00</b>	<b>5.18</b>	<b>5.00</b>	<b>5.00</b>

**Fiscal Year 2020-21  
General Fund  
Park Services**

	<b>2017-18 Actual</b>	<b>2018-19 Actual</b>	<b>2019-20 Budget</b>	<b>2019-20 Estimate</b>	<b>2020-21 Adopted</b>
<b>RESOURCES</b>					
Miscellaneous	\$ 1,733	\$ 2,607	\$ 16,000	\$ 6,086	\$ 3,000
Community Events	-	78,412	69,000	44,760	-
Reimbursement for Services	8,744	3,756	20,000	10,000	20,000
<b>TOTAL RESOURCES</b>	<b>\$ 10,477</b>	<b>\$ 84,775</b>	<b>\$ 105,000</b>	<b>\$ 60,846</b>	<b>\$ 23,000</b>

<b>REQUIREMENTS</b>					
Personnel Services					
Full-Time Wages	\$ 2,405,694	\$ 2,621,496	\$ 2,787,054	\$ 2,852,395	\$ 2,894,175
Part-Time Wages	553,924	583,409	708,305	486,084	387,400
Related Payroll Expenses	1,182,579	1,262,260	1,413,423	1,415,475	1,518,507
Total Personnel Services	4,142,197	4,467,165	4,908,782	4,753,954	4,800,082
Materials & Services	2,000,044	1,952,605	2,253,111	2,086,069	2,067,005
<b>TOTAL REQUIREMENTS</b>	<b>\$ 6,142,241</b>	<b>\$ 6,419,769</b>	<b>\$ 7,161,893</b>	<b>\$ 6,840,024</b>	<b>\$ 6,867,088</b>

<b>RESOURCES less REQUIREMENTS</b>					
Resources	10,477	84,775	105,000	60,846	23,000
Requirements	6,142,241	6,419,769	7,161,893	6,840,024	6,867,088
<b>Resources less Requirements</b>	<b>\$ (6,131,764)</b>	<b>\$ (6,334,994)</b>	<b>\$ (7,056,893)</b>	<b>\$ (6,779,177)</b>	<b>\$ (6,844,088)</b>

<b>Personnel Summary</b>					
Full-Time Positions	47.44	50.67	51.60	50.40	51.85
Part-Time/Seasonal Positions	17.12	16.55	20.36	12.84	18.28
<b>Total Staffing</b>	<b>64.56</b>	<b>67.22</b>	<b>71.96</b>	<b>63.24</b>	<b>70.13</b>

**Fiscal Year 2020-21  
General Fund  
Recreation Services**

	<b>2017-18 Actual</b>	<b>2018-19 Actual</b>	<b>2019-20 Budget</b>	<b>2019-20 Estimate</b>	<b>2020-21 Adopted</b>
<b>RESOURCES</b>					
User Fees & Charges	\$ 7,554,504	\$ 7,568,567	\$ 8,032,194	\$ 6,452,409	\$ 8,223,348
Grants & Donations	25,002	37,326	25,000	28,854	28,000
Fundraising & Sponsorships	56,873	60,460	64,800	15,250	15,000
Other & Miscellaneous	62,325	63,019	63,780	64,161	66,340
Intergovernmental Reimbursements	44,499	64,273	73,000	50,377	66,300
<b>TOTAL RESOURCES</b>	<b>\$ 7,743,202</b>	<b>\$ 7,793,646</b>	<b>\$ 8,258,774</b>	<b>\$ 6,611,051</b>	<b>\$ 8,398,988</b>
<b>REQUIREMENTS</b>					
Personnel Services					
Full-Time Wages	\$ 2,089,482	\$ 2,302,846	\$ 2,487,301	\$ 2,369,377	\$ 2,667,525
Part-Time Wages	2,998,704	3,173,448	3,527,676	3,046,131	4,347,700
Related Payroll Expenses	1,588,646	1,720,776	2,081,480	2,209,420	2,636,863
Total Personnel Services	6,676,833	7,197,070	8,096,458	7,624,929	9,652,088
Materials & Services	2,022,573	2,001,354	2,330,691	1,892,863	2,506,373
<b>TOTAL REQUIREMENTS</b>	<b>\$ 8,699,406</b>	<b>\$ 9,198,424</b>	<b>\$ 10,427,149</b>	<b>\$ 9,517,792</b>	<b>\$ 12,158,461</b>
<b>RESOURCES less REQUIREMENTS</b>					
Resources	7,743,202	7,793,646	8,258,774	6,611,051	8,398,988
Requirements	8,699,406	9,198,424	10,427,149	9,517,792	12,158,461
<b>Resources less Requirements</b>	<b>\$ (956,205)</b>	<b>\$ (1,404,778)</b>	<b>\$ (2,168,375)</b>	<b>\$ (2,906,741)</b>	<b>\$ (3,759,473)</b>
<b>Personnel Summary</b>					
Full-Time Positions	36.60	38.08	39.42	38.42	41.73
Part-Time/Seasonal Positions	99.02	98.35	105.83	84.67	113.58
<b>Total Staffing</b>	<b>135.62</b>	<b>136.43</b>	<b>145.25</b>	<b>123.09</b>	<b>155.31</b>



**Fiscal Year 2020-21  
Special Revenue Fund  
Facility Rental**

	<b>2017-18 Actual</b>	<b>2018-19 Actual</b>	<b>2019-20 Budget</b>	<b>2019-20 Estimate</b>	<b>2020-21 Adopted</b>
<b><u>RESOURCES</u></b>					
Beginning Working Capital	\$ 767,580	\$ 1,017,128	\$ 1,118,697	\$ 1,167,560	\$ 1,259,209
Interest	16,675	31,182	32,000	28,992	33,000
Aspen Hall Rental	108,902	105,421	126,000	79,190	131,000
Hollinshead Barn Rental	51,563	44,709	57,000	37,750	61,000
Public Facility Rental	129,635	182,070	201,500	165,733	301,585
Building Leases	72,462	38,987	19,500	9,825	9,600
Community Events	54,794	-	-	-	65,000
<b>TOTAL RESOURCES</b>	<b>\$ 1,201,611</b>	<b>\$ 1,419,497</b>	<b>\$ 1,554,697</b>	<b>\$ 1,489,050</b>	<b>\$ 1,860,394</b>

**REQUIREMENTS**

***By Category:***

Personnel Services					
Full-Time Wages	\$ 80,004	\$ 73,183	\$ 76,295	\$ 71,630	\$ 205,100
Part-Time Wages	8,007	24	10,570	-	20,000
Related Payroll Expenses	39,736	39,155	89,755	39,519	221,300
Total Personnel Services	127,747	112,362	176,620	111,149	446,400
Materials & Services	56,735	85,456	119,450	78,149	113,200
Capital Outlay	-	54,119	155,000	40,543	151,500
Contingency	-	-	1,103,627	-	1,259,944
<b>TOTAL REQUIREMENTS</b>	<b>\$ 184,482</b>	<b>\$ 251,937</b>	<b>\$ 1,554,697</b>	<b>\$ 229,841</b>	<b>\$ 1,971,044</b>

**RESOURCES less REQUIREMENTS**

<b>Resources</b>	<b>1,201,611</b>	<b>1,419,497</b>	<b>1,554,697</b>	<b>1,489,050</b>	<b>1,860,394</b>
<b>Requirements</b>	<b>184,482</b>	<b>251,937</b>	<b>1,554,697</b>	<b>229,841</b>	<b>1,860,394</b>
<b>Resources less Requirements</b>	<b>\$ 1,017,128</b>	<b>\$ 1,167,560</b>	<b>\$ -</b>	<b>\$ 1,259,209</b>	<b>\$ -</b>

**Personnel Summary**

Full-Time Positions	1.19	2.05	1.98	1.98	3.42
Part-Time Positions	0.33	-	0.25	-	0.48
<b>Total Staffing</b>	<b>1.52</b>	<b>2.05</b>	<b>2.23</b>	<b>1.98</b>	<b>3.90</b>

**Fiscal Year 2020-21  
Special Revenue Fund  
System Development Charges**

	<b>2017-18 Actual</b>	<b>2018-19 Actual</b>	<b>2019-20 Budget</b>	<b>2019-20 Estimate</b>	<b>2020-21 Adopted</b>
<b><u>RESOURCES</u></b>					
Beginning Working Capital	\$ 20,026,754	\$ 20,043,666	\$ 22,293,905	\$ 24,264,961	\$ 12,593,854
Interest	343,648	579,217	306,000	411,800	126,000
System Development Charges	6,411,052	7,465,749	8,960,010	6,462,888	6,832,000
<b>TOTAL RESOURCES</b>	<b>\$ 26,781,454</b>	<b>\$ 28,088,632</b>	<b>\$ 31,559,915</b>	<b>\$ 31,139,649</b>	<b>\$ 19,551,854</b>

**REQUIREMENTS**

***By Category:***

Materials & Services	67,790	114,001	75,000	25,000	50,000
Capital Outlay	6,319,998	3,309,670	23,548,373	18,015,796	16,289,600
Interfund Transfers	350,000	400,000	560,000	505,000	575,000
Contingency	-	-	7,376,542	-	2,637,254
<b>TOTAL REQUIREMENTS</b>	<b>\$ 6,737,788</b>	<b>\$ 3,823,670</b>	<b>\$ 31,559,915</b>	<b>\$ 18,545,796</b>	<b>\$ 19,551,854</b>

**RESOURCES less REQUIREMENTS**

<b>Resources</b>	<b>26,781,454</b>	<b>28,088,632</b>	<b>31,559,915</b>	<b>31,139,649</b>	<b>19,551,854</b>
<b>Requirements</b>	<b>6,737,788</b>	<b>3,823,670</b>	<b>31,559,915</b>	<b>18,545,796</b>	<b>19,551,854</b>
<b>Resources less Requirements</b>	<b>\$ 20,043,666</b>	<b>\$ 24,264,961</b>	<b>\$ -</b>	<b>\$ 12,593,854</b>	<b>\$ -</b>

## Fiscal Year 2020-21 Facility Reserve Fund

	2017-18 Actual	2018-19 Actual	2019-20 Budget	2019-20 Estimate	2020-21 Adopted
<b><u>RESOURCES</u></b>					
Beginning Working Capital	\$ 12,050,988	\$ 14,718,144	\$ 12,669,446	\$ 14,865,720	\$ 11,961,387
Interest	207,509	358,803	175,000	325,000	250,000
Grant Revenue	366,665	38,492	146,464	107,972	750,000
Contributions	53,702	-	-	-	167,450
Sales & Insurance Proceeds	81,698	30,481	-	-	-
Interfund Transfers	3,717,821	4,635,000	3,575,000	1,000,000	4,970,000
<b>TOTAL RESOURCES</b>	<b>\$ 16,478,382</b>	<b>\$ 19,780,919</b>	<b>\$ 16,565,910</b>	<b>\$ 16,298,692</b>	<b>\$ 18,098,837</b>
<b><u>REQUIREMENTS</u></b>					
<b><i>By Category:</i></b>					
Capital Outlay	1,760,238	4,915,199	6,577,264	4,337,305	11,098,950
Contingency	-	-	988,646	-	1,729,887
Reserves for Larkspur Center	-	-	3,000,000	-	-
Reserves for Park Maintenance Facility	-	-	4,000,000	-	4,000,000
Reserves for Asset Management	-	-	2,000,000	-	1,270,000
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,760,238</b>	<b>\$ 4,915,199</b>	<b>\$ 16,565,910</b>	<b>\$ 4,337,305</b>	<b>\$ 18,098,837</b>
<b><u>RESOURCES less REQUIREMENTS</u></b>					
<b>Resources</b>	<b>16,478,382</b>	<b>19,780,919</b>	<b>16,565,910</b>	<b>16,298,692</b>	<b>18,098,837</b>
<b>Requirements</b>	<b>1,760,238</b>	<b>4,915,199</b>	<b>16,565,910</b>	<b>4,337,305</b>	<b>18,098,837</b>
<b>Resources less Requirements</b>	<b>\$ 14,718,144</b>	<b>\$ 14,865,720</b>	<b>\$ -</b>	<b>\$ 11,961,387</b>	<b>\$ -</b>

The Facility Reserve Fund was established to enable the District to set aside funds, through transfers, for acquiring, constructing, and maintaining real property and/or building facilities. The annual transfer amount will be determined on a yearly basis, depending upon General Fund resources. Guidelines are to maintain a minimum balance of \$150,000 for unanticipated facility needs.

## Fiscal Year 2020-21 Equipment Reserve Fund

	2017-18 Actual	2018-19 Actual	2019-20 Budget	2019-20 Estimate	2020-21 Adopted
<b><u>RESOURCES</u></b>					
Beginning Working Capital	\$ 504,756	\$ 315,830	\$ 548,023	\$ 585,423	\$ 590,043
Interest	5,103	5,698	7,500	8,001	7,000
Grant Revenue	-	5,000	-	1,075	-
Sales & Insurance Proceeds	47,248	12,150	3,000	22,470	13,500
Interfund Transfers	150,000	500,000	350,000	350,000	250,000
<b>TOTAL RESOURCES</b>	<b>\$ 707,107</b>	<b>\$ 838,678</b>	<b>\$ 908,523</b>	<b>\$ 966,969</b>	<b>\$ 860,543</b>
<b><u>REQUIREMENTS</u></b>					
<b><i>By Category:</i></b>					
Capital Outlay	391,277	253,255	627,351	376,925	423,500
Reserves for Future Expenditures	-	-	281,172	-	437,043
<b>TOTAL REQUIREMENTS</b>	<b>\$ 391,277</b>	<b>\$ 253,255</b>	<b>\$ 908,523</b>	<b>\$ 376,925</b>	<b>\$ 860,543</b>
<b><u>RESOURCES less REQUIREMENTS</u></b>					
<b>Resources</b>	<b>707,107</b>	<b>838,678</b>	<b>908,523</b>	<b>966,969</b>	<b>860,543</b>
<b>Requirements</b>	<b>391,277</b>	<b>253,255</b>	<b>908,523</b>	<b>376,925</b>	<b>860,543</b>
<b>Resources less Requirements</b>	<b>\$ 315,830</b>	<b>\$ 585,423</b>	<b>\$ -</b>	<b>\$ 590,043</b>	<b>\$ -</b>

The Equipment Reserve Fund was established to enable the District to set aside funds, through transfers, for purchasing vehicles, equipment, furniture, fixtures, and technology. Staff has developed a long-term replacement schedule that reflects all vehicles and equipment currently owned, through FY24/25. Guidelines are to maintain a minimum balance of \$750,000 for unanticipated emergency purchases.

**Fiscal Year 2020-21**  
**General Obligation Bond Debt Service Fund**

	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2019-20</b>	<b>2020-21</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Adopted</b>
<b><u>RESOURCES</u></b>					
Beginning Working Capital	\$ 113,254	\$ 126,873	\$ 127,971	\$ 149,021	\$ 203,291
Interest	16,504	37,046	25,000	44,235	25,000
Current Property Taxes	1,823,608	1,854,737	1,762,811	1,880,917	1,725,091
Delinquent Property Taxes	33,238	26,596	15,000	59,900	20,000
<b>TOTAL RESOURCES</b>	<b>\$ 1,986,604</b>	<b>\$ 2,045,252</b>	<b>\$ 1,930,782</b>	<b>\$ 2,134,073</b>	<b>\$ 1,973,382</b>
<b><u>REQUIREMENTS</u></b>					
<b><i>By Category:</i></b>					
Debt Service					
Series 2013 GO Bond Principal Payments	950,000	1,015,000	1,080,000	1,080,000	1,155,000
Series 2013 GO Bond Interest Payments	909,731	881,231	850,782	850,782	818,382
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,859,731</b>	<b>\$ 1,896,231</b>	<b>\$ 1,930,782</b>	<b>\$ 1,930,782</b>	<b>\$ 1,973,382</b>
<b><u>RESOURCES less REQUIREMENTS</u></b>					
<b>Resources</b>	<b>1,986,604</b>	<b>2,045,252</b>	<b>1,930,782</b>	<b>2,134,073</b>	<b>1,973,382</b>
<b>Requirements</b>	<b>1,859,731</b>	<b>1,896,231</b>	<b>1,930,782</b>	<b>1,930,782</b>	<b>1,973,382</b>
<b>Resources less Requirements</b>	<b>\$ 126,873</b>	<b>\$ 149,021</b>	<b>\$ -</b>	<b>\$ 203,291</b>	<b>\$ -</b>

The General Obligation Bond Debt Service Fund is a Debt Service Fund that was established for the issuance of the June 5, 2013 General Obligation bonds (Series 2013 GO Bonds) to receive the property taxes related to the Series 2013 GO Bonds issuance, and to pay the annual debt service on these bonds. Any funds remaining after all debt responsibilities related to the Series 2013 GO Bonds have been fulfilled, and at the time of the dissolution of the General Obligation Bond Debt Service Fund, will transfer to the General Fund.

## Supplemental Data

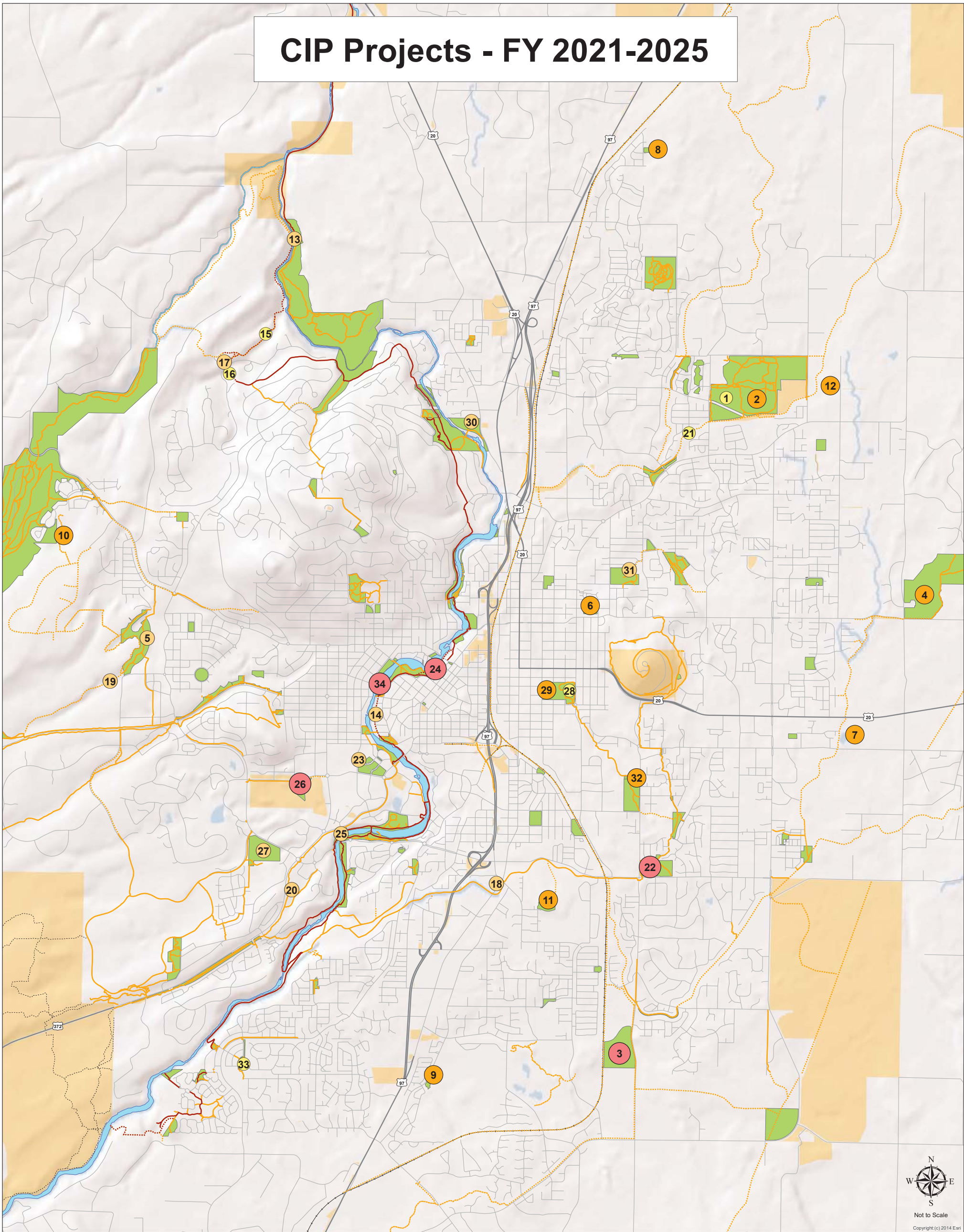
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Bend Park & Recreation District Five-Year Capital Improvement Plan (CIP) for Fiscal Years Ending 2021-2025													
Project Type	Project Stage	Current Project Cost Estimate	Spent in Prior and Current Fiscal Years	To be Spent Fiscal Years 2021-2025	FY 2021-25 Funding Allocation by Source				FY 20-21 Total	FY 21-22 Total	FY 22-23 Total	FY 23-24 Total	FY 24-25 Total
					Property Tax Revenue	SDC Funds	Alternative Funds	Alt. Type					
Community Parks													
Pine Nursery Park Ph. 4 (Pending Partnership)	Order of Magnitude	130,000	30,000	100,000	-	100,000	-		-	-	-	-	100,000
Pine Nursery Park Ph. 5	Order of Magnitude	5,000,000	-	5,000,000	-	5,000,000	-		-	-	400,000	2,300,000	2,300,000
Alpenglow Park	Construction Documents	11,395,800	1,750,000	9,645,800	-	9,645,800	-		5,107,600	4,538,200	-	-	-
Big Sky Park Expansion	Award/Bid	4,260,000	551,500	3,708,500	458,300	3,250,200	-		-	3,708,500	-	-	-
Discovery Park Ph. 2	Order of Magnitude	650,000	-	650,000	-	650,000	-		-	150,000	500,000	-	-
Total Community Parks		21,435,800	2,331,500	19,104,300	458,300	18,646,000	-		5,107,600	8,396,700	900,000	2,300,000	2,400,000
Neighborhood Parks													
Land Acquisitions	Acquisition	3,874,800	-	3,874,800	-	3,874,800	-		968,700	968,700	968,700	-	968,700
Neighborhood Parks Design & Development	Order of Magnitude	3,036,200	-	3,036,200	-	3,036,200	-		251,300	1,276,400	249,000	1,128,000	131,500
Goodrich Property	Construction Documents	1,773,150	800,000	973,150	-	805,700	167,450	2	973,150	-	-	-	-
Park Area 14 - Bear Creek	Order of Magnitude	2,171,400	-	2,171,400	-	2,171,400	-		-	-	-	1,000,000	1,171,400
Northpointe Park	Conceptual Design	2,524,700	920,000	1,604,700	-	1,604,700	-		1,604,700	-	-	-	-
Golf and Country Club Site	Order of Magnitude	2,000,000	747,141	1,252,900	-	1,252,900	-		-	200,000	1,052,900	-	-
Shevlin West Park Property	Order of Magnitude	1,423,000	-	1,423,000	-	1,423,000	-		123,000	-	-	200,000	1,100,000
Total Neighborhood Parks		16,803,250	2,467,141	14,336,150	-	14,168,700	167,450		3,920,850	2,445,100	2,270,600	2,328,000	3,371,600
Park Development Agreements													
Stone Creek NP Development Credits	Completion	1,764,000	1,533,978	230,000	-	230,000	-		230,000	-	-	-	-
Park Search Area 4 (Northeast)	Order of Magnitude	2,270,600	-	2,270,600	-	2,270,600	-		-	-	1,402,600	434,000	434,000
Total Park Development Agreements		4,034,600	1,533,978	2,500,600	-	2,500,600	-		230,000	-	1,402,600	434,000	434,000
Regional Parks													
Riley Ranch Nature Reserve Bridge	Conceptual Design	800,000	-	800,000	-	800,000	-		-	-	800,000	-	-
Total Regional Parks		800,000	-	800,000	-	800,000	-		-	-	800,000	-	-
Trails													
Galveston to Millers Landing	Order of Magnitude	800,000	96,396	703,700	-	703,700	-		-	-	703,700	-	-
Putnam to Riley Ranch Bridge	Order of Magnitude	155,000	440	154,600	-	154,600	-		-	154,600	-	-	-
Kirkaldy to Putnam	Order of Magnitude	63,100	3,662	59,400	-	59,400	-		-	42,200	17,200	-	-
Deschutes River Trail North Parking	Order of Magnitude	320,000	-	320,000	-	320,000	-		-	20,000	300,000	-	-
Miscellaneous Trails	Order of Magnitude	500,000	-	500,000	-	500,000	-		100,000	100,000	100,000	100,000	100,000
COHCT Crossings	Construction Documents	383,500	-	383,500	-	383,500	-		100,000	-	-	283,500	-
Discovery West Trail Undercrossing	Construction Documents	820,000	618,248	201,800	-	201,800	-		201,800	-	-	-	-
Haul Road Trail	Construction Documents	685,400	64,000	621,400	-	621,400	-		621,400	-	-	-	-
North Unit Irrigation Canal Trail (NUID)	Order of Magnitude	160,000	-	160,000	-	160,000	-		30,000	30,000	-	-	100,000
Total Trails		3,887,000	782,746	3,104,400	-	3,104,400	-		1,053,200	346,800	1,120,900	383,500	200,000



Bend Park & Recreation District Five-Year Capital Improvement Plan (CIP) for Fiscal Years Ending 2021-2025													
Project Type	Project Stage	Current Project Cost Estimate	Spent in Prior and Current Fiscal Years	To be Spent Fiscal Years 2021-2025	FY 2021-25 Funding Allocation by Source				FY 20-21 Total	FY 21-22 Total	FY 22-23 Total	FY 23-24 Total	FY 24-25 Total
					Property Tax Revenue	SDC Funds	Alternative Funds	Alt. Type					
Recreation Facilities													
Larkspur Center	Construction Documents	23,331,000	18,849,568	4,481,500	4,481,500	-	-		4,481,500	-	-	-	-
Westside Recreation Facility Infrastructure (Simpson RAB)	Order of Magnitude	700,000	-	700,000	-	700,000	-		700,000	-	-	-	-
Total Recreation Facilities		24,031,000	18,849,568	5,181,500	4,481,500	700,000	-		5,181,500	-	-	-	-
Community Wide													
Drake Park DRT Trail & Bank Improvements	Award/Bid	7,300,000	1,263,626	6,036,400	1,721,000	3,565,400	750,000	1	6,036,400	-	-	-	-
Riverbend South River Restoration & Access Project	Design Development	264,000	-	264,000	264,000	-	-		64,000	200,000	-	-	-
Total Community Wide		7,564,000	1,263,626	6,300,400	1,985,000	3,565,400	750,000		6,100,400	200,000	-	-	-
Asset Management Projects													
Accessibility Improvements	Order of Magnitude	425,000	-	425,000	425,000	-	-		-	50,000	125,000	125,000	125,000
Asset Management Projects (\$5,000-\$50,000)	Order of Magnitude	1,250,000	-	1,250,000	1,250,000	-	-		250,000	250,000	250,000	250,000	250,000
Park Services Complex	Order of Magnitude	10,000,000	-	10,000,000	8,000,000	-	2,000,000	3	-	-	-	8,000,000	2,000,000
Skyline Field Renovations + Parking Lot Lights	Order of Magnitude	397,700	-	397,700	397,700	-	-		-	100,000	-	297,700	-
JSFC Flooring Replacement	Order of Magnitude	175,000	-	175,000	175,000	-	-		-	-	175,000	-	-
JSFC Indoor Pool Tank Replacement & Renovation	Conceptual Design	3,030,000	300,000	2,730,000	2,730,000	-	-		2,730,000	-	-	-	-
Natural Resource River Stewardship	Order of Magnitude	81,000	41,029	40,000	40,000	-	-		20,000	-	20,000	-	-
Sawyer Park	Order of Magnitude	600,000	-	600,000	600,000	-	-		-	100,000	500,000	-	-
Hollinshead Park ADA & Master Plan	Order of Magnitude	1,000,000	-	1,000,000	650,000	250,000	100,000	4	-	100,000	900,000	-	-
Ponderosa Park (North)	Order of Magnitude	1,200,000	-	1,200,000	850,000	350,000	-		-	-	150,000	1,050,000	-
Hollygrape Park ADA Renovation	Construction Documents	150,000	35,000	115,000	115,000	-	-		115,000	-	-	-	-
Mirror Pond Dredge Commitment	Construction Documents	300,000	-	300,000	300,000	-	-		300,000	-	-	-	-
Total Asset Management Projects		18,608,700	376,029	18,232,700	15,532,700	600,000	2,100,000		3,415,000	600,000	2,120,000	9,722,700	2,375,000
Total CIP Funding Allocations		97,164,350	27,604,588	69,560,050	22,457,500	44,085,100	3,017,450		25,008,550	11,988,600	8,614,100	15,168,200	8,780,600
Alternative Funding Type Key					32.28%63.38%4.34%				35.95%17.23%12.38%21.81%12.62%				
1 - Grant Funding					Funding Allocation by Source				Funding Allocation by Source				
2 -Contributions, Collaborations, Fundraising													
3 - Debt Financing													
4 - Facility Rental Special Revenue Funding													

# CIP Projects - FY 2021-2025



## Capital Improvement Plan (CIP) Projects - FY 2021-2025

- Existing Deschutes River Trail
- Planned Deschutes River Trail
- Existing Trail
- Planned Trail
- USFS Trails
- State Highway
- Public Land
- Park District Boundary
- Urban Growth Boundary

- X** Total Cost Estimate by Location > \$5M
- X** Total Cost Estimate by Location \$1M - \$5M
- X** Total Cost Estimate by Location \$250K - \$1M
- X** Total Cost Estimate by Location < \$250K

Note: "Total Cost Estimate" is based on a projects's total cost for the 2021-2025 period only and does not include prior year expenditures.

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# Fiscal Year 2020-21

## Summary of Total District Full Time Equivalents

	2017-18 Actual	2018-19 Actual	2019-20 Budget	2019-20 Estimate	2020-21 Adopted
<b>Executive Director's Office and Administrative Services</b>					
Full-Time Positions	13.81	14.48	15.00	15.00	15.00
Part-Time/Seasonal Positions	0.71	0.60	0.60	0.60	0.60
<b>Total Department Positions</b>	<b>14.52</b>	<b>15.08</b>	<b>15.60</b>	<b>15.60</b>	<b>15.60</b>
<b>Strategic Planning and Design</b>					
Full-Time Positions	9.17	9.49	11.00	11.00	11.00
Part-Time/Seasonal Positions	0.85	0.83	0.58	0.53	0.84
<b>Total Department Positions</b>	<b>10.02</b>	<b>10.32</b>	<b>11.58</b>	<b>11.53</b>	<b>11.84</b>
<b>Community Relations</b>					
Full-Time Positions	4.63	5.00	5.00	5.00	5.00
Part-Time/Seasonal Positions	0.08	-	0.18	-	-
<b>Total Department Positions</b>	<b>4.71</b>	<b>5.00</b>	<b>5.18</b>	<b>5.00</b>	<b>5.00</b>
<b>Park Services</b>					
Full-Time Positions	47.44	50.67	51.60	50.40	51.85
Part-Time/Seasonal Positions	17.12	16.55	20.36	12.84	18.28
<b>Total Department Positions</b>	<b>64.56</b>	<b>67.22</b>	<b>71.96</b>	<b>63.24</b>	<b>70.13</b>
<b>Recreation</b>					
Full-Time Positions	36.60	38.08	39.42	38.42	41.73
Part-Time/Seasonal Positions	99.02	98.35	105.83	84.67	113.58
<b>Total Department Positions</b>	<b>135.62</b>	<b>136.43</b>	<b>145.25</b>	<b>123.09</b>	<b>155.31</b>
<b>Facility Rental Special Revenue Fund</b>					
Full-Time Positions	1.19	2.05	1.98	1.98	3.42
Part-Time/Seasonal Positions	0.33	-	0.25	-	0.48
<b>Total Department Positions</b>	<b>1.52</b>	<b>2.05</b>	<b>2.23</b>	<b>1.98</b>	<b>3.90</b>
<b>Total District</b>					
Full-Time Positions	112.84	119.77	124.00	121.80	128.00
Part-Time/Seasonal Positions	118.11	116.33	127.80	98.64	133.78
<b>Total District Positions</b>	<b>230.95</b>	<b>236.10</b>	<b>251.80</b>	<b>220.44</b>	<b>261.78</b>

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## **Revenue Sources**

### **Property Taxes**

The district collects property taxes at a permanent rate of \$1.461 per \$1,000 of total assessed value. The Deschutes County Assessor assesses the value of the property within the district's boundary and has estimated an increase in total assessed value of approximately 5.2 percent for 2020. The district's 2020-21 budgeted property taxes are based on a slightly more conservative estimate of a 5 percent increase in assessed value. For 2020-21, the projected increase in total assessed value, combined with a significant projected decrease in the collection rate due to economic impacts of the pandemic, equates to a .9 percent increase in property tax revenues over the current year budgeted amount, and no change from the current year estimate of just under \$18.5 million.

### **User Fees**

Recreation user fees have increased annually since 2012. Recreation fees and charges are budgeted to increase by 3.4 percent over the current year budget. Total user fees are anticipated to be \$8.2 million in 2020-21. The opening of the Larkspur Community Center in the fall of 2020 will contribute to the increase in revenue. Still, the six-month closure of the Juniper Swim and Fitness Center for the indoor pool replacement will offset any significant growth.

The district's other significant source of user fees is in the Facility Rental Fund and are from charges for park and building rentals. Total user fees in this fund are budgeted to be \$568,000, which is a 94 percent increase over 2019-20 estimates. Two factors contributed to the dramatic increase: the current year estimates are lower than usual because of the impact of COVID-19, and we have moved sport field rentals and community events into this fund.

### **System Development Charges**

After a historic peak in 2015-16, SDC revenues have since demonstrated an overall pattern of decline, despite the continued need for more housing stock in Central Oregon. The individual housing type categories (single-family, multi-family, hotel, accessory dwelling unit (ADU)) have shown a fluctuation of both slowing and growth. A spike in 2018-19 happened with the development of two hotels that we do not expect to see in the current or new year; multi-family units are expected to slowly increase, but single-family homes are on a downward trajectory. So far, 2019-20 revenue is projected to decline, with reductions in the building of single-family homes and ADUs, and only a slight increase in multi-family units. The 2020-21 budget for SDC revenues proposes a 5.7 percent increase from current year estimates. This increase in revenue is largely based upon fee increases, and not an increase in development.

### **Grants, Donations, and Sponsorships**

Grants, donations, and sponsorships continue to be a district priority and play an important role in supporting and diversifying the district's revenues. These revenues can vary significantly year to year, largely dependent upon the slate of capital projects. In this budget, these revenues will increase by 306.5 percent from the 2019-20 budget and 527.1 percent from 2019-20 estimates. For 2020-21, we are anticipating approximately \$750,000 – from a capital grant for the Drake Park Trail and Bank Improvement project, and various contributions and sponsorships of approximately \$109,000 to support recreation services' Needs-Based Assistance program.

**Fund Balances**

The district's budgeted resources also include fund balances. The 2020-21 adopted budget reflects a significant change in the budgeted beginning fund balance in the district's three largest funds: the General Fund, SDC Fund, and Facility Reserve Fund. The General Fund has increased by \$1.4 million, whereas the SDC Fund and the Facility Reserve Fund have decreased respectively by \$11.6 million and \$2.9 million. As the beginning fund balance is determined at the end of the prior fiscal year, 2019-20 balances are actuals.

The increase in the General Fund balance is due to the decision not to transfer the full amount budgeted in the current year to the Facility Reserve Fund. The decrease seen in the SDC Fund and Facility Reserve Fund are a result of the district saving money in prior years for the future development of the Larkspur Community Center, and starting to spend those savings in the current fiscal year.

The board of directors adopted the Fund Balance and Reserves Policy in November 2014, and the policy is included in the Financial Policies section of this document. Included in the policy is a target to maintain an unrestricted fund balance in the General Fund of not less than 17 percent of annual operating expenditures for each fiscal year. This target is a best practice for governmental agencies, and helps provide stability and flexibility to respond to unexpected adversity or opportunities. The policy allows for a one-time or temporary use of these reserves for purposes defined in the policy. If this decision is made, then the district will develop a plan to restore reserves to the targeted level.

## Long-Term Debt as of June 30, 2020.

The total District's outstanding long-term debt as of June 30, 2020 includes the General Obligation Debt Service Fund and is summarized in the table below:

Description	Interest Rates on Outstanding Bonds	Original Amount	Maturity Date	Projected Outstanding Principal as of 6/30/20	Projected Remaining Interest to Maturity as of 6/30/20
Loan Payable	2.47%	\$ 4,439,611	6/1/2025	\$ 2,354,675	\$ 179,790
General Obligation Bonds, Series 2013	2% - 4.5%	\$ 29,000,000	6/1/2033	\$ 22,705,000	\$ 6,233,451
<b>Total Long Term Debt</b>				<b>\$ 25,059,675</b>	<b>\$ 6,413,241</b>

Debt service appropriations provide for the payment of principal and interest on bonds and loans payable. The District has issued debt for the purpose of supporting its capital financing activities including new, and improvements to, existing parks, trails and facilities. The District's types of debt are discussed below and each debt type reports the range of maturities for each of its outstanding debt issue. The District's tax-exempt debt remains in compliance with all Internal Revenue Service arbitrage regulations.

The first issuance, Full Faith & Credit Bonds (Series 2005), sought funding to expand and renovate the Juniper Swim & Fitness Center. This debt is repaid through the District's existing permanent rate property taxes in the General Fund. The Series 2005 bonds were issued with a full repayment date of June 1, 2025. On December 18, 2014, the Series 2005 bonds were refunded and new debt (loan payable) was issued by Columbia State Bank in the amount of \$4,439,611. The original bonds were called on June 1, 2015. The District makes principal payments on June 1 of each fiscal year, and interest payments on June 1 and December 1 of each year – for an annual total of approximately \$506,000. As of June 30, 2020, the principal outstanding will be \$2,354,675. By refunding the bonds the District will save interest costs of approximately \$330,000 through final repayment in 2025.

On November 6, 2012, the citizens of Bend passed a ballot measure to protect our natural beauty, and expand access to and recreational opportunities in our river, along our trails and in our parks. In June of 2013, the District sold \$29 million in General Obligation bonds to fund these capital projects on the community's behalf. This issuance, General Obligation Bonds (GO) Series 2013, has funded capital construction, land purchases and park and trail improvements to serve the needs of our growing community. Specifically, the District built the Bend Whitewater Park which connected sections of the Deschutes River Trail, created a fish ladder and floaters' channel, wildlife channel, and whitewater park on the Deschutes River; and built The Pavilion, an open-air covered facility which provides additional recreational opportunities during the winter as an ice rink while also offering other year-round recreational uses. The District also purchased land for future community and regional parks.

The GO debt is repaid from an annual direct ad valorem tax levied upon all the taxable property within the District. This levy is separate from the District's permanent tax rate, and is legally restricted. When collected, it is applied solely to making principal and interest payments on the GO bonds, and for no other purpose, until the GO Bonds have been fully paid, satisfied and discharged. At that point, the taxes will no longer be levied. As of June 30, 2020, the principal outstanding will be \$22,705,000. The District makes principal payments on



June 1 of each fiscal year, and interest payments on June 1 and December 1 of each year – for an annual total of approximately \$1.9 million.

#### **Debt Service Budget – All Funds**

The below chart details the actual and adopted principal and interest payments on all District debt, excluding issuance costs, for fiscal years 2018-2021

<b>Debt Payments</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021 Adopted</b>
<b>General Fund Loan Payable Payments</b>				
Principal	416,047	425,489	434,153	447,579
Interest	90,916	80,497	70,034	58,969
Total	506,963	505,986	504,187	506,548
<b>General Obligation Debt Service Payments</b>				
Principal	950,000	1,015,000	1,080,000	1,155,000
Interest	909,732	881,232	850,782	818,382
Total	1,859,732	1,896,232	1,930,782	1,973,382
<b>Total Debt Payments</b>	<b>\$ 2,366,695</b>	<b>\$ 2,402,218</b>	<b>\$ 2,434,969</b>	<b>\$ 2,479,930</b>

#### **Legal Debt Limits**

Under Oregon statutes, the District is limited in its amount of issued general obligation debt to 2.5 percent of real market value of property. Full faith and credit obligations are not limited by statute. At June 30, 2019, the District's unused debt margin was \$509 million.

## **Bend Park and Recreation Financial Policies**

### **Financial Planning Policy**

The District shall annually prepare a long-term financial forecast to promote responsible planning for the use of resources, and to assist in ensuring the delivery of priority services through all types of economic cycles. The purpose of this plan is to ensure the District's ongoing financial sustainability beyond a single fiscal year budget cycle in light of our long-term service vision and objectives.

The plan is intended to help the District achieve the following:

1. Ensure the District can maintain financial sustainability;
2. Ensure the District has sufficient long-term information to guide financial decisions;
3. Ensure the District has sufficient resources to provide services, programs and facilities for the community;
4. Ensure potential risks to ongoing operations are identified in the planning process and communicated on a regular basis; and
5. Identify changes in revenue or expenditure structures necessary to deliver services or to meet organizational goals and objectives.

The long term financial forecast shall include projected revenues, expenditures and reserve balances for the next five years, and shall be updated prior to the start of the annual budget process.

The District's financial plan should be strategic, reflecting the Board of Directors' and the community's priorities for service while providing resources that realistically fund routine operations. The plan shall be informed by, but not limited to, the District's: Capital Improvement Plan; annual budget; current and future debt service requirements; internal cost calculations; and current economic projections and indices.

Financial planning and budgeting shall be based on the following principles:

1. Revenue estimates shall be prepared on a conservative basis to minimize the possibility that economic fluctuations could jeopardize ongoing service delivery during the fiscal year;
2. Expenditure estimates shall anticipate future needs that are reasonably predictable; and
3. Forecasts shall rely on a common set of basic economic assumptions that shall be established and updated by the Administrative Services Director. The forecasts shall also identify other assumptions used in their preparation and associated risks. Examples of risks can include inflation rates, PERS or health benefit plan changes, and costs of operating and maintaining capital improvement projects, as well as regional economic trends that affect District revenues and expenditures.

### **Financial Forecast**

The five year financial forecast shall be prepared at least annually prior to the start of the annual budget and capital improvement prioritization processes. The forecast shall be based on current service levels and funding sources, as well as anticipated changes to service levels and funding. If

appropriate, the forecast shall identify additional resources necessary to continue the provision of current service levels or projected changes in service levels.

The five-year financial forecast shall inform the District's capital improvement planning and annual budget process, and shall include a summary that provides an overview of the long-range fiscal projection of the General Fund and the System Development Charges funds.

### **Responsibilities**

The Administrative Services Director shall develop the District's five-year financial forecast, including defining the required elements for the plan and the establishment and use of a common set of economic assumptions. The Finance Department shall constantly test both its financial planning methodology and use of planning tools in order to ensure the provision of timely and accurate information. The Board of Directors shall receive and review a presentation of the forecast, at least annually at the beginning of the budget process.

### **Operating Budget Policy**

The District shall prepare and adopt an annual budget that incorporates all District resources, including grant funds, other revenue sources, cash on hand, savings, ending fund balances, expenses, transfers, reserve funds, debt service funds, and investments (the "Operating Budget").

The District shall develop and implement a budget process that shall:

1. Make prudent use of public resources.
2. Include long term financial forecast information to ensure that the District is planning adequately for current and future needs.
3. Involve community members, elected officials, employees, and other key stakeholders, including the Budget Committee.
4. Provide objective performance measurement data to assist in assessing program effectiveness.
5. Comply with District policies and procedures, State of Oregon Local Budget Law, and with guidance that has been issued by the Governmental Accounting Standards Board (GASB) and with Generally Accepted Accounting Principles (GAAP).

### **Budget Prioritization and Preparation**

The budget process will be informed by the priorities established by the Board of Directors, based upon prior planning and prioritization efforts in order to provide for the community's highest priority needs. The Operating Budget shall also be guided by individual department goals and objectives as identified in the District's Strategic Plan and departmental annual action plans; by the District's Five-Year Financial Forecast; and by the District's Five-Year Capital Improvement Plan. These plans shall be updated and presented to the Board of Directors prior to the start of the then-current annual budget process.

The Executive Director shall develop and present an Operating Budget to the Board of Directors for consideration and adoption. The Operating Budget shall identify significant financial and service

issues, identify funding requirements and sources of funds, provide supplemental information on programs and service areas, include budget and performance details for all District departments, and relate recommendations to the District's vision and goals.

The Administrative Services Director shall issue guidelines and rules for the preparation and review of the departmental budget requests to the Executive Director, including an annual budget process and calendar. The process and calendar shall sufficiently allow for staff participation and Board of Director and Budget Committee input.

The Budget Committee shall annually consider and approve the Operating Budget, and the Board of Directors shall annually consider and adopt the Operating Budget no later than June 30 of each fiscal year. The Operating Budget shall be adopted at the fund level as a total dollar amount for each program or appropriation category.

### **Budget Monitoring**

The Administrative Services Director shall maintain a system for financial monitoring and control of the District's Operating Budget during the fiscal year. This monitoring system shall:

1. Provide the Board of Directors with pertinent information on revenues, expenditures, and performance at both the department and fund level.
2. Include provisions for amending the Operating Budget during the year in compliance with State of Oregon budgetary statutes and to address unanticipated needs or emergencies.

The Operating Budget will be constrained to the total amount approved by the Budget Committee and as adjusted and adopted by the Board of Directors, including any supplemental budget changes approved by the Board of Directors. Oregon Local Budget Law provides a means to adjust the Operating Budget for emergency expenditures or unforeseen circumstances. All supplemental appropriations for significant programs or additional personnel (appropriations requested after the original Operating Budget is approved) will be analyzed by the Executive Director and will only be carried to the Board of Directors upon his/her approval. All resolutions adjusting the Operating Budget will be prepared by the Finance Department, under the direction of the Executive Director, for Board of Director approval to ensure compliance with budget laws.

The Administrative Services Director shall periodically provide General Fund financial status reports to the Board of Directors on the revenues and expenditures to date. The Administrative Services Director shall also review District financial operations, and if deemed necessary, report to the Board of Directors on financial results, and recommend financial management actions necessary to meet the Operating Budget's financial planning goals. Monthly reports comparing actual to budgeted expenditures will be prepared by the Finance Department and distributed to each department. Departmental significant budget to actual variances shall be investigated by the appropriate staff and reported to the Department Director and the Administrative Services Director, to determine potential options for resolution. Any variances significant to the overall Operating Budget will be reported to the Board of Directors.

### **Review of Proposed Board of Director Actions**

The Administrative Services Director shall review significant financial decisions submitted for Board of Director action. The objective of these reviews shall be to ensure compliance with the District's budget direction, identify significant financial and service issues, and identify significant impacts on overall District finances for the Board of Directors. The Administrative Services Director shall review Board of Director agenda fiscal impact statements for proposed Board of Director actions.

### **Operating Policies**

1. **Balanced Budget** - Each District fund budget must identify ongoing resources that match expected ongoing requirements. One-time cash transfers and non-recurring ending balances may either be applied to contingencies or used to fund one-time expenditures; they shall not be used to fund ongoing programs, except as provided in section 2 below.
2. **One-time Funds** - One-time funds are resources that should be used for one-time programs and projects with a defined end date. Future year funding may not be committed in excess of the one-time funds projected to be available in the Five-Year Financial Forecast.
3. **General Fund Ending Fund Balance** - The General Fund beginning fund balance that exceeds budgeted beginning balance shall be added to the General Fund contingency as a set aside. The General Fund contingency should be used for future Capital Improvement Plan funding, mitigating overhead revenue shortfalls in future years, paying down existing debt as advised by the Executive Director, or other unanticipated needs or emergencies, as prioritized through future budgeting processes and, ultimately, adopted by the Board of Directors.
4. **Surplus Revenue** - The District shall budget only the amount of revenue that is needed to fund projected expenditures within the current fiscal year. Anticipated resources not needed to fund current fiscal year spending or unforeseen contingencies shall be budgeted as an unappropriated balance or reserves.
5. **Fund Balances** - The District shall budget loans and transfers when possible and as appropriate to cover negative fund and/or cash balances at fiscal year-end. Fund balances shall be classified appropriately for reporting purposes in accordance with GASB-required classification categories.
6. **Efficiency and Effectiveness** - The District shall optimize the efficiency and effectiveness of its services to reduce costs and improve service quality. The District shall coordinate its service delivery with other applicable public and private service providers in a manner so as to optimize the benefit to the District and its residents.
7. **Contingencies** - The District shall budget a contingency account for each operating fund adequate to address reasonable but unforeseen requirements within the current fiscal year.

### **Fund Management**

The District shall strive to minimize the number of funds. New funds shall be established and classified in accordance with GASB requirements. Creation of new funds or elimination of existing funds shall be done by Board of Director resolution. The Administrative Services Director shall

conduct an annual review to assess if each fund is needed. Each fund in the District shall have a statement of purpose, adopted by resolution of the Board of Directors, which contains several required elements.

### **Responsibilities**

The Executive Director shall present a balanced proposed Operating Budget to the Board of Directors and the Budget Committee on an annual basis. The Budget Committee shall annually consider and approve the Operating Budget, and the Board of Directors shall annually consider and formally adopt the Operating Budget.

Through direction and oversight from the Executive Director, the Administrative Services Director shall coordinate the overall preparation and administration of the District's budget including the process for budget adjustments requiring Board of Director approval; and the department heads shall ensure that their departments comply with budget-related policies and procedures, and shall issue department-specific procedures, as needed, that are consistent with these policies and procedures.

### **Revenue Policy**

The District shall maximize and diversify its revenue base to raise sufficient revenue to support and maintain essential services, and to prevent undue or unbalanced reliance on any one source of funds. This revenue diversity will protect the District in instances where there are short-term fluctuations in any one revenue source.

### **Resources**

The District will obtain resources according to the following principles:

1. The District will use as efficiently as possible the resources that it already collects;
2. The District will collect as efficiently as possible the resources to which it is already entitled;
3. The District will seek new resources, consistent with its then-current financial management policies, stated District goals and objectives, and direction from the Board of Directors; and
4. The District will enforce its authority to collect revenue due the District, up to and including litigation if necessary.

### **Property Tax Revenue**

The District has permanent authority to levy property taxes to support its operations up to a maximum rate. As a part of the annual budget adoption, the Board of Directors adopts a resolution to impose the tax rate that is to be assessed for the upcoming fiscal year.

The District relies on a mixture of property tax revenues and user fees to provide high quality, accessible and diverse park and recreation services to District residents. Tax revenues fund basic services such as parks, trails, natural areas and help support a wide variety of recreation opportunities.

### **Fees, Charges and Cost Recovery**

Services providing private benefits shall be paid for by fees and charges where possible to maximize flexibility in the use of general revenue sources (i.e. property tax revenue) to cover the cost of services with broader public benefit.

The Cost Recovery and Subsidy Allocation models are included in the User Fees and Charges Policy, which is periodically reviewed and approved by the Board of Directors no less than every four years. The model is the method by which the District's funding philosophy is operationalized into a clear strategy for allocation of District resources and for fee setting. Through this review and approval process, the Board of Directors approves the level of tax support to be provided to different categories of services and defines what portion of the cost of providing the services should be recovered through user fees.

The Executive Director and his/her designees shall establish individual user fees and charges and shall systematically review and update these to account for the effects of factors such as additional service costs and market dynamics.

The District recognizes that visitors and Central Oregon residents from outside of the District boundaries will also enjoy the District's parks, facilities and services. In order to limit the financial subsidy of providing services to non-resident users, and in order to ensure that non-resident users pay their fair share for services, the District shall assess additional fees to out-of-District users where most fees are charged. The Out-of-District User Fees philosophy guides the District in setting fees for the use of District services for those users who reside outside of the District boundaries.

### **System Development Charges**

Future growth within the District should contribute its fair share to the cost of improvements and additions to parks and recreation facilities needed to accommodate such growth. Park System Development Charges (SDCs) shall provide a source of revenue to finance those improvements necessitated by growth. ORS 223.297-223.314 authorizes Districts, including special districts, to impose SDCs for parks and recreation. SDC fees shall be calculated, set, adjusted and collected in accordance with the District's adopted *A Methodology for Calculating Park System Development Charges (Methodology)* and *Ordinance No. 12 – System Development Charges (Ordinance)*. The District's SDC Methodology shall be reviewed every five years or as is feasible, updated accordingly, and ultimately adopted by the Board of Directors.

### **One-time Revenues**

One-time revenues shall be used only to increase fund balances, decrease debt or for non-recurring expenditures such as capital acquisitions, one-time projects, and grants. The District shall avoid using temporary revenues to fund mainstream services or for budget balancing purposes. The District shall not respond to long-term revenue shortfalls with deficit financing and borrowing to support on-going operations. Expenses will be reduced to conform to the long-term revenue forecasts and/or revenue increases will be considered.

## **Grants**

A potential grant shall be assessed for consistency with the District's mission, strategic priorities, and/or Capital Improvement Plan, and also evaluated for matching requirements and on-going resource requirements before acceptance. Grants may be rejected to avoid commitments beyond available funding. The grant shall be compatible with the District's objectives, and the benefits provided by the grant shall exceed the costs of administration. The District shall not use grants to meet ongoing service delivery needs.

## **Partnerships, Sponsorships and Contributions**

Partnerships, sponsorships and contributions can be viable alternative revenue sources for the District. Proposed partnerships, sponsorships and contributions shall be assessed for consistency with the District's mission, values, strategic priorities, and/or Capital Improvement Plan, and also evaluated for restrictions and potential impacts on District resources.

Partnerships are a cooperative venture between two or more parties with a common goal that combines complementary resources to develop a mutually beneficial project or achieve a mutually beneficial outcome. In the truest sense, partners have a stake in each other's success. District partnerships as defined here are not deemed to be "partnerships" in the legal definition. The District may partner with various other types of organizations, creating partnerships that are public/public, public/non-profit, or public/private.

Sponsorships are cash or in-kind services and/or products offered by businesses or individuals with the clear expectation that an obligation is created. The District is obliged to return something of value to the sponsor, typically in the form of marketing or public recognition benefits.

A contribution is a transfer of assets from an individual or organization to the District where no goods or services are expected, implied or forthcoming for the donor. Contributions usually take the form of cash, stock, services, materials, art and/or real property.

Partnerships, sponsorships and contributions shall be managed and maintained by the Executive Director and Department Directors.

## **Estimates and Projections**

The District shall estimate its revenues by an objective, analytical process using best practices. Revenues shall be estimated realistically and prudently. Revenues of a volatile nature will be estimated conservatively. To emphasize and facilitate long-range financial planning, the District will maintain current projections of revenues for the succeeding five years.

## **Responsibilities**

The SDC Program shall be contained in ordinance and resolutions adopted by the Board of Directors at such times that changes are deemed necessary. The SDC fee shall be adjusted annually based on the rate of change in construction and land costs, and shall be adopted by the Board of Directors.



The Administrative Services Director will oversee compliance of this policy with the participation of all revenue-producing departments and will maintain and monitor roles and responsibilities for the departments. Fee setting will be based on the Board of Director approved User Fees and Charges Policy, and individual fees will be established by the Department Directors and Managers.

### **Fund Balance and Reserves Policy**

The Fund Balance and Reserves Policy is an effort to ensure financial security through the maintenance of healthy reserve fund balances that guide the creation, maintenance, and use of resources for financial stabilization purposes. The District's primary objective is to maintain a prudent level of financial resources to protect against reducing service levels due to temporary revenue shortfalls or unpredicted one-time expenditures. The District also seeks to maintain the highest possible credit ratings which are dependent, in part, on the District's maintenance of a healthy fund balance.

### **Definitions**

The following definitions will be used in reporting activity in the District's governmental funds. The District may or may not report all fund types or fund balance classifications in any given reporting period, based on actual circumstances and activity, and as per prior approval by the Board of Directors.

### **Fund Types**

1. General Fund - Used to account for all financial resources not accounted for and reported in another fund.
2. Special Revenue Funds - Used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.
3. Capital Project Funds - Used to account for all financial resources restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
4. Debt Service Funds - Used to account for all financial resources restricted, committed or assigned to expenditure for principal and interest.
5. Permanent Funds - Used to account for resources restricted to the extent that only earnings, and not principal, may be used for purposes that support the District's purposes.

### **Fund Balance Classifications**

1. Fund Balance - The excess of assets over liabilities in a governmental fund.
2. Nonspendable Fund Balance - Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

3. Restricted Fund Balance - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.
4. Committed Fund Balance - Amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
5. Assigned Fund Balance - Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
6. Unassigned Fund Balance - Amounts that are available for any purpose; these amounts are reported in the General Fund. In other funds, the unassigned classification should be used only to report a deficit balance from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

#### **General Fund Minimum Fund Balance**

The fund balance of the District's General Fund has been accumulated to meet the purpose of providing stability and flexibility to respond to unexpected adversity and/or opportunities. The target is to maintain an unrestricted fund balance of not less than 17% of annual operating expenditures for each fiscal year (the "General Fund Minimum Fund Balance" target).

The District's decision to retain an unrestricted fund balance of not less than 17% of operating expenditures will help ensure the ability to:

1. Meet operating cash flow requirements before the collection of property taxes, grant proceeds and other operating revenues.
2. Mitigate short-term volatility in revenues.
3. Absorb unanticipated operating needs that arise during the fiscal year but were not anticipated during the budget process.
4. Sustain District services in the event of an emergency.
5. Mitigate significant economic downturns.
6. Provide adequate funding to cover approximately two (2) months of operating expenses. The Government Finance Officers Association recommends that the minimum General Fund unrestricted fund balance should be no less than either two (2) months of regular operating revenues or expenditures.

The District will use reserves on a one-time or temporary basis for purposes described above. In the event that the General Fund Minimum Fund Balance decreases to a level below the target level established in this policy, the District will develop a plan to restore reserves to the targeted level,

likely from a combination of current and future year additional property tax revenues and reduced spending.

### **Other Fund Reserves**

The District shall maintain sufficient reserves to provide stable funding for major repairs, replacements and renovations of District parks, facilities, vehicles and equipment. The Facility Reserve Fund shall be the fund where reserves for asset management repairs and replacements are maintained, while the Equipment Reserve Fund shall be the fund where reserves for vehicles and equipment replacements are maintained. The District's target for the minimum reserve balance for each of the two reserve funds, respectively, over the coming five years shall be the greater of either:

- the average renovation and replacement needs over the coming five years; or
- 2% of the current total replacement value.

The minimum reserve balance should be evaluated and adjusted on an annual basis. The target balance is intended to be evaluated over the future five-year period, and not just for a single fiscal year. The balance will fluctuate annually and may drop below the minimum target during any specific fiscal year.

### **Prioritization of Fund Balance Use**

When an expenditure is incurred for purposes for which an amount in any of the fund balance classifications could be used (the expenditure is deemed to be an eligible expenditure within each specific fund balance classification), it shall be the policy of the District to spend the most restricted dollars before less restricted in the following order:

1. Nonspendable (if funds become spendable)
2. Restricted
3. Committed
4. Assigned
5. Unassigned

### **Authority to Commit or Assign Fund Balances**

The District's Board of Directors may commit fund balances to be used for specific purposes through the adoption of a formal resolution. A resolution must also be adopted by the Board of Directors to remove a fund balance commitment.

The District's Board of Directors may also commit the proceeds of specific revenue sources to expend for specific purposes within a special revenue fund through the adoption of a formal resolution. A resolution must also be adopted by the Board of Directors to remove a specific revenue source commitment.

The District's Board of Directors may delegate to the Executive Director or his/her designee, the authority to assign amounts to be used for specific purposes. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund, and shall be adopted by the Board of Directors through the annual budget process.

## **Responsibilities**

The Board of Directors shall commit fund balances and proceeds of specific revenue sources, or remove prior commitments, through adoption of a resolution. The Executive Director shall assign amounts to be used for specific purposes. The Administrative Services Director is responsible for implementation of this policy.

## **Accounting, Auditing and Financial Reporting Policy**

The District shall maintain a system of financial accounting, monitoring, internal controls, and reporting for all operations and funds, to provide an effective means of ensuring that overall District goals and objectives are met. The system shall also serve to provide District residents, businesses, contractors, partners, and investors with accurate and timely financial information that communicates the District's economic condition and financial status.

The District shall maintain clear, accurate, and understandable financial reporting that provides accountability and transparency for all components of the District's financial affairs and ensures compliance with applicable statutory and other regulatory requirements. The District's financial reports must meet requirements established by applicable governmental regulatory oversight organizations.

## **Accounting Practices**

The District shall establish and maintain District-wide accounting practices that conform to Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB), and state and federal laws and regulations including Oregon Local Budget Law. The District shall also maintain accounting practices that follow best practices prescribed by the Government Finance Officers Association (GFOA). Guidelines for these accounting practices shall include, but shall not be limited to, the following:

1. The District shall use fund accounting procedures and practices for accounting, financial reporting and budgeting. The District shall use a fund-based accounting and general ledger system, with all necessary additional modules and/or applications. The District shall use the modified accrual basis of accounting.
2. A system of internal controls and procedures will be maintained to provide reasonable assurance of the safeguarding of assets and proper recording of financial transactions and compliance with applicable laws and regulations.
3. All revenues will be recorded by the Finance Department and be audited annually.
4. Full disclosure of all significant events and financial and related matters will be provided in the financial statements and bond representations. Significant events include delinquencies and defaults related to the District's bonds, adverse tax opinions or events affecting the tax-exempt status of bonds, and other events having a significant impact on the District's finances and outstanding bonds. The Administrative Services Director will notify all the Municipal Securities Rulemaking Board of these significant events.

5. Monthly financial reports summarizing financial activity by fund will be provided to each department (and the Board of Directors if requested) for assisting with informed decisions.
6. The District defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Typical examples are land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and various intangible assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

### **Financial Reporting**

1. Comprehensive Annual Financial Report (CAFR) and Audit - The District shall prepare a CAFR each year which must be prepared in accordance with GAAP and GASB. The District shall also contract with a qualified firm of independent certified public accountants to perform an annual financial and compliance audit of the District's financial statements. The auditors work for and report to the Board of Directors, and their opinions shall be presented in the District's CAFR.
2. Other District Financial Reports - In order to ensure transparency and consistency District-wide, all other financial reports issued by the District should use the best available data as the basis for reporting, which in most cases should be consistent with audited information as presented in the CAFR.
3. Availability of Reports to the Public - The District's CAFR and other financial reports will be made available for public inspection and, to the extent practicable, be posted on the District's web site.

### **Responsibilities**

The Board of Directors shall ensure a qualified and competent external auditor is selected and hired to annually perform the District's financial statement audits. The Board of Directors shall also annually receive a review of the District's audited financial statements from the external auditor. The Finance Department shall implement this policy and report to the Executive Director on compliance issues. The Finance Department shall also develop, maintain and monitor accounting and financial management procedures that comply with this policy.

### **Capital Improvement Policy**

The District shall prepare, adopt and update at least annually a five-year Capital Improvement Plan (CIP) as a vital part of the annual budget process. The CIP will identify and set priorities for all major capital assets to be acquired or constructed by the District. The first year of the adopted CIP shall be included in the Proposed Operating Budget.

The CIP allows a comprehensive look at the District's capital needs for both new facilities and renovation and replacement of existing ones, and allows the Board of Directors to make the necessary decisions to ensure financial resources match forecasted needs. The five-year CIP shall also be incorporated into the District's Five-Year Financial Forecast and other long-range financial planning processes.

## **The Capital Improvement Plan**

Capital improvement projects are defined as land or facility purchases or construction which result in a capitalized asset costing more than \$50,000 and having a useful (depreciable life) of five years or more. Also included are major maintenance projects of \$50,000 or more that have a useful life of at least five years. These thresholds ensure that the District's major needs are identified and incorporated in its financial plans, including, but not limited to, the Proposed Operating Budget, Five Year Financial Forecast, and the Capital Improvement Plan.

Projects included in the CIP shall have a description of the project, total cost estimates, estimated year the project will occur, how the project will be funded, and future operations and maintenance cost projections.

## **Prioritization**

The District uses multiple sources and tools in determining CIP prioritization; these may include: citizen surveys; planning tools; level of service targets; needs assessments; development standards and geographic distribution; Board of Director prioritization; community interests; and staff recommendations. Changes to the CIP such as addition of new projects, changes in scope and costs of a project or reprioritization of projects will require the Board of Directors' or Executive Director's prior approval.

## **Capital Asset Management**

The District shall maintain its physical assets at a level adequate to protect the District's capital investment and to minimize future operating, maintenance and replacement costs, as determined by the Executive Director. The District recognizes that deferred maintenance increases future capital costs, thus placing a burden on future residents. The District also recognizes that the community places their highest priority on the District maintaining current facilities. Therefore, when possible, the budget shall provide for adequate maintenance and the orderly renovation and replacement of District parks and facilities from current revenues.

The District maintains a current asset management plan that provides the methodology and tools to assist with the assessment and prioritization process. The assessment should identify renovation and replacement projects that should be done within the following five years. This information shall be the basis for capital improvement planning for existing facilities and in determining the adequacy of the existing reserves.

## **Funding**

A five-year forecast of revenues and expenditures will be prepared in conjunction with the capital budgeting process. The forecast will include a discussion of major trends affecting District operations, incorporate the operating, maintenance and capital impact of new projects, and determine available capacity of the District to fully fund the CIP and adequate reserves. Incorporation of capital needs into District five-year forecasts ensures that problem areas are

identified early enough that action can be taken to ensure both the maintenance and operation of District facilities and the integrity of District services.

The District shall maintain adequate reserves to provide stable funding for major repairs, replacements and renovations of District parks and facilities. The reserve balance shall be evaluated and adjusted on an annual basis, based upon the target balance as defined in the Fund Balance and Reserves Policy.

The District shall determine the most cost-effective funding method for its capital projects and shall obtain grants, contributions, and other alternative funding sources whenever possible. To the extent possible, improvement projects and major equipment purchases will be funded on a pay-as-you-go basis from existing or foreseeable revenue sources. Fund balances above established reserve requirements may be used for one-time expenditures such as capital equipment or financing of capital improvements, as determined by the Board of Directors. The District shall also utilize pay-as-you-go funding for capital improvement expenditures considered recurring, operating or maintenance in nature.

Debt financing should only be used for funding capital acquisitions or construction projects, and not for on-going maintenance or operations, and shall be in compliance with the District's Debt Management Policy. The District may consider the use of debt financing for capital projects under the following circumstances:

1. When the project's useful life will exceed the terms of the financing;
2. When resources are deemed sufficient and reliable to service the long-term debt;
3. When the project is necessary to meet or relieve District capacity needs more immediately than other funding sources are sufficient or available;
4. When those anticipated to benefit from the project include future generations;
5. When market conditions present favorable interest rates; and/or
6. When the issuance of debt will not adversely affect the District's credit rating.

### **Responsibilities**

The Board of Directors approves and prioritizes projects that are included on the CIP. The Executive Director and department heads shall annually prepare the five-year Capital Improvement Plan for the Board of Directors to adopt. The Finance Department will prepare the CIP, the financial forecast, the proposed budget, and any other related documents or tools with significant input from the Executive Director and department heads. The Executive Director and department directors will be responsible for planning, assessing, prioritizing, and communicating potential capital improvement needs and projects.

### **Investment Policy**

This policy defines the parameters within which funds are to be invested by the District. The District is a special district whose purpose is to provide park and recreation services. This policy also

formalizes the framework, pursuant to ORS 294.135, for the District's investment activities to ensure effective and judicious management of funds within the scope of this policy.

These guidelines are intended to be broad enough to allow designated investment staff to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

### **Governing Authority**

The District's investment program shall be operated in conformance with Oregon Revised Statutes and applicable federal law. Specifically, this investment policy is written in conformance with ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to laws established by the State of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

### **Scope**

This policy applies to activities of the District with regard to investing the financial assets of operating funds, capital funds, and bond proceeds. Funds managed by the District that are governed by other investment policies are excluded from this policy; however, all funds are subject to statutes and regulations established by the State of Oregon.

### **General Objectives**

The primary objectives, in priority order, of investment activities shall be:

1. Legality – The investments will be in compliance with all statutes governing the investment of public funds in the State of Oregon.
2. Safety - The investment portfolio shall be designed in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal is to mitigate credit risk and interest rate risk.
  - a. Credit Risk – The District will minimize credit risk, the risk of loss due to the financial failure of the security issuer or backer.
  - b. Interest Rate Risk – The District will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates.
3. Liquidity - The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating requirements. A portion or the entire portfolio may also be placed in the Oregon Short Term Fund or a Money Market Savings account, held at an approved institution, which offer next-day liquidity for short-term funds. Where possible and prudent, the portfolio should be structured so that investments mature concurrent with anticipated demands.
4. Yield - The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the safety and liquidity needs of the portfolio. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. Although return consists of both principal



return (gains and losses due to market value fluctuations) and income return (yield), this policy discourages active trading and turnover of investments. Investments should generally be held to maturity.

### **Standards of Care**

1. Prudence - The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy.

The "prudent person" standard states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

2. Ethics and Conflicts of Interest - Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.
3. Delegation of Authority and Responsibilities
  - a. The Executive Director will retain ultimate fiduciary responsibility for invested funds.
  - b. Delegation of Authority - Authority to manage investments within the scope of this policy and operate the investment program in accordance with established written procedures and internal controls is granted to the Administrative Services Director, hereinafter referred to as Investment Officer, and derived from the following: ORS 294.035 to 294.048, 294.052, 294.125 to 294.145, and 294.810.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

- c. Investment Committee – The Executive Director may establish an investment committee to provide guidance to the Investment Officer and monitor investment policy compliance.
- d. Investment Adviser – The Executive Director may engage the services of one or more external investment managers to assist in the management of the entity’s investment portfolio in a manner consistent with this investment policy. Investment advisers may be hired on a non-discretionary basis. All investment transactions by approved investment advisers must be pre-approved in writing by the Investment Officer and compliant with this investment policy. If the District hires an investment adviser to provide investment management services, the adviser is authorized to transact with its direct dealer relationships on behalf of the District.
- e. Authorized Financial Dealers and Institutions – The Investment Officer will maintain a list of dealers with whom they are authorized to do business. These may include “primary” dealers or regional dealers that qualify under SEC Rule 15C3-1 (uniform net capital rule). If an investment advisor is hired, the advisor may execute directly with the approved dealers.

### **Administration and Operations**

- 1. Delivery vs. Payment- All security transactions entered into by the District will be conducted on a delivery vs. payment (DVP) basis.
- 2. Safekeeping - Securities may be held in safekeeping by a third-party custodian designated by the Investment Officer.
- 3. Internal Controls - The Investment Officer and Executive Director are jointly responsible for establishing and maintaining an adequate internal control structure designed to reasonably assure that invested funds are invested within the parameters of this investment policy and, protected from loss, theft or misuse.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management. The District shall comply with all applicable legal provisions and Generally Accepted Accounting Principles (GAAP) relating to investment accounting.

- 4. Pooling of Funds – Except for cash in certain restricted and special funds, the District will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with GAAP.
- 5. Independent Review - An external auditor shall provide an annual independent review to assure compliance with Oregon state law and District policies and procedures.

### **Suitable and Authorized Investments**

- 1. Permitted Investments – Consistent with the Government Finance Officers Association (GFOA) Policy Statement on State and Local Laws Concerning Investment Practices, the following investments are permitted by this policy and pursuant to ORS 294.035, 294.040, and ORS 294.810:

- a. Obligations of the U.S. government:
    - US Treasury Notes, Bonds and Bills
    - Senior unsecured debt obligations guaranteed by the Federal Deposit Insurance Corporation (FDIC) under the Temporary Liquidity Guarantee Program (TLGP)
  - b. Obligations and guarantees of U.S. government agencies, corporations wholly owned by the U.S. government or any Government Sponsored Enterprises (GSEs). Specific listing:
    - Federal Home Loan Bank – FHLB
    - Federal Farm Credit Bank – FFCB
    - Federal Home Loan Mortgage Corporation – FHLMC
    - Federal National Mortgage Association - FNMA
  - c. All treasury and agency securities must be non-callable with a fixed rate
  - d. Oregon Short Term Fund (OSTF) - LGIP
2. Collateralization – All bank deposits, time deposits, certificates of deposit, and money market savings accounts, shall be held in qualified Oregon depositories in accordance with Oregon Revised Statutes, including ORS Chapter 295. Such deposits are designated cash management tools and not investments under this policy or otherwise.

### **Investment Parameters**

1. Diversification - The investments shall be diversified by:
  - a. Limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
  - b. Limiting investment in securities that have high credit risks,
  - c. Investing in securities with varying maturities, and
  - d. Continuously investing a portion of the portfolio in readily available funds such as the Oregon Short-Term Fund per ORS Chapter 294.810.
2. Maximum Maturities - To the extent possible, the District shall attempt to match its investments with anticipated future cash flow requirements. The maximum maturity shall be the anticipated use of the cash or 18 months, whichever is shorter, unless the funds are being accumulated for a specific purpose, including future construction projects, and upon approval of the Board of Directors (ORS Chapter 294.135).

To ensure funds are available for cash flow requirements, the Investment Officer shall limit the maturities of securities owned, based on market value, in order to manage the weighted average maturity of the portfolio to current market conditions and economic expectations. The following guidelines shall apply:

- a. Operating Funds: no more than 20% of the portfolio may be invested beyond 12 months, and the weighted average maturity of the portfolio shall not exceed one year.

b. Capital Project Funds: maturities shall be based on cash flow requirements, but no maturities shall exceed three years, unless approved by the Board of Directors. The weighted average maturity shall not exceed 18 months in duration.

3. Maximum Percentages of Investments - Surplus funds available for investment are those funds not required for immediate expenditure, and include: investments, savings accounts, CDs and OSTF deposits. Balances in checking accounts and demand deposit accounts are not considered surplus funds.

The maximum percentages for investments of surplus funds are as follows:

Security	Limitation
U.S. Treasury Issues	Up to 100%
TLGP	Up to 35%, with no more than 5% per issuer
Agency (GSEs)	Up to 33% per issuer
LGIP/Cash	Minimum of 10% of bond proceeds, maximum is the lesser of 100% or the amount permitted by ORS Chapter 294.810

Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase of a particular security. Securities need not be liquidated to realign the portfolio; however, the Investment Officer will take the steps necessary to correct the situation as soon as possible.

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds, such as the OSTF or overnight repurchase agreements, or held in bank balances to ensure that appropriate liquidity is maintained to meet ongoing obligations.

4. Bond Funds - The investment of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. Bond proceeds shall be invested in accordance with the parameters of this policy, ORS Chapter 294.052 and the applicable bond covenants and tax laws; whichever is most restrictive.
5. Securities Lending and Reverse Repurchase Agreements - The District shall not lend securities nor directly participate in a securities lending or reverse repurchase program.
6. Bids and Offers - Before any security purchase or sale is initiated, the Investment Officer shall first determine the appropriateness of seeking competitive bids or offers. Such factors to consider include where the securities are held, the size of the transaction, and the term to maturity. In the event competitive bids or offers are not sought, the decision to do so shall be documented. Competitive bids and offers shall always be sought for security.

### **Policy Maintenance and Considerations**

1. Review - The investment policy shall be reviewed at least every five years to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.
2. Exemptions - Any investment held prior to the adoption of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested as provided by this policy.
3. Policy Adoption and Amendments - This investment policy and any modifications to this policy must be formally approved in writing in advance by the Executive Director.

This policy must be submitted to the Oregon Short Term Fund (OSTF) Board for review if:

- a. This policy allows maturities beyond 18 months unless the funds are being accumulated for a specific purpose, including future construction projects, and upon approval of the Executive Director, the maximum maturity date matches the anticipated use of the funds (ORS 294.135).

And either:

- This policy has never been submitted to the OSTF Board for comment; or
- Material changes have been made since the last review by the OSTF Board.

Regardless of whether this policy is submitted to the OSTF Board for comment, this policy shall be re-submitted not less than every five years to the Executive Director for review and approval.

### **Responsibilities**

The authority to adopt and amend this policy lies with the Board of Directors. The Executive Director and the Administrative Services Director shall be responsible for implementing and complying with this policy. The Executive Director and the Administrative Services Director shall review this policy at least every five years.

### **Pension Funding Policy**

It is the District's policy to provide retirement benefits for its employees once they meet specified qualifications. The District participates in: the State of Oregon Public Employees Retirement System (PERS) retirement plan. The purpose of this policy is to establish minimum standards for the proper funding of the District's pension obligations.

### **State of Oregon PERS**

The District is an employer-participant in the State of Oregon PERS as established in ORS 238.600. Actuarial valuations of PERS are performed for the Public Employees Retirement Board (PERB) to evaluate PERS' assets and liabilities and indicate its current and prospective financial condition. The PERB determines employer-participant contribution rates, which are then used to calculate each employer-participant's annual required contribution. It is the District's policy to make contributions at no less than the rate established by the PERB and required by ORS 238.225.

### **Accrued Pension Liabilities**

The District may elect to fund accrued pension liabilities rather than funding such obligations on a pay-as-you-go basis. The decision of whether or not to fund accrued pension liabilities earlier than statutorily required shall be made solely by the Board of Directors and shall be informed by financial analysis and be deemed financially beneficial in the long term for the District and its residents. The Executive Director and Administrative Services Director shall periodically perform a financial analysis and present it to the Board of Directors.

Early funding could be done through one of two methods.

1. The payment of a lump-sum amount - this method shall require sufficient available and non-allocated reserves.
2. The issuance of pension obligation bonds - the principal amount of outstanding pension obligations and the debt service on such obligations shall be excluded from calculations of outstanding debt under the District's Debt Management Policy.

### **Pension Contributions**

The District contributes the employer contribution amount for the benefit of PERS eligible employees on a monthly basis. This amount is based upon the current PERS-calculated percent of eligible employees' wages; this percent is recalculated bi-annually by the PERB.

Per Oregon Revised Statute 238A, employers may elect to treat the 6% employee contribution as a pick up on a pretax basis, and contribute it for the employee. The Board of Directors adopted Resolution No. 358, effective January 1, 2014, to authorize the employee contributions to be deducted from the salary of employees (a static 6% of eligible employee wages), rather than to pay it as a “pick-up”. The District’s Board of Directors maintains the sole authority to change this election.

### **Responsibilities**

The authority to elect to fund accrued pension liabilities rather than on a pay-as-you-go basis, and which method is used, lies solely with the Board of Directors. The Executive Director and the Administrative Services Director shall be responsible for implementing and complying with this pension funding policy.

### **Debt Management Policy**

This Debt Management policy provides a general framework under which the District plans for and manages the use of debt financing. This policy should be considered within the broader scope of the District’s Financial Management Policies and other District policies and procedures. In addition to adhering to this policy, all District financings will be conducted and maintained in compliance with applicable Federal law, Oregon Revised Statutes, District policies and other regulatory requirements.

It is the objective of this policy that:

1. The District obtain financing only when necessary as determined by the Board of Directors;
2. The process for identifying the timing, amount and type of debt or other financing be as efficient as possible;
3. The most favorable interest rate and other related costs be obtained; and
4. When appropriate, future financial flexibility is maintained.

Debt financing shall only be used to purchase capital assets that cannot be acquired from either available or not otherwise committed or assigned current revenues or fund balances. No debt shall be issued to fund capital projects unless such capital project has been included in the CIP and authorized by the Board of Directors. The useful life of the asset or project shall meet or exceed the payout schedule of any debt the District assumes. All short-term or long-term debt financings shall be authorized by a resolution of the Board of Directors. The District will comply with all statutory debt limitations imposed by the Oregon Revised Statute and all bond covenants, arbitrage requirements, disclosure and other requirements specified by law.

To enhance creditworthiness and prudent financial management, the District is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning. Evidence of this commitment to capital planning will be demonstrated through adoption and periodic adjustment of the District’s Comprehensive Plan and the annual adoption of a Capital Improvement Plan (CIP) identifying the prioritization, costs and method of funding each capital improvement planned for the succeeding five years.

### **Use of Debt Financing**

Debt financing will not be considered appropriate for any recurring purpose such as current operating and maintenance expenditures. The District will use debt financing only for one-time capital improvement projects and unusual equipment purchases, and only under the following circumstances:

1. When the project is included in the District's Five-Year Capital Improvement Plan;
2. When the project involves acquisition of equipment that cannot be purchased outright without causing an unacceptable burden on current resources;
3. When the project is the result of growth-related activities within the community that require unanticipated and unplanned infrastructure or capital improvements by the District;
4. When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing; and
5. When there are identified, designated revenues sufficient to service a debt, whether from projected revenues, or other specified and reserved resources.

The following criteria will be used to evaluate pay-as-you-go versus debt financing in funding capital improvements:

1. Factors which favor pay-as-you-go financing include circumstances where:
  - a. The project can be adequately funded from available current revenues and fund balances;
  - b. The project can be completed in an acceptable timeframe given the available revenues;
  - c. Additional debt levels could adversely affect the District's credit rating or repayment sources; or
  - d. Market conditions are unstable or suggest difficulties in marketing a debt.
2. Factors which favor long-term debt financing include circumstances where:
  - a. Revenues available for debt issues are considered sufficient and reliable so that long-term financing can be marketed with an appropriate credit rating, which can be maintained;
  - b. Market conditions present favorable interest rates and demand for District debt financing;
  - c. A project is immediately required to meet or relieve capacity needs and existing unallocated cash reserves are insufficient to pay project costs; or
  - d. The life of the project or asset financed is five years or longer.

### **Short-term Debt and Interim Financing**

The District may utilize short-term debt or interfund loans as permitted, to cover temporary shortages due to timing of cash flows which may result from a delay in receipting grant proceeds or other revenues or a delay in issuance of long-term debt. Where their use is determined by the Executive Director to be prudent and advantageous to the District, and upon prior authorization from



the Board of Directors, the Executive Director may enter into the following short-term debt and/or interim financing agreements:

1. Lines and Letters of Credit - The District may enter into agreements with commercial banks or other financial entities for purposes of acquiring lines or letters of credit that shall provide the District with access to credit under terms and conditions as specified in such agreements. Before entering into any such agreements, takeout financing or intended amortization for such lines or letters of credit must be planned for and determined to be feasible by the Executive Director and subject to authorization and approval by the Board of Directors.
2. Bond Anticipation Notes - Where their use is determined by the Executive Director to be prudent and advantageous to the District, and subject to authorization and approval by the Board of Directors, the District may choose to issue Bond Anticipation Notes as a source of interim construction financing. Before issuing such notes, takeout financing for such notes must be planned for and determined to be feasible by the Executive Director. Bond Anticipation Notes may be sold in either a competitive or negotiated sale.
3. Tax and Revenue Anticipation Notes - Where their use is determined by the Executive Director to be prudent and advantageous to the District, and subject to authorization and approval by the Board of Directors, the District may choose to issue Tax and Revenue Anticipation Notes to fund internal working capital cash flow needs. Before issuing such notes, cash flow projections will be prepared by the Administrative Services Director and determined to be feasible by the Executive Director. Tax and Revenue Anticipation Notes may be sold in either a competitive or negotiated sale.
4. Other Short-Term Debt may be used when such instruments provide an interest rate advantage or as interim financing.

#### **Long-term Debt**

Where their use is determined by the Executive Director to be prudent and advantageous to the District, in compliance with this policy, and upon prior authorization from the Board of Directors, the Executive Director may enter into the following long-term debt obligations:

1. General Obligation Bonds – The District may issue general obligation debt for capital projects and/or acquisitions, which commits the general obligation of the District. The full faith and credit of the District are pledged to the successive owners of the bonds for the punctual payment of such obligations, when due. General obligation (G.O.) bonds provide the investor with its most secure District transaction, because the District pledges its unlimited authority to levy property taxes for debt service. The District covenants to annually levy a direct ad valorem tax upon all of the taxable property within the District in an amount without limitation as to rate or amount. The taxes, when collected, are required to be applied solely for the purpose of payment of principal and interest on the bonds and for no other purpose until the bonds have been fully paid and discharged.

2. Full Faith and Credit Obligations – The District may issue full faith and credit obligations, for capital projects and/or acquisitions, which benefit the District as a whole, which commit the general obligation of the District. However, unlike GO bonds, the District commits to paying the principal and interest from the District’s current permanent tax levy, and does not covenant to annually levy an additional direct ad valorem tax.
3. Revenue Bonds – The District may issue revenue bonds to fund capital projects and/or acquisitions that generate adequate revenues from user fees to support operations and debt service requirements if doing so will yield clearly identifiable advantages. The bonds shall include written legal covenants which require that revenue sources are adequate to fund annual operating expenses and annual debt service requirements.
4. Capital Leases – The District may enter into capital leases for the purpose of the purchase of buildings, equipment, furniture and/or fixtures. The term of any capital lease shall not exceed the useful life of the asset leased.

#### **Selection of Finance Consultants and Service Providers**

The District’s Administrative Services Director shall be responsible for establishing a solicitation and selection process for securing professional services that are required to develop and implement the District’s debt program. Goals of the solicitation and selection process shall include encouraging participation from qualified service providers, both local and national, and securing services at competitive prices. The solicitation and selection process for such services will comply with District requirements for such services, if appropriate.

1. Bond Counsel - As part of the responsibility to oversee and coordinate all District indebtedness, the Administrative Services Director shall make recommendations to the Executive Director regarding the selection of one or more Bond Counsel firms to be engaged and the duration of the engagement. Bond Counsel may be selected for an individual financing, for a series of financings or for a specified period of time. The Executive Director shall make such selection, taking into consideration these recommendations.
2. Underwriters - The Executive Director shall either solicit proposals for underwriting services for all long-term debt, or may select such services by direct-appointment, if in compliance with the District’s purchasing policies and Oregon state statutes. If a solicitation process is used, the process shall include formation of a review committee selected by the Administrative Services Director to evaluate written proposals and, if deemed necessary, conduct oral interviews. The selection of underwriters may be for an individual or series of financings or for a specified period of time. The Executive Director, in consultation with the Administrative Services Director, shall make such selections.
3. Commercial Banks - The Executive Director, in consultation with the Administrative Services Director, may solicit proposals from commercial banks to provide lines of credit, letters of credit, direct loans and direct bank placements as needed. Selection of such providers will be based

upon the proposed financial terms deemed most advantageous to the District, including, but not limited to, lowest cost.

4. Financial Advisor - The Executive Director shall either solicit proposals for financial advisor services for all long-term debt, or may select such services by direct-appointment, if in compliance with the District's purchasing policies and Oregon state statutes. If a solicitation process is used, the process shall include formation of a review committee selected by the Administrative Services Director to evaluate written proposals and, if deemed necessary, conduct oral interviews. The time period for engagement may relate to an individual or a series of financings, or for a specified period of time. The Executive Director, in consultation with the Administrative Services Director, shall make such selections. Any firm acting as financial advisor to the District regarding debt issuance must be a registered Municipal Advisor (as defined by the Municipal Securities Rulemaking Board) and must remain in compliance with all securities regulations.
5. Other Service Providers - The Executive Director, in consultation with the Administrative Services Director, shall periodically solicit for providers of other services necessary to carry out the debt issuance activities of the District (paying agents, escrow agents, verification agents, feasibility consultants, rebate consultants, trustees, etc.). The Executive Director, in selecting such additional service providers, shall evaluate the cost and perceived quality of service of the proposed service provider.

#### **Method of Sale**

1. Presumption of Competitive Sale - The District, as a matter of policy, shall issue its long-term debt obligations through a competitive sale unless the Executive Director determines that such a sale method is unlikely to produce the best results or is otherwise not in the best interests of the District. In such instances, or when the Executive Director deems the bids received through a competitive sale process as unsatisfactory or does not receive bids, the District may enter into negotiation with an underwriter (or syndicate of underwriters) for sale of the securities.
2. Negotiated Sale - When determined appropriate by the Executive Director, the District may elect to sell its debt obligations through a negotiated sale. Such determination may be made on an issue by issue basis, for a series of issues, or for part or all of a specific financing program. Selection of the underwriting team shall be made pursuant to selection procedures set forth in this policy, consistent with District policies, and as may be adjusted by the Executive Director. It is the District's policy that negotiated sale underwriters receive fair and reasonable compensation for actual expenses incurred as part of the bond transaction, but underwriters will not be compensated for travel expenses unless such travel is specifically requested by the District. The Executive Director will be responsible for monitoring pricing results to confirm that bond price behavior after the pricing date is consistent with reasonable market expectations.
3. Private Placement - When determined appropriate by the Executive Director, the District may elect to sell its debt obligations through a direct bank loan, private placement or limited public offering. Selection of a placement agent shall be made pursuant to selection procedures

developed by the Executive Director, consistent with this policy and with District policies, as applicable.

### **Refunding of District Indebtedness**

1. Monitoring of Refunding Opportunities - The Administrative Services Director shall be responsible for monitoring the interest rates and optional redemption provisions of the District's outstanding debt in order to identify potential current or advance refunding opportunities.
2. Debt Service Savings-Advance Refundings - The District may issue advance refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible and prudent, and when net present value savings equals or exceeds 5 percent, calculated in accordance with Oregon Administrative Rules on Advance Refundings. In addition, issuance of advance refunding bonds that generate at least 3 percent, but less than 5 percent, net present value debt service savings may be allowed with the approval of the Executive Director, in consultation with the Administrative Services Director. Such approval, if given, shall be based upon an opportunity cost analysis of the savings benefits of executing the advance refunding versus waiting for a possible future decline in interest rates.
3. Debt Service Savings-Current Refundings - The District may issue current refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible and prudent.
4. Restructuring of Debt - The District may choose to refund outstanding indebtedness when existing bond covenants or other financial structures impinge on prudent and sound financial management. Savings requirements for current or advance refundings undertaken to restructure debt may be waived by the Executive Director upon a finding that such a restructuring is in the District's overall best financial interests.
5. Open Market Purchase of District Securities - The District may choose to defease its outstanding indebtedness through purchases of its securities on the open market when market conditions make such an option financially feasible.

### **Rebate Compliance and Other Post-Issuance Responsibilities**

The Administrative Services Director shall be responsible for implementing and complying with the District's Tax-Exempt Bond Post-Issuance Compliance Policy which establishes and maintains a system of record keeping and reporting to meet all post-issuance compliance requirements of the federal tax code and applicable federal securities law.

### **Disclosure**

1. Primary Market Disclosure - The Administrative Services Director shall be responsible for establishing a process for the review, approval and publication of official primary market disclosure information. Such process shall be periodically reviewed to ensure that the District is complying with legal requirements and following accepted best practices with respect to primary market disclosure.

2. Continuing Disclosure - The Administrative Services Director shall be responsible for preparing and providing required continuing disclosure information to the Electronic Municipal Market Access (“EMMA”) or any such successor organization designed to assist Districts in maintaining compliance with disclosure standards promulgated by state and national regulatory bodies. The Administrative Services Director shall also be responsible for establishing and maintaining a process to guide continuing disclosure actions and responsibilities. Additionally, the Administrative Services Director may determine that it is in the District’s best interest to prepare and provide information beyond the minimum continuing disclosure requirements, and may prepare and provide such information from time-to-time.

### **Responsibilities**

The Executive Director and the Administrative Services Director shall be responsible for implementing and complying with this policy. All short-term or long-term debt financings shall be authorized by a resolution of the Board of Directors.

## **Glossary**

**Accrual basis.** Method of accounting recognizing transactions when they occur without regard to cash flow timing.

**ADA.** Acronym for the Americans with Disabilities Act of 1990.

**Adopted budget.** The budget approved by the Budget Committee becomes the adopted budget after the Board of Directors takes action on it. The adopted budget becomes effective July 1.

**Ad valorem tax.** A property tax computed as a percentage of the value of taxable property.

**Appropriation.** Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution adopted by the Board.

**Approved budget.** The proposed budget as amended and approved by the Budget Committee is recommended to the Board for adoption and is referred to as the approved budget.

**Art Station.** The District re-opened Art Station's doors in October 2016 after its prior owner/operator was unable to continue services. This facility continues the legacy of providing quality art education and play, and offers programs featuring a variety of mediums, including painting, drawing, sculpture, jewelry, glass arts, ceramics, pottery, textiles, and mixed media.

**Assessed value (AV).** The value set by the County Assessor on real and personal property in order to establish a basis for levying taxes.

**Balanced budget.** Oregon's Local Budget Law states the local governments must construct their budgets in such a manner that the total resources in a fund equal the total expenditures and requirements for that fund, and the total of all resources of the District must equal the total of all expenditures and all requirements for the District. A budget that meets these specifications is considered balanced.

**Beginning fund balance.** Net resources (cash and noncash) available in a fund at the beginning of a fiscal year, carried over from the prior fiscal year.

**Beginning working capital.** The amount of cash resources that a fund has at the beginning of the fiscal year.

**Bend Senior Center.** A gathering place and center of activities for persons 50 years and better, the Bend Senior Center activities and programs are designed to promote active healthy lifestyles through health, education, recreation, and socialization.

**Bend Whitewater Park.** Located in the Deschutes River near the Old Mill District, this in-water amenity offers a variety of river recreation opportunities including tubing, kayaking, and surfing.

**Board of Directors (Board).** A five-member governing body of the District, elected by the residents of the District, which is responsible for developing District goals and setting policy.

**Budget.** Written report showing the District's comprehensive financial plan for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year.

**Budget calendar.** The schedule of major events in the budget process.

**Budget committee.** Fiscal planning board of the District, consisting of the Board of Directors plus an equal number of District residents appointed by the Board.

**Budget message.** Written explanation of the budget and the District's financial priorities. It is prepared and presented by the Executive Director or Budget Officer.

**Budget officer.** Person appointed by the Board to assemble budget material and information and to physically prepare the proposed budget – this is the Administrative Services Director.

**Capital Improvement Plan (CIP).** A planning tool designed to guide the implementation of the District's Comprehensive Plan and to provide for the acquisition and development of parks and recreation facilities during the succeeding five-year period. The CIP is reviewed annually by the Board and revised to prioritize the most important needs and to recognize budget constraints.

**Capital outlay.** Items which generally have a useful life of two or more years, and cost over \$5,000, such as equipment, vehicles, land, park development, or buildings.

**Capital project funds.** Funds dedicated to the acquisition, construction, or improvement of capital assets.

**CAPRA.** Acronym for Commission for Accreditation of Park and Recreation Agencies.

**Comprehensive Plan.** The District's Comprehensive Plan is a tool used by park planners and the Board to plan for growth in park, trail, facility, and recreation program demands. Based on input from the community, the plan helps guide the future of the District over a ten-year time frame.

**Contingency.** An appropriation of funds to cover unforeseen events and emergencies, which occur during the fiscal year.

**Cost of living adjustment.** The District may grant an annual cost of living adjustment (COLA) in any given year that is determined appropriate based on the financial condition of the District. A COLA is applied to the salary schedule, and individual wages, which keeps the pay plan ahead of minimum wage increases.

**Cost recovery.** Cost recovery represents the portion of the costs of providing services that is recovered through user fees and other non-tax resources.

**Current taxes.** Taxes levied and becoming due during the current fiscal period, from the time the amount of the tax levy is first established to the date on which a penalty for nonpayment is attached.

**Delinquent taxes.** Taxes remaining unpaid on and after the date on which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or canceled, the unpaid balances continue to be delinquent taxes until canceled.

**Ending fund balance.** The amount that remains unspent in a fund after subtracting budgeted expenditures, including contingency.

**Expenditure.** The actual outlay of, or obligation to pay, cash. Expenditures exclude fund-level requirements such as contingency and interfund transfers.

**Debt service funds.** Funds that account for the payment of debt service on general obligation bonds and other long-term debt.

**Fiscal year.** A 12-month period to which the annual operating budget applies. It is July 1 through June 30 for local governments in Oregon.

**Full-time employee.** An employee who regularly works a minimum of 40 hours a week in a Board approved full-time position.

**Full-time equivalent (FTE).** The conversion of total hours worked by multiple employees into the hours worked by a full-time employee (2,080 hours on an annual basis).

**Fund.** A budgetary and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances, all segregated for specific, regulated activities and objectives. Funds are established in accordance with state and local laws, regulations, and other limitations.

**General Fund.** A fund used to account for most fiscal activities except for those activities required or determined by the Board to be accounted for in another fund. The District's General Fund accounts for administration, planning, park services, community relations and recreation.

**General obligation (GO) bonds.** Voter-approved bonds backed by the full faith and credit and taxing authority of the District. These bonds are typically paid from a property tax levied upon all taxable property within the District. GO bonds are used to finance a wide range of capital projects.

**GIS.** Acronym for geographic information system. GIS is a framework for gathering, managing, and analyzing data.

**Government Finance Officers Association (GFOA) Distinguished Budget Award.** The highest form of recognition in governmental budgeting. Its attainment represents a significant accomplishment by the management, staff, and elected officials of award recipients. Budgets are evaluated for effectiveness as a policy document, a financial plan, an operations guide, and a communication device.

**Grant.** A donation in cash by one governmental unit to another, or from a non-profit organization, which may be made to support a specified purpose or function, or general purpose.

**Interfund transfers.** Amounts distributed from one fund to finance activities in another fund. They are shown as expenditures in the originating fund and revenues in the receiving fund. An example of this is the interfund transfer from the General Fund to the Facility Reserve Fund.



**Juniper Swim & Fitness Center (JSFC).** Juniper Swim and Fitness Center is a state of the art health, fitness and recreation facility which offers a variety of quality fitness and aquatic programs for people of all ages and abilities.

**Larkspur Community Center.** Building on the Bend Senior Center legacy, Larkspur Center is an expansion project which will welcome people of all ages, while retaining and enhancing programs and services to older adults currently provided at the facility. The expanded facility will include approximately 40,000 square feet of additional space and offer a multitude of opportunities to enhance lifelong fitness, learning and enrichment. New proposed amenities will include a warm water pool, fitness facilities and indoor walking track, as well as opportunities for learning and community-building.

**Levy.** (Verb) To impose taxes for the support of governmental activities. (Noun) The total amount of taxes imposed by a government.

**Local Budget Law.** Oregon Revised Statutes, Chapter 294, which prescribes budgeting practices for municipalities, counties, and special districts within Oregon.

**Local government.** Any city, county, port, school district, special district, or community college operated by a separate board or commission; a municipal corporation or municipality.

**Maximum assessed value (MAV).** The maximum taxable value limitation placed on real or personal property by Oregon's constitution. It can increase a maximum of 3 percent each year. The 3 percent limit may be exceeded if there are qualifying improvements made to the property, such as a major addition or new construction. It may also not be reached in a time of recession when property values decline significantly.

**Merit increase.** The District evaluates employees annually, at which time the employee is eligible for a wage increase based upon the merits of their prior year performance.

**Mission.** A statement of an organization's overall purpose.

**Modified accrual accounting.** The District's budget is created using the modified accrual basis of accounting whereby revenues are recorded only when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means that the amount of the transaction can be determined and "available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

**Objective.** A statement of specific direction, purpose or intent based on the needs of the community and the goals established for a given program.

**Operating contingency.** This is appropriated on the assumption that unforeseen spending may become necessary or a reduction in anticipated revenues may occur. A resolution by the Board must be passed before any of the operating contingency can be transferred to an expenditure category to be spent.

**Part-time employee.** An employee who regularly works less than 35 hours per week in one or more year-round positions.

**Permanent tax rate.** The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent tax rate can be used by the District for park and recreation services as authorized by the Oregon Revised Statutes. No action of the local government can increase a permanent rate. The District's permanent rate is \$1.461 per \$1,000 assessed value.

**PERS.** Abbreviation for the State of Oregon Public Employees Retirement System.

**Personnel services.** Payroll expenses such as: wages, PERS, Social Security, medical, vision and dental insurance benefits.

**Proposed budget.** Financial and operating plan prepared by District staff and approved by the Executive Director. It is submitted to the public and the Budget Committee for deliberation.

**Publication.** Public notice given by publication in a newspaper of general circulation within the boundaries of the local government.

**RecTrac.** The online recreation registration and facility reservation software system used by the District.

**Requirements.** Budgeted expenditures plus ending fund balance. Requirements include expenditures, contingencies, interfund transfers, debt service, and ending fund balance.

**Reserves.** Resources set aside for specific future capital projects, asset management, emergency expenses, downturns in the economy, or other unforeseen needs.

**Reserve funds.** Established to accumulate money from year to year for a specific purpose, such as purchase of new equipment. The District has two reserve funds: the Equipment Reserve Fund (which is for new and replacement vehicles and equipment) and the Facility Reserve Fund (which is for acquiring, constructing, and/or maintaining real property and/or building facilities).

**Resolution.** A formal order of a governing body; lower legal status than an ordinance.

**Resources.** Revenue and other monies (beginning fund balances) that the District has or expects to receive.

**Revenue.** Money received into a fund or department from outside the fund or department.

**Seasonal employee.** An employee who works for a specific period, but less than six months, or is hired for a limited period of time to complete a specific task or assignment.

**Special revenue funds.** Funds established to receive money from specific revenue sources that are legally or Board restricted to expend for specific purposes.

**Springbrook.** The District's financial software system.

**Strategic Plan.** The Strategic Plan establishes a five-year future direction for the District. It creates direction for strengthening connections with community, the future allocation of resources, financial

stability, internal support and communication, refining organizational culture, and the capacity for learning and growth.

**Subsidy.** The part of the cost of providing a service that is not covered by the user fee, in order to reduce the fee to the user. Tax subsidy is the portion of the cost paid for through tax revenues.

**Supplemental budget.** A financial plan prepared to meet unexpected needs or to spend revenues not anticipated when the regular budget was adopted. It cannot be used to authorize a tax.

**Systems Development Charges (SDCs).** SDCs are fees charged to new development for their fair share of the cost of infrastructure built or needed to serve the new development.

**Tax rate.** The amount of tax stated in terms of a unit of tax for each \$1,000 of assessed value of taxable property.

**The Pavilion.** Designed and developed with 2012 GO Bond funds, The Pavilion is a covered, open air facility which houses a full NHL size ice sheet for ice sports and activities (hockey, curling, open skate, etc.) during the winter months, and hosts a variety of sport and recreation activities during the non-ice season. It is also home to The PAC, an all-day summer camp program for youth.

**Unappropriated ending fund balance.** Amount set aside in the budget to be used as a cash carryover to the next year's budget, and is not included in the appropriations. It provides the local government with cash until tax money is received from the county treasurer in November. It is also used for maintaining an emergency reserve for the government entity. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency.

**UGB.** Urban Growth Boundary, an officially adopted and mapped line that separates an urban area from surrounding open lands. All cities in Oregon are required to have a 20-year supply of land for housing and employment in their Urban Growth Boundary.