



Bend Metro Park & Recreation District

February 7, 2023

# Board of Directors Annual Workshop Agenda

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



*play for life*



## **Our Vision**

To be a leader in building a community connected to nature, active lifestyles and one another.

## **Our Mission**

To strengthen community vitality and foster healthy, enriched lifestyles by providing exceptional park and recreation services.

## **We Value**

Excellence by striving to set the standard for quality programs, parks and services through leadership, vision, innovation and dedication to our work.

Environmental Sustainability by helping to protect, maintain and preserve our natural and developed resources.

Fiscal Accountability by responsibly and efficiently managing the financial health of the District today and for generations to come.

Inclusiveness by reducing physical, social and financial barriers to our programs, facilities and services.

Partnerships by fostering an atmosphere of cooperation, trust and resourcefulness with our patrons, coworkers and other organizations.

Customers by interacting with people in a responsive, considerate and efficient manner.

Safety by promoting a safe and healthy environment for all who work and play in our parks, facilities and programs.

Staff by honoring the diverse contributions of each employee and volunteer, and recognizing them as essential to accomplishing our mission.

*play for life*

District Office | Don Horton, Executive Director

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# Board of Directors

## Workshop – February 7, 2023

### Bend Park and Recreation District Office



#### AGENDA

The Board Workshop will be held in person with a virtual link. Members of the public are invited to join the meeting using Zoom.

Please use the link below to join the webinar:  
<https://us02web.zoom.us/j/84713219029?pwd=UGMwYUppTWg3MGtvQzZyeEYrdlh5dz09>  
Passcode: 878721

Or Telephone:  
US: +1 669 900 6833  
Webinar ID: 847 1321 9029  
Passcode: 878721

**1:00 p.m. EXECUTIVE SESSION** – The Board will meet in Executive Session prior to the Board Workshop pursuant to ORS 192.660(2)(e) for the purpose of discussing real property transactions. This session is closed to all members of the public except for representatives of the news media. News media is asked to contact Sheila Reed to attend [sheilar@bendparksandrec.org](mailto:sheilar@bendparksandrec.org).

#### **2:00 p.m. WORKSHOP**

1. **Strategic Plan - Annual Action Plan Mid-Year Review** – *Michelle Healy and Rachel Colton (45 min)*

On June 18, 2019, the board adopted the 2019-2022 Strategic Plan (plan). The plan was subsequently extended through fiscal year 2023-2024 in September 2021 due to shifting priorities resulting from the COVID-19 pandemic and staffing shortages. The plan includes three pillars--Employees and Workplace Culture, Community Relationships, and Operations and Management Practices. Within the pillars, there are 11 desired outcomes, 21 strategies, and numerous actions to support the strategies. The plan also includes suggested performance measures for each desired outcome to track the district’s progress over time.

The plan is a living document that staff updates biannually to ensure the plan’s relevancy in meeting the district’s desired outcomes, and to track progress in accomplishing the action items that support desired outcomes. The last action update to the board was in September 2022. This workshop update will focus on progress on action items in the first two quarters of fiscal year 2022-2023 (Attachment A).



For the 2022-2023 fiscal year, the plan identifies 45 action items. The majority (43) of the 45 action items are complete, complete/in-progress or in-progress, with only two action items that have not yet started.

Performance measures are a valuable tool to help the district track progress toward achieving desired outcomes in the plan. Over the past few years, staff has presented 13 performance measures for board review and feedback. This year staff will bring updates for all 13 performance measures, and will provide an update regarding potential future performance measures.

*Goal of agenda item:* Review progress made on the actions and performance measures and discuss modifications as necessary.

*Supporting Documents (attached):* Adopted Strategic Plan – available on the BPRD website ([link](#)), Attachment A – Fiscal Year 2022-2023 Annual Action Plan (Mid-Year Review); Attachment B – Performance Measures Report

## 2. **Financial Forecast** – *Kristin Donald (60 min)*

The financial forecasting model has become a valuable tool in predicting the effects of capital funding decisions, operational strategies, levels of service, subsidy levels and economic circumstances on the district's financial viability. Being able to foresee how decisions today will affect the Bend Park and Recreation District's future operational budgets is vital to ensure the long-term financial sustainability of the district. Financial forecasting becomes even more important as BPRD adds facilities and services, and as operating costs continue to increase.

Other planning efforts, such as the district's comprehensive plan, strategic plan, capital improvement plan and annual action plan, aid in this forecast. The board of directors and staff seek and receive community input in the development of these planning documents and review and revise them throughout the year. This financial forecast is for planning purposes only and to help guide the upcoming budget process.

As we prepare for the FY2023-24 budget (FY24), we are forecasting at a high level the financial wellbeing of the district for the next five years. We use broad estimates with the information available now. Looking at all funds with the current estimates, economic conditions and past data, we can maintain needed fund balances. There are large purchases planned, such as the new park maintenance facility and growth taking place. Keeping wages up with inflation, meeting retirement fund obligations, maintaining our assets and addressing our parks and trail growth are all taken into consideration. We can meet minimum fund balances at the end of the five-year forecast, but our ability to save for facility maintenance and equipment replacement begins to decrease due to rising personnel and operational costs.

This financial forecast takes a moderate conservative approach, and our projections continue to show that we are living within our means. The last year of the five-year term forecasts expenses will be more than revenue, but the district will still be able to maintain minimum reserves.

The forecasts, and the underlying assumptions, will be presented and discussed during the workshop.

*Goal of agenda item:* Staff intends for this tool to help provide a means for the board to gain an understanding of the future financial capacity of the district for decision-making on property tax-funded priorities.

*Supporting Documents:* Attachment C – Financial Forecast FY2024 – FY2028

**3:45 pm Break (15 min)**

**3. Recreation Cost Recovery and Financial Forecast – Matt Mercer (50 min)**

The recreation department is funded largely through user fees, but also requires general fund tax support to ensure programs and services are affordable, accessible and financially sustainable. The level of tax support for programs is determined by the board-adopted cost recovery guidelines. Cost recovery expectations vary depending on the type or category of service. Services that have broad community access and benefit are subsidized at a higher level than programs that have more limited access and primarily benefit the individual served. The User Fees and Charges Policy provides a detailed explanation of cost recovery philosophy and methodology as well as current cost recovery guidelines. Staff does not recommend changes to the cost recovery guidelines as they have proven to be effective at balancing accessibility, the cost of providing services and long-term financial sustainability. The cost recovery model and cost recovery guidelines will be reviewed at the workshop.

The Recreation Financial Forecast is prepared annually and integrates into the overall District Financial Forecast. The forecast estimates the amount of tax subsidy that will be required to support recreation programs, facilities and services over the next five years. The forecast shows the recreation subsidy stabilizing to a “new normal” of approximately \$4.3 million with a cost recovery of 75-80%. This is more than double what the subsidy was prior to both the COVID pandemic and the opening of Larkspur Community Center, but less than previous financial forecasts. The forecast and underlying assumptions will be discussed during the workshop.

*Goal of agenda item:* Confirm cost recovery guidelines. Review recreation department financial forecast. Ensure board priorities are addressed.

*Supporting Documents:* Attachment D – Fees and Charges Policy; Attachment E – Recreation Financial Forecast FY 2024-2028

4. **Level of Service** – Michelle Healy, Sara Anselment and Henry Stroud (40 min)

The district’s current comprehensive plan was adopted in July 2018, and identifies level of service (LOS) targets for three types of park facilities:

- Neighborhood and Community Parks: 7.85 acres per 1,000 residents
- Regional Parks: 10 acres per 1,000 residents
- Trails: 1 mile per 1,000 residents

In order to meet these targets, the comprehensive plan identifies 99 separate projects aimed at meeting our LOS targets in the face of a steadily growing population. While the comprehensive plan provides an overarching vision, specific funding for these projects is allocated through the the system development charge (SDC) capital project list and in the district’s five-year capital improvement plan (CIP).

The comprehensive plan also identifies the importance of providing a park within a ½ mile walking distance of as many residents as possible. Using a mapping network model, district staff annually evaluate which parts of the district are located within a park walkshed. A similar analysis was used to identify the 28 park search areas and six crossing improvement areas identified in the 2018 comprehensive plan.

*Goal of agenda item:* Provide an overview of the district’s planning framework; review the current level of service calculations and population forecasts; and provide a high-level status update of the 99 projects identified in the comprehensive plan.

*Supporting Documents:* Adopted BPRD Comprehensive Plan – available on the district website ([link](#)).

**5:30 Break for Dinner** – (30 min)

5. **Capital Improvement Plan (CIP) Discussion** – Michelle Healy and Brian Hudspeth (60 min)

Staff will present the first draft of the proposed 2024 – 2028 CIP. The proposed CIP carefully weighs project priority against the forecast of available funding resources. For the first draft of the 2024-2028 CIP, staff has updated the status of projects included in the current CIP and added future projects informed by the comprehensive plan, asset management plan, ADA transition plan, or board priorities to meet community needs. Following the workshop, the draft 2024-2028 CIP may be adjusted upon board direction with the final CIP adopted in June 2023 as a part of the annual budget process.

*Goal of agenda item:* Review and discuss Draft 2024-2028 CIP

*Supporting Documents:* Attachment F – Draft CIP for Fiscal Years Ending 2024-2028

## 6. **Budget and Board Priorities – Don Horton (50 min)**

The budget will be tight this year because of rising personnel costs and inflation that has increased costs for serving our community. Knowing this, staff will present a proposed budget that focuses on taking care of what we have and maintaining existing level of service with the exception of a couple areas.

Safety across the district is a concern. We are seeing increased vandalism and more challenging patron behavior that merits an increase in our park steward program. The district also hired a consultant this past year to conduct security assessments of all indoor facilities. The consultant made several recommendations for facility improvements that will better prepare staff in the event of an emergency situation. Staff is now reviewing the report to determine priority recommendations for the next budget cycle.

Park Stewards are seeing more aggressive behaviors and increased vandalism in our parks. Park Services is experiencing big increases in graffiti, unauthorized vehicle use and damage (people doing donuts on sports fields), destruction of park property and an assault on a patron. Increasing the presence of Park Stewards could help to reduce these issues and will provide for better communication and coordination with law enforcement.

District needs assessment surveys conducted over the past three decades have shown a high desire for trails and natural areas. The Natural Resources Division is tasked with maintaining our natural areas and a portion of the trail maintenance. Other trail maintenance is performed by the Facilities and Landscape Divisions. We will be consolidating all trail maintenance to the Natural Resources Division in order to increase our attention in that area. The budget impact is increased staffing in this area.

Recreation has seen an increase in programs offered and the number of program participants over the last year. The department is now operating at higher levels than pre-COVID. We anticipate this increase to continue over the next several years. Program participation in most areas is increasing at a much higher rate than population growth, telling us that a greater percentage of district residents are choosing Bend Park and Recreation District as their preference. This growth will be beneficial for the budget as it requires more part-time staff support and little, if any, increase in full-time staff.

In our Employee Engagement Survey, employees expressed a need for increased support in professional development. To address this desire, the board adopted a professional development plan that helps pay for continuing education. Annual conferences, training and workshops are also offered throughout the year by local, statewide and national professional organizations that staff is encouraged to attend.

Staff has expressed desire to be updated about succession planning as many key staff members prepare for retirement. To address this, some staff members have elected to be on a professional development plan in order to prepare for advancement opportunities. Further developing plans and communicating timelines and intentions with staff will be a priority in

the coming year. In addition to these areas of concentration, staff would like to hear from board members about their ideas for the upcoming year. This is the beginning of the budget process and the time to consider anything else the board would like to concentrate on over the upcoming year, especially those things that may require funding to accomplish. We will have a time for open dialog and discussion about the goals of the board.





# BEND PARK AND RECREATION DISTRICT 2019-2024 STRATEGIC PLAN PILLARS AND DESIRED OUTCOMES

**Employees &  
Workplace Culture**  
*Becoming a workplace  
that is second to none in  
performance and  
satisfaction*



- Sufficiently staffed with well-qualified employees in all positions
- Employees have the opportunity to learn and grow
- A workforce that is heard, informed, involved and valued

**Community  
Relationships**  
*Strengthening community  
connections and  
partnerships*



- The district is strategic about partnerships
- A community better informed about the district
- District services that are accessible to all
- Exceptional customer and community experiences

**Operations &  
Management Practices**  
*Building upon current  
management practices  
that support responsible  
use of resources and  
stability*



- Staffing levels that are consistent with district growth
- Balance between caring for existing infrastructure and new development
- Be a local leader in environmental stewardship
- Financial well-being supported by strong business practices



**BEND PARK AND RECREATION DISTRICT  
2019-2024 STRATEGIC PLAN  
SUMMARY OF FISCAL YEAR 2022/2023 Q1 AND Q2  
ACTION ITEM STATUS BY PILLAR**

**Employees &  
Workplace Culture**  
*Becoming a workplace  
that is second to none in  
performance and  
satisfaction*



- 4 complete/in-progress actions
- 7 in progress actions

**11**

**Community  
Relationships**  
*Strengthening community  
connections and  
partnerships*



- 1 complete action
- 10 complete/in-progress actions
- 7 in progress actions
- 1 not started actions

**19**

**Operations &  
Management Practices**  
*Building upon current  
management practices  
that support responsible  
use of resources and  
stability*



- 1 complete actions
- 7 complete/in-progress actions
- 6 in progress actions
- 1 not started action

**15**

**Total Action Items      45**



**BEND PARK AND RECREATION DISTRICT  
2019-2024 STRATEGIC PLAN  
FISCAL YEAR 2022/2023 Q1 AND Q2 ACTION ITEM SUMMARY**

## Employees and Workplace Culture

Sufficiently staffed with well-qualified employees in all positions  
Employees have the opportunity to learn and grow  
A workforce that is heard, informed, involved and valued

### **Completed/In Progress (4)**

- Recruit to new audiences
- Enhance professional development program for interested employees
- Forecast and communicate potential future positions
- Provide supervisors and managers tools and/or training to improve the performance evaluation process

### **In Progress (7)**

- Collect and analyze data to inform and improve employee retention strategies in areas with high turnover
- Review existing benefit package, as well as new, and non-traditional benefits.
- Evaluate effectiveness of onboarding process. Enhance consistency and delivery methods district-wide based upon evaluation.
- Evaluate effectiveness and value of mandatory training
- Develop alternative training delivery methods
- Evaluate the effectiveness of the recognition program
- Address the need for on-call support in all departments.



**BEND PARK AND RECREATION DISTRICT  
2019-2024 STRATEGIC PLAN  
FISCAL YEAR 2022/2023 Q1 AND Q2 ACTION ITEM SUMMARY**

## Community Relationships

The district is strategic about partnerships  
A community better informed about the district  
District services that are accessible to all  
Exceptional customer and community experiences

### **Complete (1)**

- Create a diversity, equity and inclusion program that develops a value statement, policies and training opportunities

### **Complete/In Progress (10)**

- Create stronger and more meaningful partnerships with government agencies
- Educate our workforce on how to respond effectively and professionally to misinformation about BPRD
- Increase knowledge of and access to the district's scholarship program
- Invest in targeted programming that minimizes barriers for low-income populations
- Expanded targeted outreach for the Latinx population
- Analyze recreation participant data to identify underserved geographic areas in programming
- Evaluate the effectiveness of the Needs Based Assistance (NBA) policy and plans in 2022 and adjust as necessary
- Evaluate and prioritize removal of additional barriers to participation
- Develop operational and communications strategies for the opening of the bike park at Big Sky and unique amenities at Alpenglow
- Improve registration processes and technology to address first day registration challenges and provide exceptional customer service.

### **In Progress (7)**

- Support the community relations department in publishing a minimum of two magazines per year
- Develop method for ongoing education with the Board, budget committee members and the public on district finances and resource allocation decisions
- Develop a BPRD 101 fact sheet, presentation template and talking points
- Create a BPRD tour where district staff and/or Board members can present district information and happenings of interest Increase knowledge of and access to the district's scholarship program
- Develop maps, signage and other information highlighting accessible recreation opportunities
- Develop and implement a Customer Loyalty Program
- Create a district customer experience program which includes expectations and how-tos, helpful hints, etc.



**BEND PARK AND RECREATION DISTRICT  
2019-2024 STRATEGIC PLAN  
FISCAL YEAR 2022/2023 Q1 AND Q2 ACTION ITEM SUMMARY**

## Operations & Management Practices

Staffing levels that are consistent with district growth  
Balance between caring for existing infrastructure and new development  
Be a local leader in environmental stewardship  
Financial well-being supported by strong business practices

### **Complete (1)**

- Revisit out of district fees and registration priority to determine if changes should be made.

### **Complete/In Progress (7)**

- Cross train employees to ensure there is back up and support for key functions in order to balance work loads
- Determine additional steps and resources necessary to fully implement the district's Asset Management Plan
- Develop a tool to forecast O&M costs prior to a project being listed on the CIP
- Plan and prioritize funding for a new Park Services Shop
- Evaluate current and preventative maintenance practices and adjust as needed
- Measure progress on meeting the LOS targets for parks and trails in the adopted Comprehensive Plan and CIP
- Integrate sustainability values and practices in recreation programming when feasible

### **In Progress (6)**

- Define minimum and desired staff levels for each service area of the district
- Evaluate the steps necessary for a collaborative process to further consider the South UGB bridge project
- Develop specific environmental responsibility guidelines which drive purchasing decisions
- Create a public awareness campaign to inform the public about the district's sustainability practices
- Implement a risk-based approach to reserves and periodically evaluate.
- Research best practices, methods and tools for long term planning and forecasting to enhance scenario analysis





**BEND PARK AND RECREATION DISTRICT  
2019-2024 STRATEGIC PLAN  
FISCAL YEAR 2022/2023 Q1 AND Q2 ACTION ITEM SUMMARY**

Not Started

**Community Relationships**

**Not Started (1)**

- Revise the district's current partnership policy to define different levels of collaborative relationships and criteria

**Operations & Management Practices**

**Not Started (1)**

- Education and outreach for staff about the Comprehensive Plan, LOS targets and current status

## Improved level of community awareness of the district

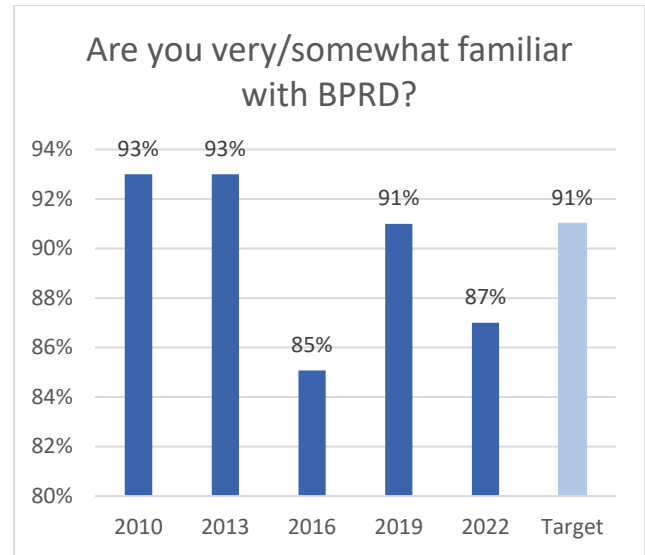
**Pillar:** Community Relationships

**Desired Outcome 3:** A community better informed about the District

**Perception Survey Question:** Are you very familiar, somewhat familiar, or not at all familiar with BPRD?

**Key Performance Indicator (KPI):** Percentage of individuals who are very or somewhat familiar with BPRD. This is measured every three years as part of the Perception Survey, with a 2010 baseline of 93% and an established target of 91%.

**Target:** The target was established as the average percentage of people very or somewhat familiar with BPRD in 2010, 2013 and 2016. This resulted in a target of 91% that will be re-evaluated periodically based upon performance.



**Current Status:** The most current Perception Survey data is from fall of 2022, which indicates that 87% of individuals surveyed are very or somewhat familiar with the district. This is below our established target of 91% and a decrease from 2019 data. This decrease in awareness may be a result of population growth within the service area, and possibly due to the lack of a printed playbook since the beginning of the pandemic. Community Relations will begin publishing direct mailers again this year, which may increase community awareness of the district.

## Improved level of community awareness of the district

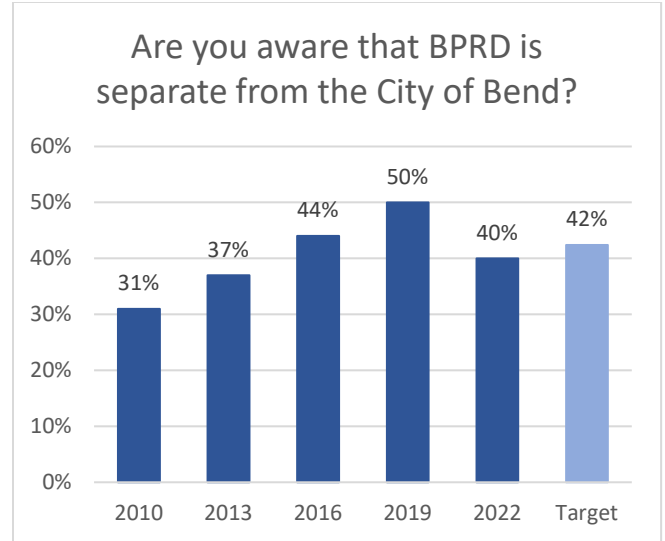
**Pillar:** Community Relationships

**Desired Outcome 3:** A community better informed about the District

**Perception Survey Question:** Is BPRD a department with the City of Bend, or a separate agency not part of the City of Bend or both?

**Key Performance Indicator (KPI):** Percentage of individuals who know that BPRD is a separate agency from the City of Bend. This is measured every three years as part of the Perception Survey, with a 2010 baseline of 31% of individuals who know that BPRD is a separate agency and an established target of a 6% increase every three years in the number of individuals who know that BPRD is a separate agency.

**Target:** The target was established as the average percentage of individuals who know that BPRD is separate agency from the City of Bend in 2010, 2013 and 2016. This resulted in a target of a 6% increase every three years, which will be re-evaluated periodically based upon performance.



**Current Status:** The most current Perception Survey data is from fall of 2022, which indicates that 40% of individuals surveyed are aware that BPRD is a separate agency from the City of Bend. This is a 10% decrease from 2019. With the rapid population growth being experienced in Bend, continued education efforts will be necessary to increase public knowledge regarding BPRD and its relationship to the City of Bend. The direct mailers noted in the previous performance measure may help improve community knowledge about the district.

## Customer Satisfaction Rating

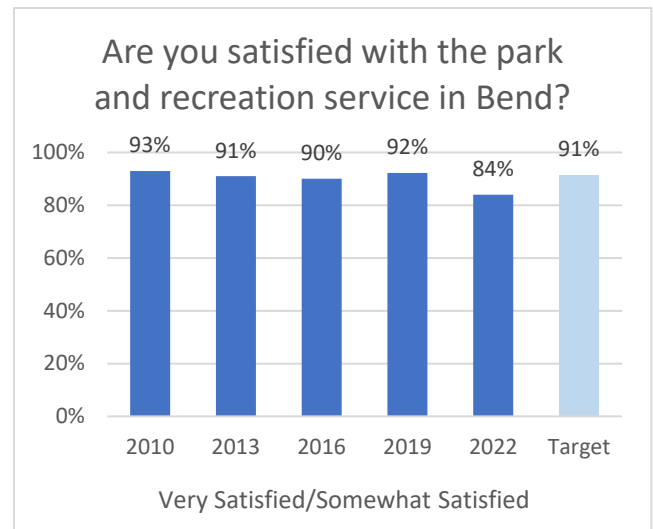
**Pillar:** Community Relationships

**Desired Outcome 4:** Exceptional customer and community experiences

**Perception Survey Question:** Are you very satisfied, somewhat satisfied, not too satisfied or not at all satisfied with parks and recreation services in Bend?

**Key Performance Indicator (KPI):** Percentage of individuals who are very or somewhat satisfied with parks and recreation services in Bend. This is measured every three years, with a 2010 baseline of 93% of individuals and an established target of 91% of individuals who are either very or somewhat satisfied with park and recreation services.

**Target:** The target was established as the average percentage of people who are very or somewhat familiar with park and recreation services in Bend in 2010, 2013 and 2016. This resulted in a target of 91%, which will be re-evaluated periodically based upon performance.



**Current Status:** The most current Perception Survey data is from fall of 2022, which indicates that 84% of individuals surveyed are very or somewhat satisfied with parks and recreation services in Bend. This is below our established target of 91%. It should be noted that this decrease in satisfaction is consistent with a statewide trend due to bigger challenges facing the community (the pandemic, inflation, etc.) This 91% target is a high standard and BPRD staff would like to continue to maintain this target and re-evaluate it in 2026 to confirm if it continues to be appropriate.

## Customer Service Rating

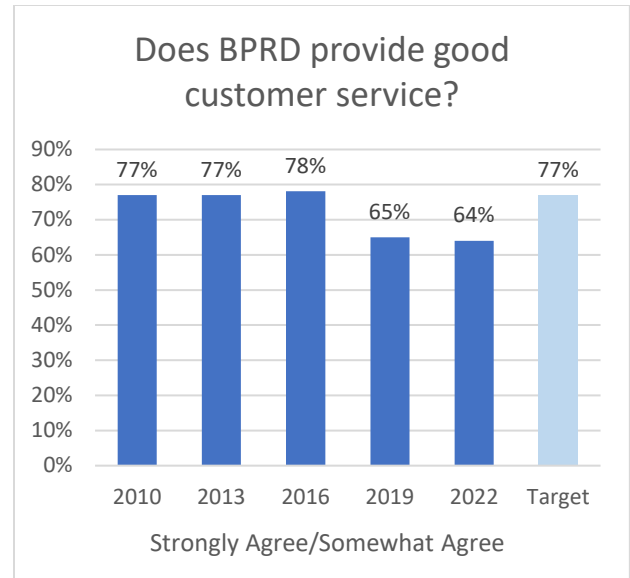
**Pillar:** Community Relationships

**Desired Outcome 4:** Exceptional customer and community experiences

**Perception Survey Question:** Do you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with this statement about BPRD – provides good customer service?

**Key Performance Indicator (KPI):** Percentage of individuals who strongly or somewhat agree that BPRD provides good customer service. This is measured every three years, with a 2010 baseline of 77% of individuals and an established target of 77% of individuals.

**Target:** The target was established as the average percentage of people in 2010, 2013 and 2016 who strongly or somewhat agree that BPRD provides good customer service. This resulted in a target of 77%, which will be re-evaluated periodically based upon performance.



**Current Status:** The most current perception survey data is from 2022, which indicates that 64% of individuals surveyed strongly or somewhat agree that BPRD provides good customer service. This is a slight decrease in customer service satisfaction from 2019 and is below the established target of 77%. BPRD staff have recently made significant improvements to the program registration process and continue to work to enhance customer experience in all realms of the work the district does. In addition, this decrease in satisfaction is consistent with a statewide trend due to bigger challenges facing the community (the pandemic, inflation, etc.) This 77% target is a high standard and BPRD staff would like to continue to maintain this target and re-evaluate it in 2026 to confirm if it continues to be appropriate.

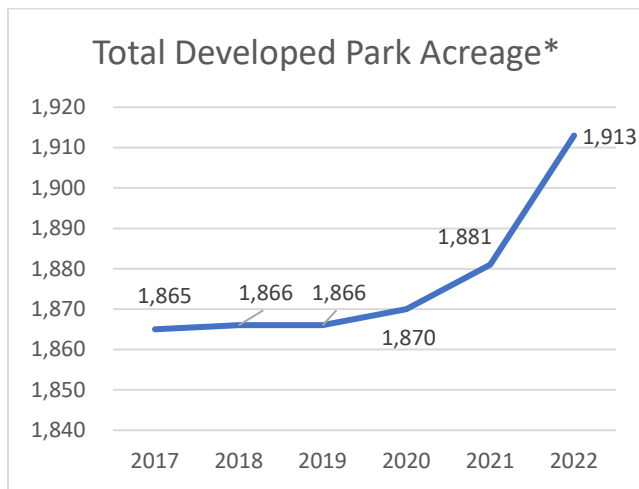


## Levels of Service (LOS) in Comprehensive Plan are met or exceeded

**Pillar:** Operations and Management Practices

**Desired Outcome 2:** A balance between caring for existing infrastructure and new development

**Performance Metric:** Total developed park acreage (inclusive of regional, community and neighborhood parks, excludes natural areas and leased off-leash dog areas) provided by BPRD.

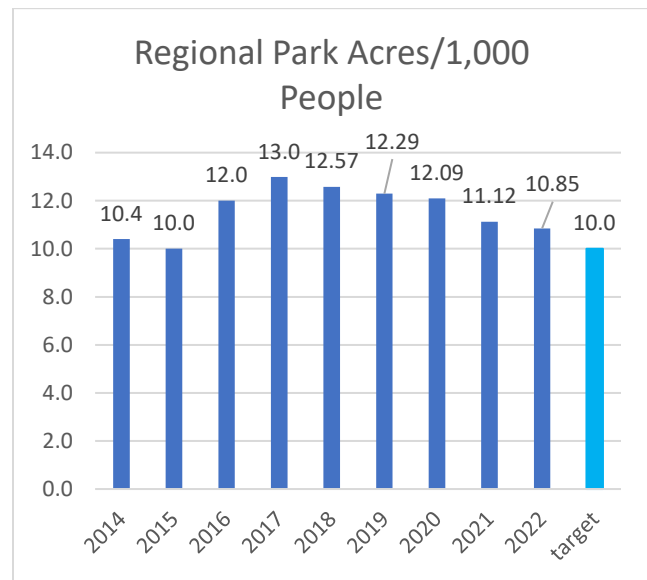
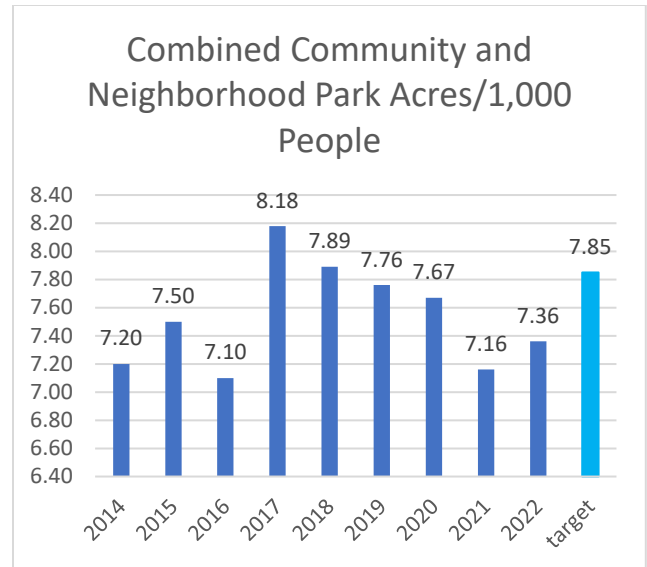


\*Increases in 2022 can be attributed to the addition of Alpenglow and Northpointe Parks.

**Key Performance Indicators (KPI) and Target:** LOS for parks is measured annually and has the following targets, which were established in the 2018 comprehensive plan.

- Neighborhood and Community Parks – 7.85 acres/1,000 people
- Regional Parks – 10.0 acres/1,000 people

Though the metric for community and neighborhood parks differed prior to 2018, previous years data is included for comparison purposes.



**Current Status:** BPRD is currently meeting the established LOS target for regional parks, but falling short for neighborhood/community parks. This is a result of rapid population growth and is one of the reasons that BPRD also calculates park walkshed annually as an additional metric to track to evaluate performance. Specific LOS for 2022:

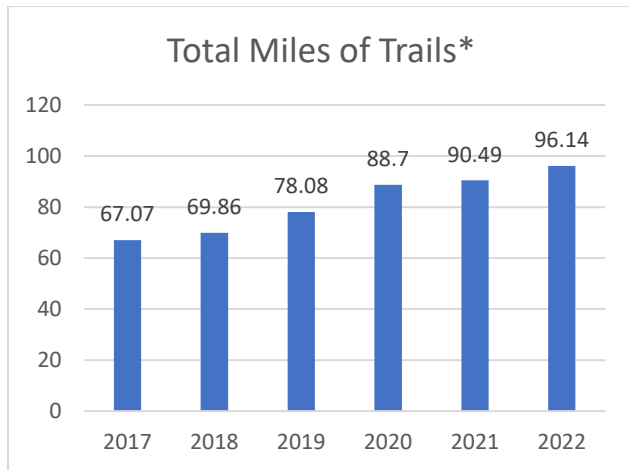
- Neighborhood and Community Parks – 7.36 acres/1,000 people
- Regional Parks – 10.85 acres/1,000 people

## Levels of Service (LOS) in Comprehensive Plan are met or exceeded

**Pillar:** Operations and Management Practices

**Desired Outcome 2:** A balance between caring for existing infrastructure and new development

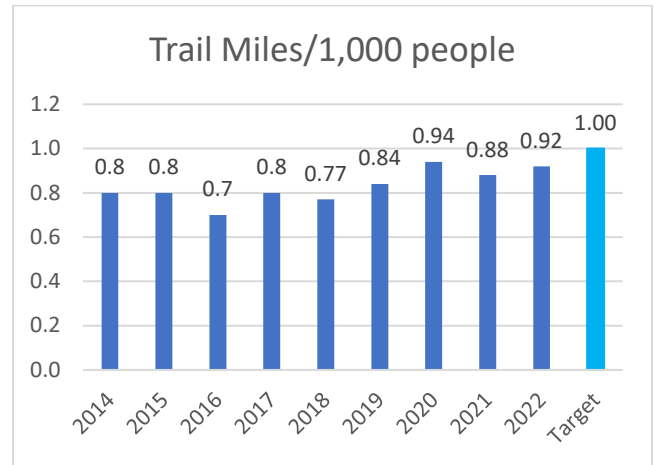
**Performance Metric:** Total miles of trails provided by BPRD.



\*Total trail miles includes all primary trails but not connector trails. Increases in 2022 are primarily attributed to the addition of Alpenglow Park trails, Mazanita Trail extension and North Unit Canal Trail in Petrosa subdivision.

**Key Performance Indicators (KPI) and Target:** LOS for trails is measured annually and has the following target, which was reaffirmed in the 2018 comprehensive plan.

- Trails – 1.0 miles/1,000 people



**Current Status:** BPRD is currently falling short for trail miles, but trail level of service has increased since 2021. This is a result of rapid population growth and increased densities, and BPRD is actively working to increase trail mileage and improve trail connections to parks. Specific LOS for 2022:

- Trails – 0.92 miles/1,000 people

## Level of awareness regarding district efforts to be environmentally responsible

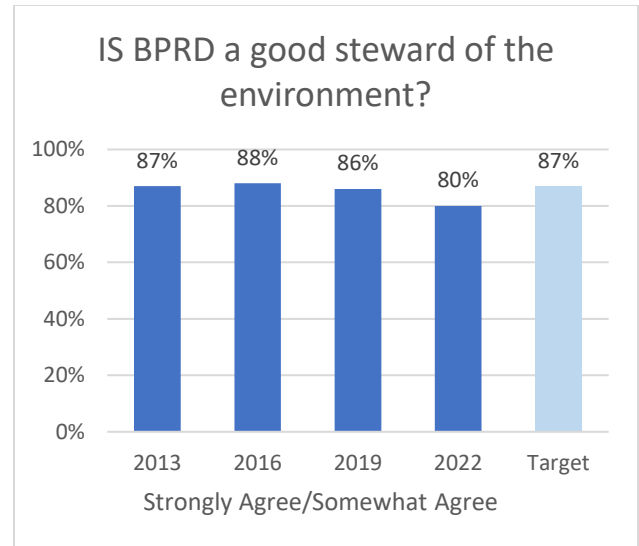
**Pillar:** Operations and Management Practices

**Desired Outcome 3:** Be a local leader in environmental stewardship

**Perception Survey Question:** Do you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with this statement about BPRD – is a good steward of the environment?

**Key Performance Indicator (KPI):** Percentage of individuals who strongly or somewhat agree that BPRD is a good steward of the environment. This is measured every three years as part of the Perception Survey, with a 2013 baseline of 87% of individuals and an established target of 87% of individuals.

**Target:** The target was established as the average percentage of people in 2013 and 2016 who strongly or somewhat agree that BPRD is a good steward of the environment. This resulted in a target of 87%, which will be re-evaluated periodically based upon performance.



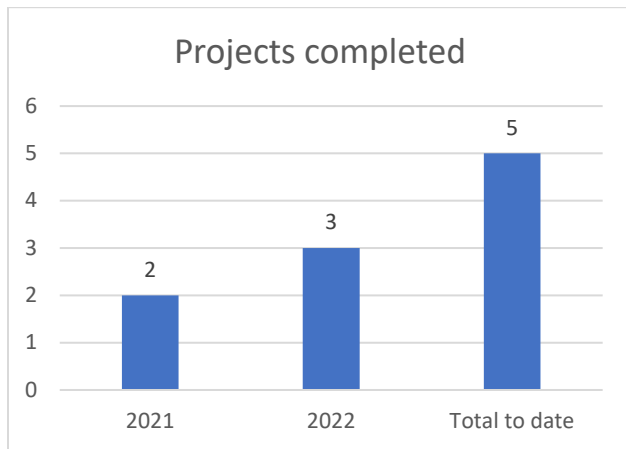
**Current Status:** The most current perception survey data is from 2022, which indicates that 80% of individuals strongly or somewhat agree that BPRD is a good steward of the environment. This is a decrease from 2019 and does not meet the established target of 87%. BPRD staff recently developed a Sustainability Plan and has efforts in all departments to address sustainable operations. In addition, the district recently completed a two-year planning effort to address access and habitat restoration on the Deschutes River. District staff will continue to incorporate sustainability in our operations and planning, and work to educate the community about the work we are doing.

## Deschutes River Access and Habitat Restoration Plan Projects Completed

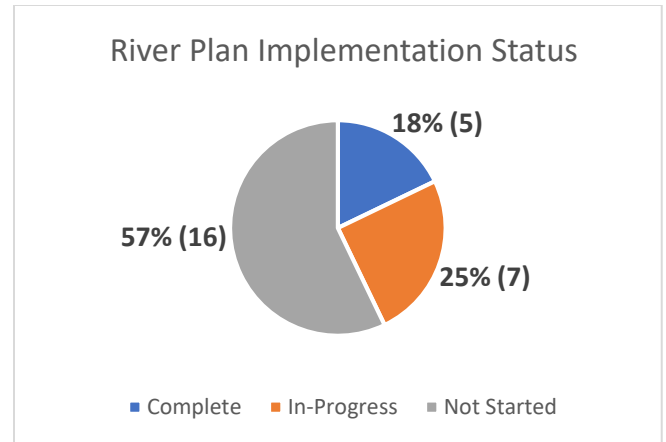
**Pillar:** Operations and Management Practices

**Desired Outcome 3:** Be a local leader in environmental stewardship

**Performance Metric:** The number of Deschutes River Access and Habitat Restoration Plan (River Plan) projects completed annually from January 1-December 31.



**Key Performance Indicator:** The year over year increase in the percentage of River Plan projects completed.



**Target:** The River Plan identifies a completion timeline of approximately 10-years. There are a total of 28 projects in the River Plan. As such, 10% or a total of approximately three projects need to be completed each year in order to complete the plan within the identified timeframe.

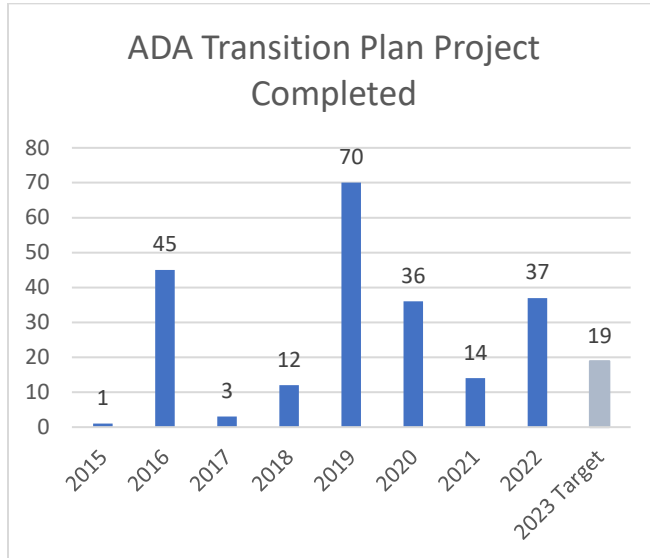
**Current Status:** BPRD adopted the plan in November of 2021, and completed two projects during the last two months of that calendar year. Three projects were completed in 2022, for a total of five projects completed since River Plan adoption. As such, in 2022, River Plan implementation met the 10% annual project completion target. It should be noted, that early projects completed have been done by Natural Resources or Facilities staff, and are smaller in scope and cost. Larger projects will take significantly more time to complete. For example, the Riverbend South Project that is currently under construction will take over five years from design commencement to project completion.

## ADA Transition Plan Projects Completed

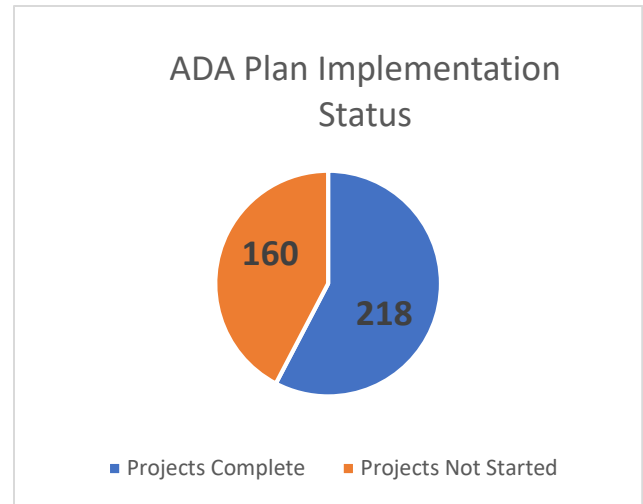
**Pillar:** Community Relationships

**Desired Outcome 3:** District Services that are accessible to all.

**Performance Metric:** The number of ADA Transition Plan (ADA Plan) projects completed annually from January 1-December 31.



**Key Performance Indicator:** The year over year increase in the percentage of total ADA Plan projects completed.



**Target:** The ADA Plan includes a total of 378 projects. Based upon historic performance, the district established a target to complete 5% or approximately 19 projects per year. However, the actual number completed per year can fluctuate significantly if large capital improvement projects are completed, which can include numerous ADA Plan projects.

**Current Status:** A total of 37, or approximately 10% of the ADA Plan projects were completed in 2022. This includes projects at numerous district facilities, but the majority were completed at Hollygrape, Jaycee, Lewis and Clark, Orchard, Overturf, Pageant and Big Sky parks. With the completion of these projects, a total 218 of the 378, or approximately 58% of the ADA Plan projects have been completed to data.

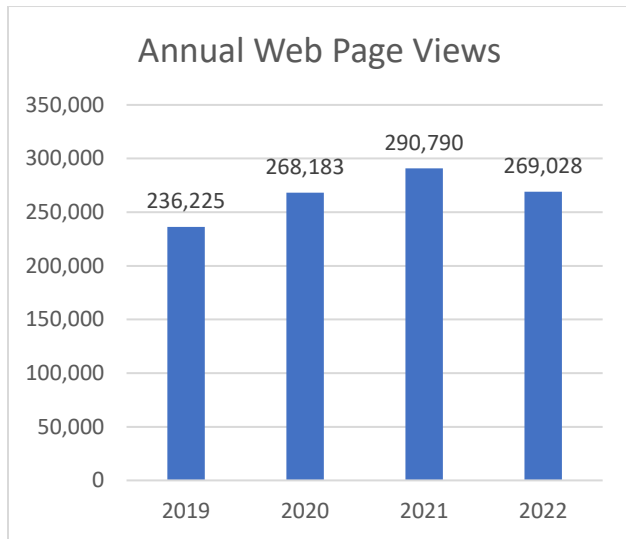


## Website views per population

**Pillar:** Community Relationships

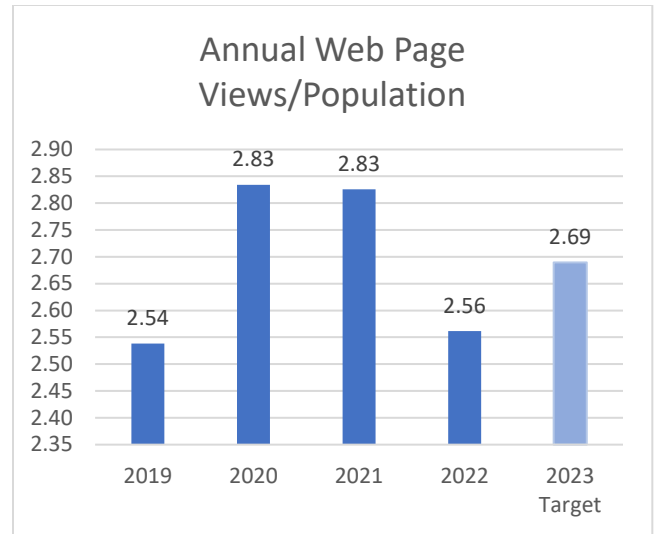
**Desired Outcome 2:** A community better informed about the district

**Performance Metric:** The number of annual page views on the Parks & Trails, Parks, and Trails webpages. Measurement period: Annually from January 1-December 31).



**Key Performance Indicator:** The number of webpage views per district population with a baseline of 2.54 established in 2019.

**Target:** The district’s goal is to increase Parks & Trails, Parks, and Trails webpage views per district population by 5% annually.



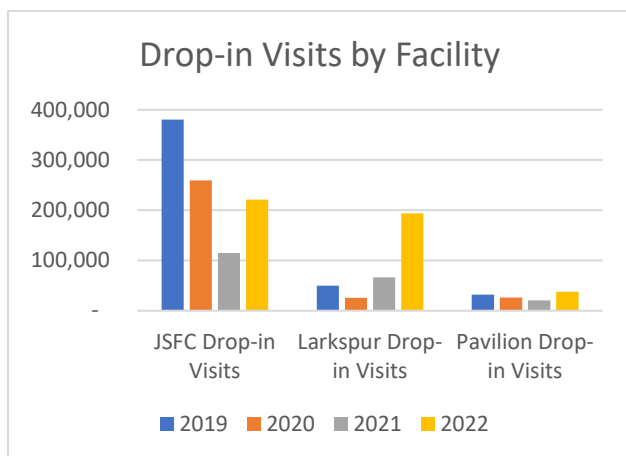
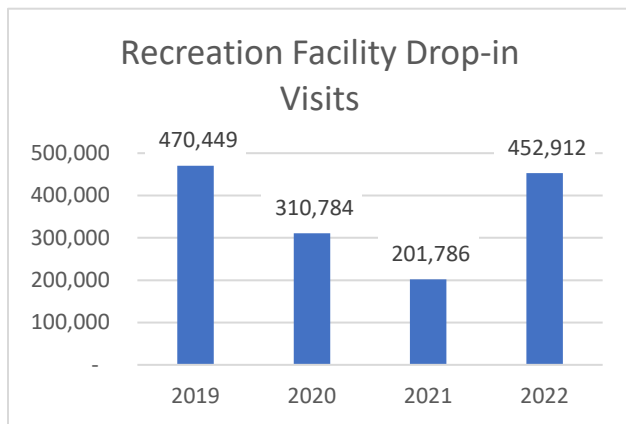
**Status:** Webpage views per population decreased from 2021 to 2022. As such, views did not hit the targeted 5% annual growth. This lack of achieving the target can be partially attributed to a sizable population growth from 2021 to 2022, and possibly to the softening of restrictions related to the COVID-19 pandemic, which resulted in increased use of indoor spaces and perhaps decreased need to access information about outdoor spaces.

## Residents Served by Drop-in Activities at Recreation Facilities

**Pillar:** Community Relationships

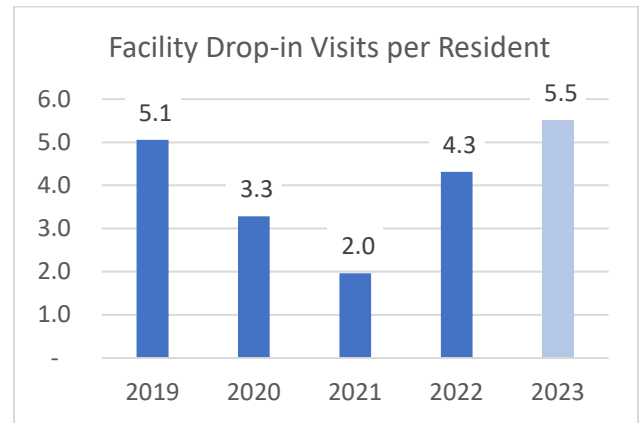
**Desired Outcome 3:** District Services that are accessible to all

**Performance Metric:** The number of drop-in visits to district recreation facilities. This includes pass check-ins and single visit admissions for all drop-in activities including swimming, ice skating, roller skating, fitness center and group exercise classes. This does not include visits generated by registered programs and most facility rental groups. Measurement period: Annually from September 1-August 31.



**Key Performance Indicator:** The number of drop-in visits per resident at district recreation facilities. A baseline of just over 5.0 visits per resident was established in 2019.

**Target:** The target of 5.5 visits per resident was established in 2019, prior to the COVID-19 pandemic, and with the expectation that the opening of Larkspur Community Center would increase capacity and use.



**Status:** Visits per resident increased substantially from 2.0 in the pandemic impacted 2021 to 4.3 in 2022 but is still below the peak of 5.1 in 2019. The increased visitation in 2022 is the result of pandemic restrictions being incrementally lifted and the return to more normal operations. The growth was also the result of the full opening and operation of Larkspur Community Center. Based on current trends, visitation should approach the target of 5.5 in 2023.

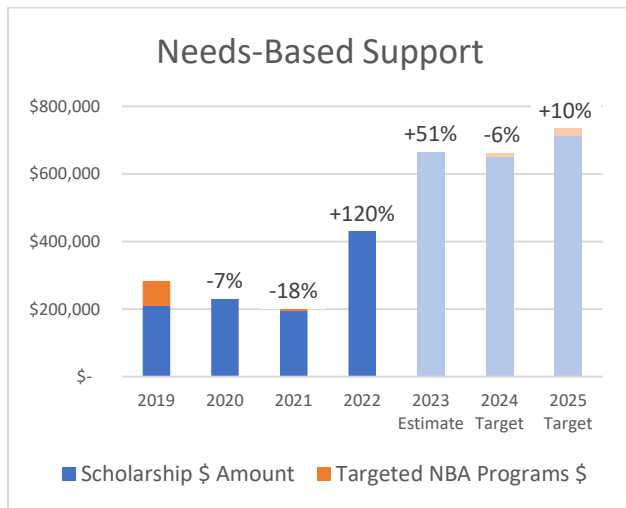
## Needs-Based Assistance (NBA) Provided

**Pillar:** Community Relationships

**Desired Outcome 3:** District Services that are accessible to all

**Performance Metric:** Amount of needs-based financial support provided. This metric is made up of two categories. The first is the amount of recreation scholarships provided across all recreation programs, and the second is the amount of support provided via programs that exclusively serve low-income populations (targeted NBA programs). Measurement period: Annually from July 1-June 30.

**Key Performance Indicator:** The year-over-year increase in the amount of needs-based financial support provided.



**Target:** The district’s goal is to increase the amount of financial assistance to low income populations by a minimum 10% annually through continued scholarship program outreach efforts and targeted programming efforts.

**Status:** The district provided 120% more scholarship assistance in 2022 compared to 2021.

The large increase in scholarship funds provided in 2022, can be attributed to increased programming coming out of COVID-19 restrictions. In addition, the district received a \$150,000 Summer Learning Grant from the state. The grant allowed the district to increase the scholarship amount and lowered the eligibility requirements during the grant period of three months.

Based on mid-year data, the district estimates a 51% increase in 2023, compared to 2022, due largely to receiving an additional Summer Learning Grant for \$380,000, increasing scholarship amounts for a second summer, and providing free summer family passes as a part of expanded outreach efforts.

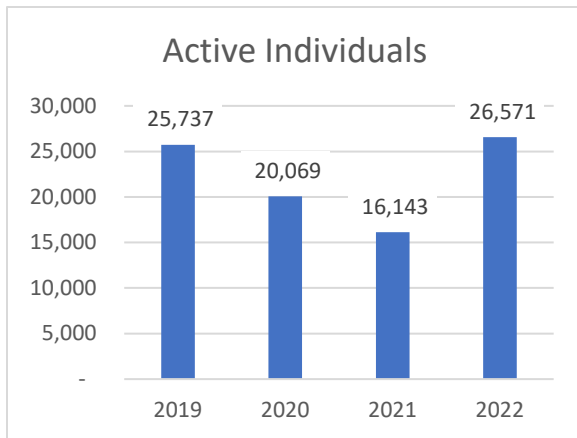
It is uncertain whether the summer grant program will continue. If the grant program is discontinued, needs-based assistance funding will decline moderately in 2024, although it will then be expected to increase in line with the 10% annual target.

## Residents Served by Organized Recreation Programs

**Pillar:** Community Relationships

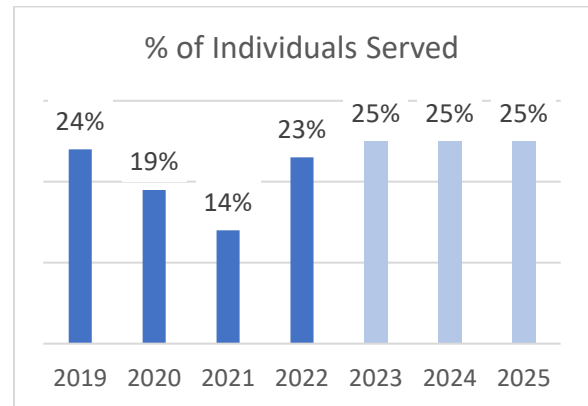
**Desired Outcome 3:** District Services that are accessible to all

**Performance Metric:** The number of unique individuals who registered for at least one organized recreation program or purchased a recreation facility multi-day pass during a one-year period. These numbers do not include drop-in, single admission visits to recreation facilities, rental user groups, special events and other activities that do not require individuals to register. Measurement period: Annually from September 1-August 31.



**Key Performance Indicator:** The percentage of the total estimated district population served by organized recreation activities during the period. The baseline was established in 2019 based upon the average percentage of the population served over a few years prior to 2109. This is much higher than the national average for park and recreation agencies.

**Target:** The district’s goal is to maintain this high level of participation with a target of 25% of the district population served, even as the population continues to grow. This will require increasing program and facility capacity to ensure recreation services are accessible to all who desire them.



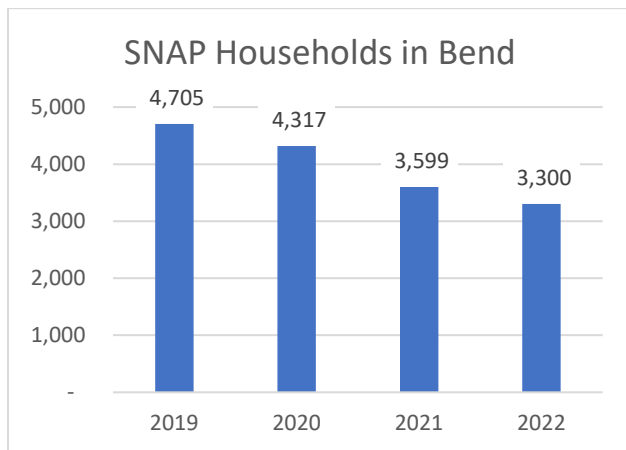
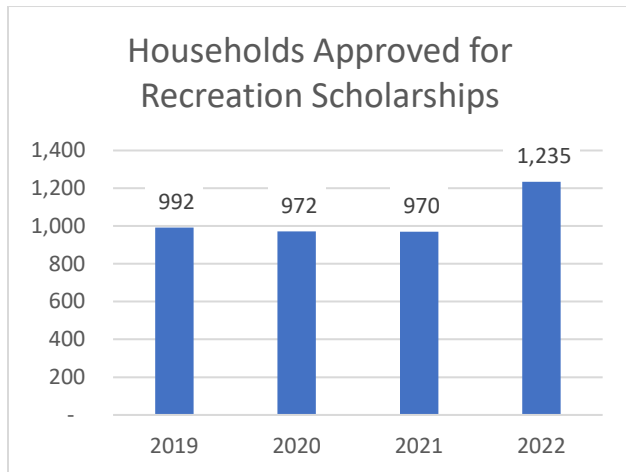
**Status:** The percent of the population served in district organized recreation activities has rebounded rapidly after the being severely impacted by the COVID-19 pandemic. Even with 2.1% district population growth in 2022, lingering impacts of the pandemic and significant shortages in front line staff, the estimated percentage of individuals served in 2022 is 23% - very close to the 25% target. Based on current trends, the district will likely meet the target of 25% in 2023.

## Scholarship Program Access

**Pillar:** Community Relationships

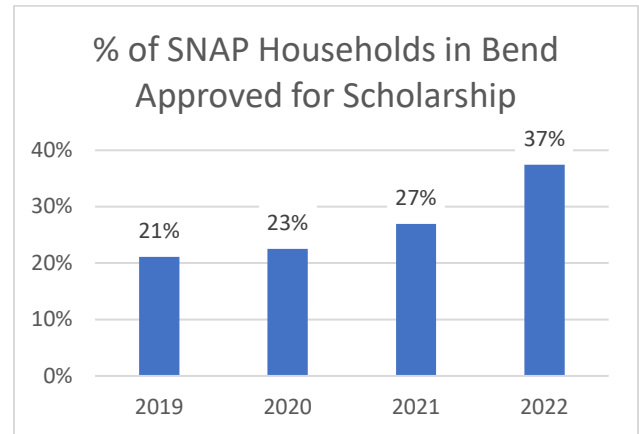
**Desired Outcome 3:** District Services that are accessible to all

**Performance Metric:** The number of households that have access to the Recreation Scholarship program. Measurement period: Annually from September 1-August 31.



**Key Performance Indicator:** The percentage of households qualifying for the recreation scholarship program as a percentage of households qualifying for the Supplemental Nutrition Assistance Program (SNAP)\*. The district uses the same income qualifications as SNAP and the both programs are available to all ages.

**Target:** The district's goal is to increase 1% annually.



**Status:** The number of families receiving SNAP benefits has been decreasing, as reported by the American Community Survey Five-Year Estimates while the district maintained the number of households approved for scholarships during the COVID-19 pandemic. In 2022, as programming and outreach effort resumed in full force, the district saw a 10% increase in the number of households approved for scholarships resulting in substantial increase in the % of SNAP Household approved for scholarships (from 27% to 37%). As the district continues to expand its programming and outreach efforts, and with the number of families receiving SNAP decreasing, the district expects to achieve or surpass its goal of a 1% annual increase.

\*Official SNAP data was not available when this was prepared. This data is based upon estimates from the American Community Survey Five-Year Estimates.

## Spanish-Speaking Participation in Recreation Programming

**Pillar:** Community Relationships

**Desired Outcome 3:** District Services that are accessible to all

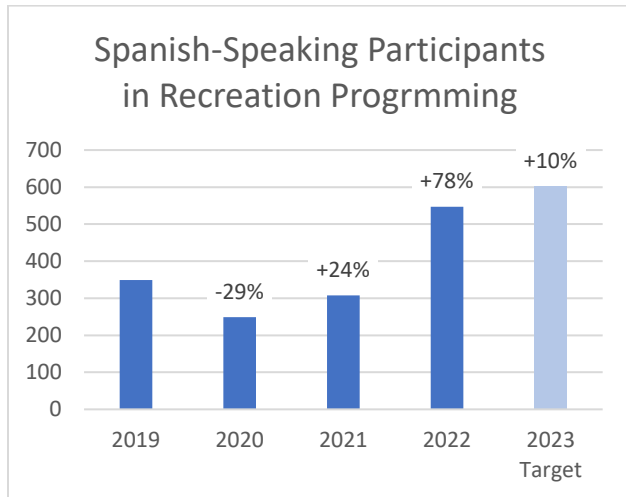
**Performance Metric:** The annual number of Spanish-speaking individuals who are enrolled in recreation programs or hold a recreation facility pass. This data is collected through voluntary identification during household creation in RecTrac and BPRD staff identification of individuals in RecTrac informed by outreach efforts. This data does not include drop-in visits or facility rentals. Measurement period: September 1st - August 31st.

**Key Performance Indicator:** The year-over-year increase in the number of unique Spanish-speaking participants served by recreation programming.

**Target:** The district's target is to increase the number served by at least 10% each year.

**Status:** Between 2016 and 2019, the number of Spanish-speaking participants increased by an average of 20% annually. This increase was the result of both an increase in resources for Latino outreach as well as a focused effort to identify participants already in programming. The district saw its highest number of voluntary identified Spanish-speaking participants in 2022 as outreach efforts have strengthened and identification became more reliable. Because many existing Spanish-speaking participants are now identified, growth of Spanish-speaking individuals enrolled in recreation programs will rely more on new Latino participants in the future. Still, the district anticipates a continued growth of 10% over the next several years through increased Latino outreach and program offerings.

Note: The district plans on adding race/ethnicity questions to household account information in the next year. This will provide more complete and reliable data on Latino as well as other groups participation in district programs and will allow us to develop better key performance indicators.



# Financial Forecast FY2024 - FY2028

## Background

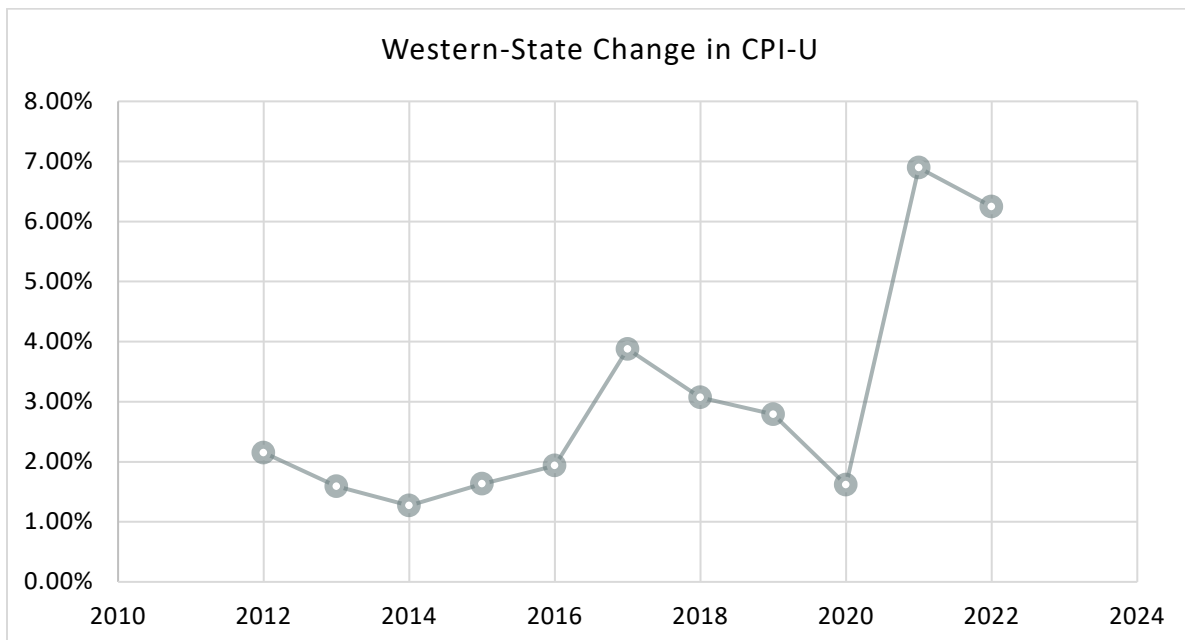
The financial forecasting model has become a valuable tool in predicting the effects of capital funding decisions, operational strategies, levels of service, subsidy levels, and economic circumstances on the district's financial viability. Being able to foresee how decisions today will affect the Bend Park and Recreation District's future operational budgets is vital to ensure the long-term financial sustainability of the district. Financial forecasting becomes even more important as BPRD adds facilities and services, and as operating costs continue to increase.

Other planning efforts, such as the district's comprehensive plan, strategic planning, capital improvement planning and annual action planning, aid in this forecast. The board of directors and staff seek and receive community input in the development, review and revision of these planning documents throughout the year. This financial forecast is for planning purposes only and to help guide the upcoming budget process.

## Economic Outlook

We continue to respond by shifting and balancing priorities to ensure the district's financial stability in an ever-changing environment. Inflation is impacting the development of this forecast along with the likelihood of a recession. Most economic outlooks now call for a mild recession. The district's living wage ordinance bases increases in CPI-U for Western States released in February, for the month of January.

The district uses the Consumer Price Index as a general gauge of price inflation, which includes all Items, Unadjusted, Urban Consumers (CPI-U).<sup>1</sup>

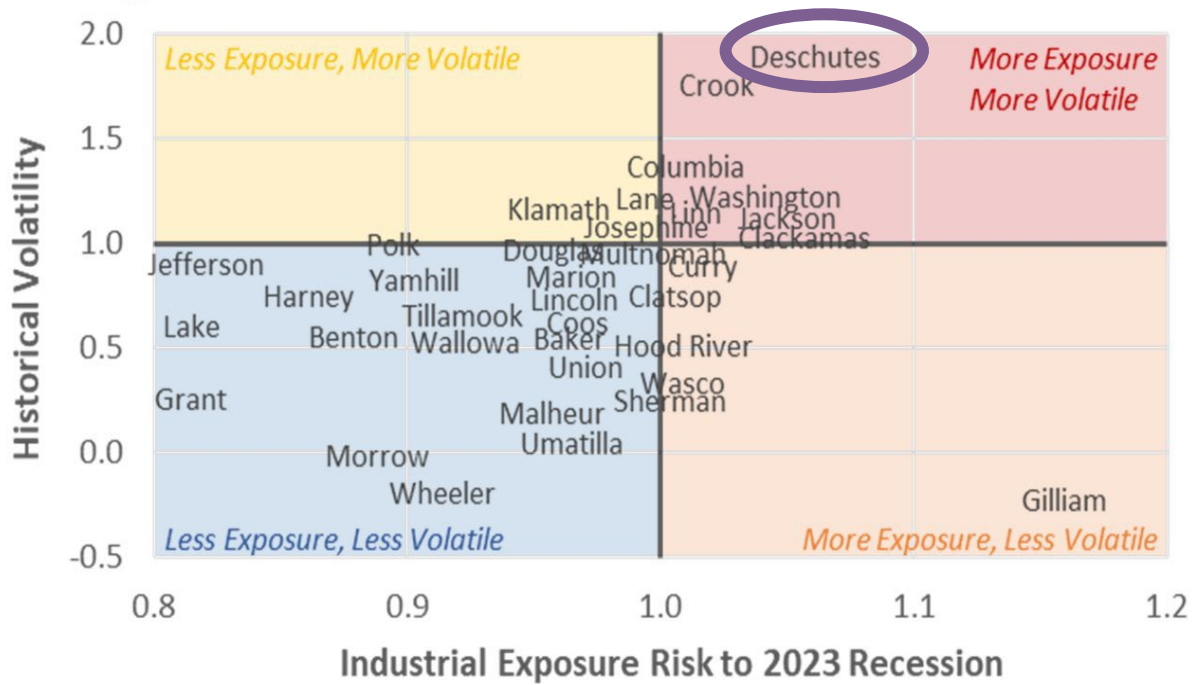


Looking at the state of Oregon, according to the *Oregon Economic and Revenue Forecast, December 2022*<sup>2</sup>, a recession now appears more likely than not. The consensus among national forecasters and their office's advisors expect a mild recession to begin within the next year, with a mild recession in Oregon starting next summer. Based on certain risk factor, Deschutes County is at higher risk to a recession with higher exposure and higher volatility.

<sup>1</sup> Source: Bureau of Labor Statistics, US Department of Labor

<sup>2</sup> <https://www.oregon.gov/das/OEA/Pages/forecastecorev.aspx>

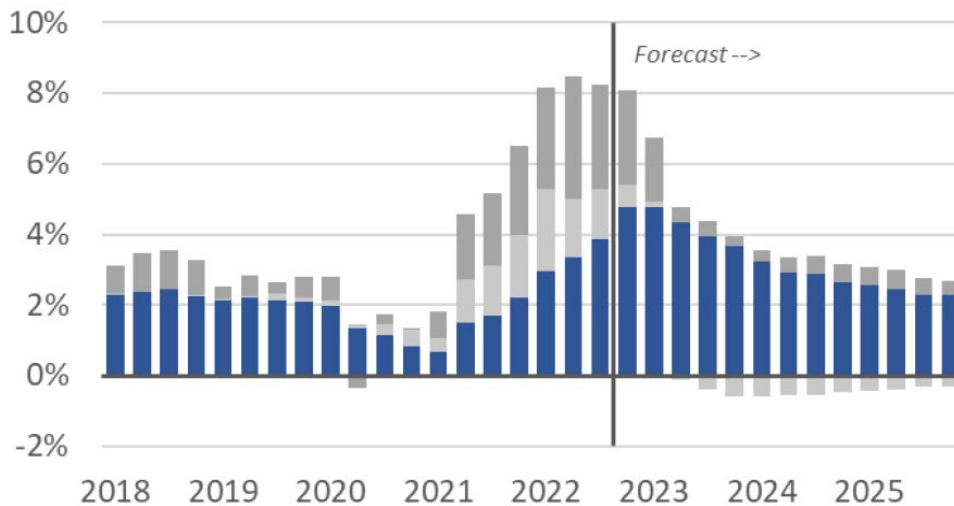
# Oregon Counties and Recession



- According to the *Oregon Economic and Revenue Forecast, December 2022*<sup>3</sup>, there are three reasons why a milder recession is to be expected.
  - **First**, businesses, financial markets and households all indicate that they expect today's high inflation to slow in the years ahead. It's predicted to slow due to reduced gas prices and easing supply chains.

## West Region Consumer Price Index

Decomposing year-over-year inflation: Food and Energy, Goods, and Services



Goods and services are excluding food and energy | Latest: 2022q3 | Source: BLS, IHS Markit, OR Office of Econ Analysis

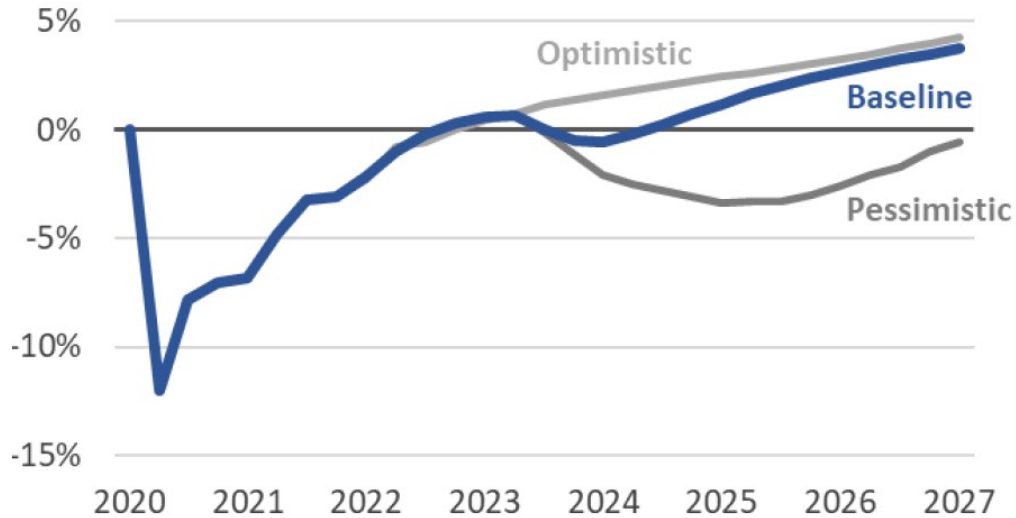
<sup>3</sup> <https://www.oregon.gov/das/OEA/Pages/forecastecorev.aspx>



- **Second**, it has been difficult to find workers for the past handful of years. In an optimistic scenario, inflation cools and the federal reserve will slow interest rate hikes. The economy still slows but without major job losses. In a pessimistic scenario, inflation continues to be high and the federal reserve continues with interest rate hikes and economy slows into a recession.

## Oregon Alternative Scenarios: Employment

Percent change from pre-COVID peak in the **Baseline Boom/Bust**, the **Optimistic Soft Landing**, and **Pessimistic Moderate Recession**

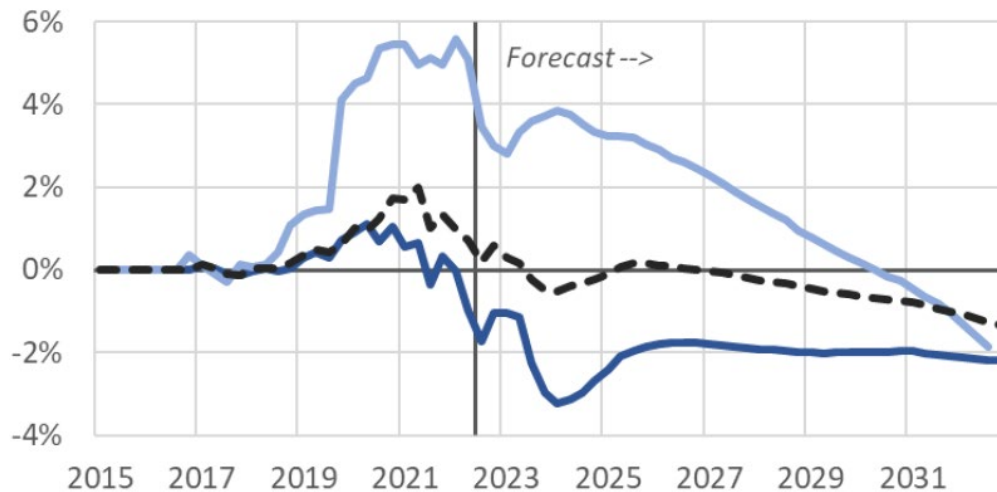


- **Third** is the strong financial position households are in with wage income increasing.

## Oregon Personal Income Forecast Revisions

Percent change from current forecast compared to previous

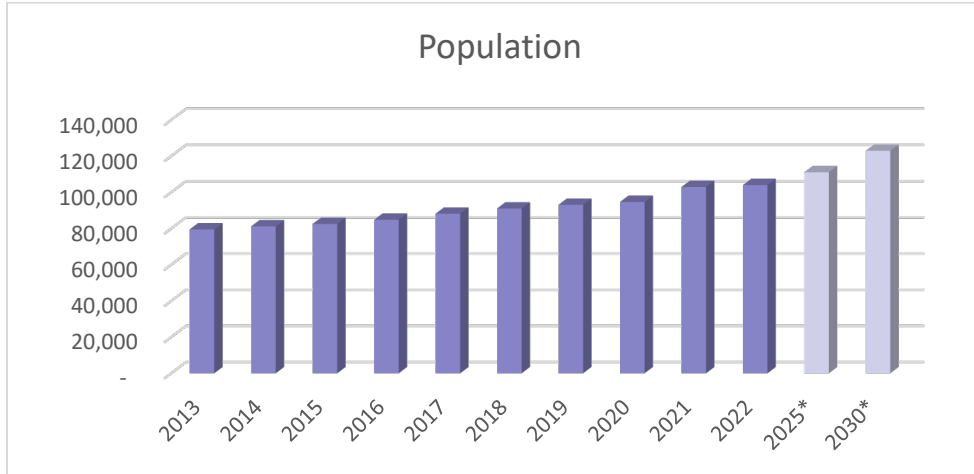
**Total Income** | **Labor Income** | **Non-wage Income**



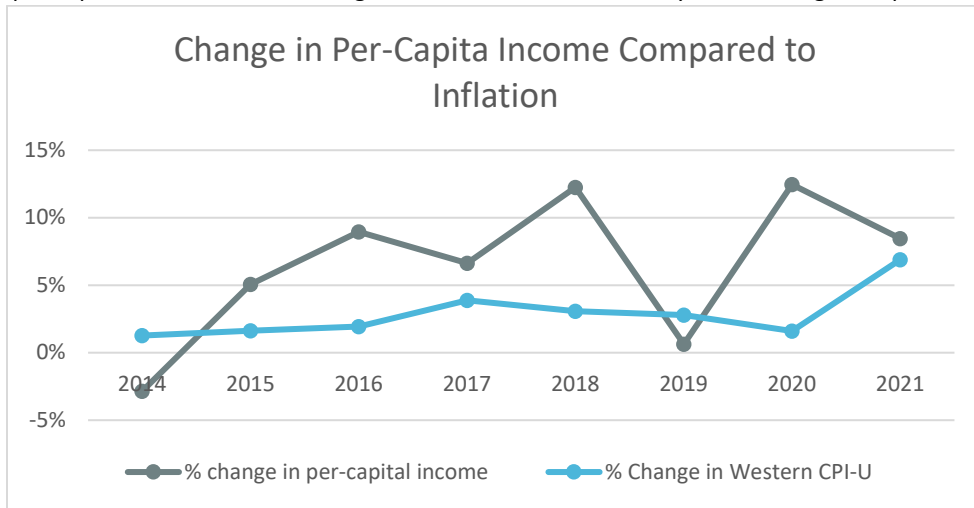
Latest: 2022q2 | Source: BEA, Oregon Office of Economic Analysis

### District Trends

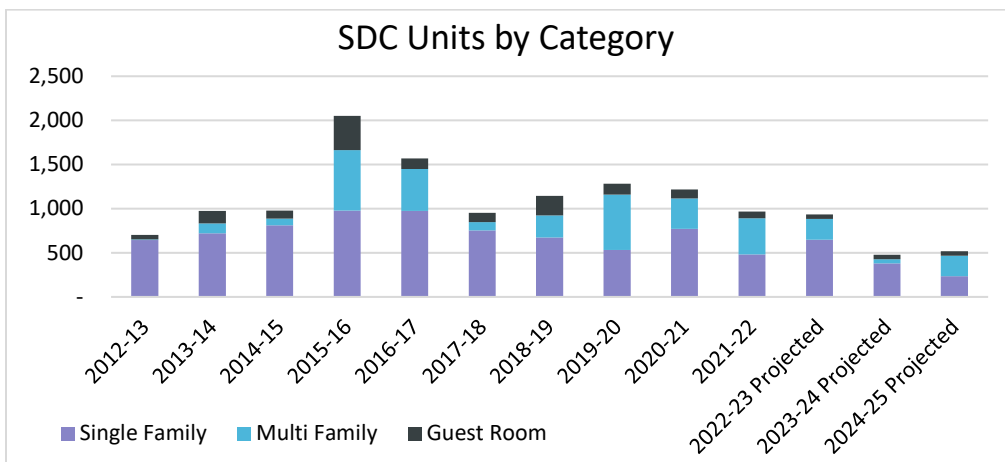
Our district has averaged 3.2% increase in population over the last 5 years per Portland State University Population Research Center's Certified Population Estimates. They are forecasting continued growth of another 6.82% by 2025:



The population's per capita income continues to grow as well, demonstrated by the % change compared to inflation<sup>4</sup>:

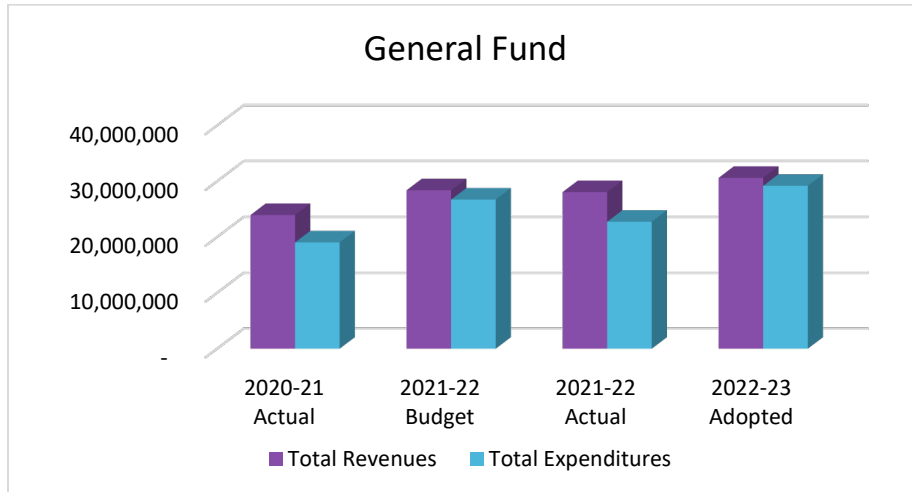


Development continues but is looking to slow per our projections based on filings with the city and communications with developers:

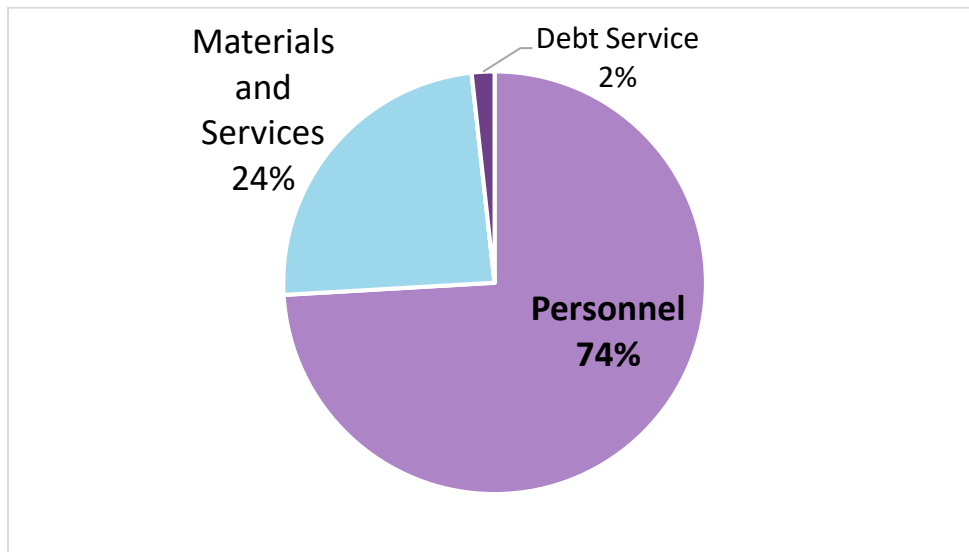


<sup>4</sup> U.S. Department of Commerce, Bureau of Economic Analysis

In the current 2022-23 budget, there was an 8.1% cost of living adjustment (COLA) to keep up with rising inflation. The 2022-23 budget also included the return of our programming beyond pre-pandemic levels and growth.



The General Fund’s largest expense by far is personnel and per the current budget it makes up 74% of the budget:



## District Forecast

As we prepare for the FY2023-24 budget (FY24), we are forecasting at a high level the future financial wellbeing of the district for the next five years. We use broad estimates with the information available now. The economic conditions and district data were considered the following factors for our assumptions.

### Factors Revenue

- **Taxes-** Rates are based upon county assessor's information. The average for the last five years is 6.4%. Staff estimate a conservative 4% prediction for the 5-year forecast to account for any slowing in growth. We only capture 3% of higher appraisal, which is far less than inflation.
- **System Development Charges-** These are harder to predict and dependent on when a property is developed. We use past trends and current plans for assumptions. We keep these estimates conservative to be able to respond if development stalls.
- **Charges for Services-** This is based on past averages and current trends. This data is developed by the Recreation department based on their cost recovery modeling.

Expenditures

- **Personnel Costs-** Many factors contribute to our estimates:
  - Inflation on cost of living adjustment and the intent to bring back merit-based wage changes
  - Funding a full year of Paid Leave Oregon: 1% of employee gross income
  - Increase in unemployment rate for this upcoming year and we are predicting it will start to go back down
  - Increases in worker’s comp rates
  - PERS increases in FY26 of 2%, which has been confirmed by the plan, and we assume a 2% increase again in FY28
  - Increase in health benefits costs
  - Increases in staffing due to growth and demand
- **Operational costs-** Inflation continues to impact the cost of materials and services. We estimate larger operating costs for the upcoming year before leveling out. Operating costs will also increase as new parks, trails and programs come online.
- **Capital Costs-** These costs are impacted by inflation, supply chain issues, labor shortages among the building community, and construction inflation being higher than general inflation. This forecast ties directly to the Capital Improvement Plan (CIP).

Below are the basic assumptions as a percent (Recreation is not included and is accounted for just at the subsidy level for this forecast, because the subsidy is the impact recreation has on the general fund):

Assumptions								
	Actuals	Actuals	Budget	Projections				
	5 year average	2021-2022	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
<b>Economic assumptions</b>								
Investment rate of return and misc rev *	1%	132%	6%	2.0%	2.0%	2.0%	2.0%	2.0%
Percentage growth of property tax revenues	6%	5%	4%	4.0%	4.0%	4.0%	4.0%	4.0%
Personnel Costs increases (3 year average)**	4%	4%	7%	15.7%	11.7%	9.5%	8.0%	8.0%
Materials and services cost increase**	6%	21%	16%	5.0%	5.0%	5.0%	5.0%	5.0%
*Varies year to year and depending on grants and other factors such as SDC admin charges								
**Without Recreation (analysis done separate for cost recovery)								

General Fund

The district’s General Fund is the general operating fund 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.

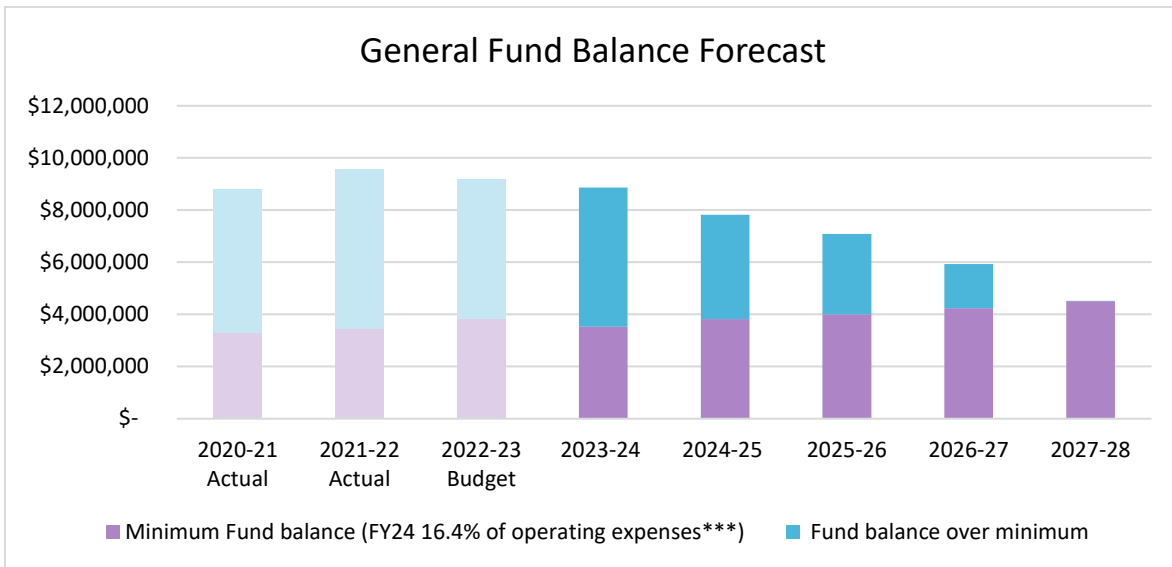
**Fund balance** is critical for financial stability and flexibility. Reserves aid in governments being able to respond to events, buffer against economic downturns, and are a factor for bond ratings. Therefore, local governments establish a minimum fund balance. District policy sets its minimum at 17% of budgeted operating expenditures (capital is excluded because those are one-time expenses).

This calculation in the past included transfers going to reserve funds, making the reserve level higher than necessary. In case of a bond issuance, reserves can be included with the General Fund. We recommend maintaining a fund balance based on operating expenses only because this is what we would need in the event of an emergency. Additionally, based on the district’s pandemic experience, funding stability of property taxes and risks for natural disasters **we recommend that the reserve be 16.4% to cover 60 days of operating costs along with the reserve accounts fund balance minimums**. Any amounts over the minimum can be used for:

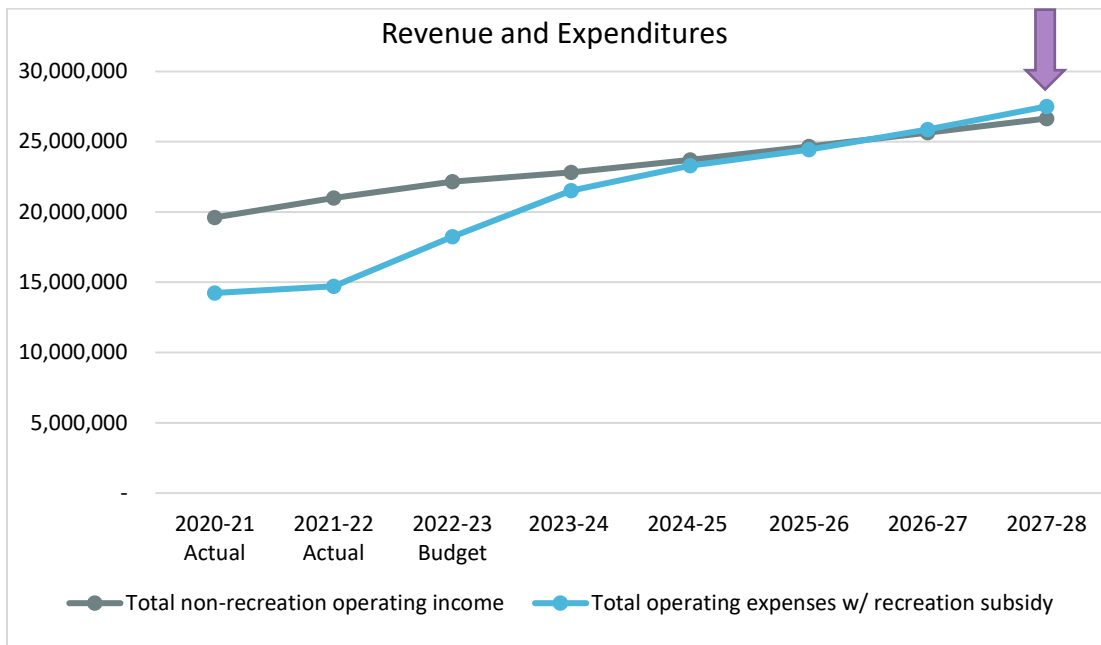
- future Capital Improvement Plan funding,
- mitigating overhead revenue shortfalls in future years,

- 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.

Based on the factors described earlier, the General fund forecast is as follows:



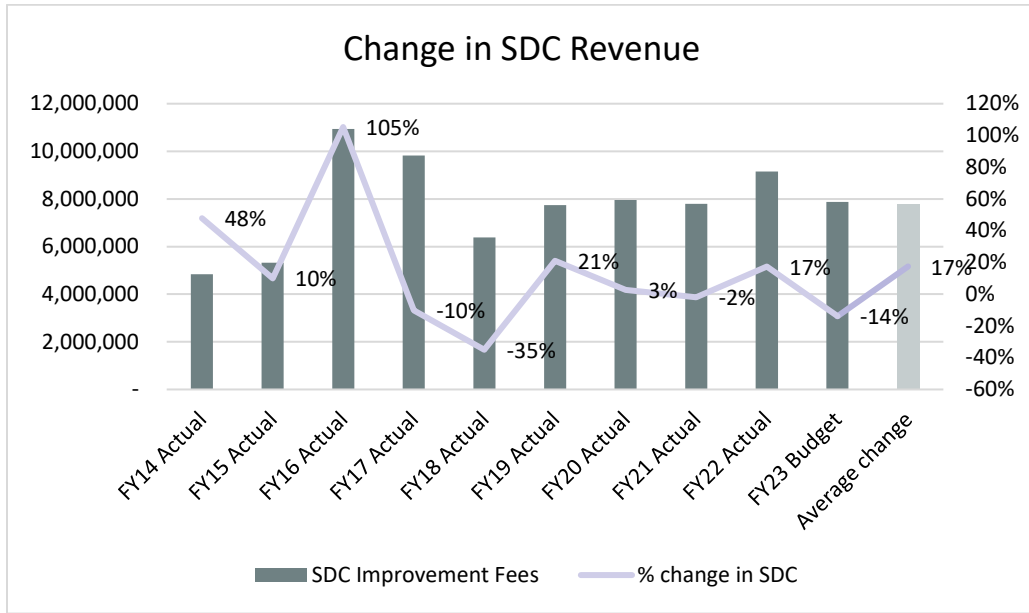
The General Fund needs to continue to save for future maintenance and repair of current facilities, address growth and adapt to changing economic conditions. The forecast shows at the end of the five years, the district will be able to maintain a fund balance minimum of 60 days of operating expenditures. In the last two years of the forecast, our operating expenses start to grow faster than revenue. A healthy fund balance helps the district be able to meet the fund balance minimum but that can only work in the short term. Adjustments will need to be made if inflation and personnel costs continue to rise at the current rates.



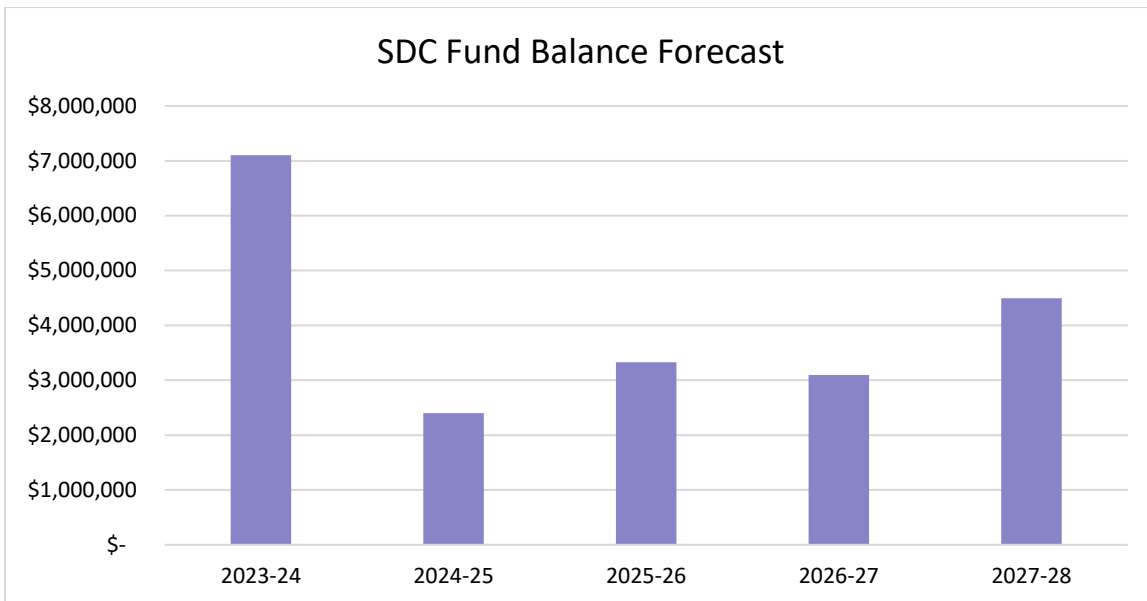
See specific cost assumptions for the General Fund in Appendix A.

### System Development Charges (SDC) 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 for developing residential properties. SDC revenue is hard to predict and averaging the change and reviewing downturns and recoveries is necessary. We also review what is up and coming with developers and if there are any changes in their plans. The best approach is to calculate averages to help plan for expenditures. Past trends demonstrate how different each year can be for receiving this type of funding.



Expenditures are restricted by state law to capacity enhancing and reimbursement projects for parks, trails and indoor recreation facilities. The details of the planned expenditures can be found in the CIP. Fund balance will need some build-up time after large expenditures for the future projects.

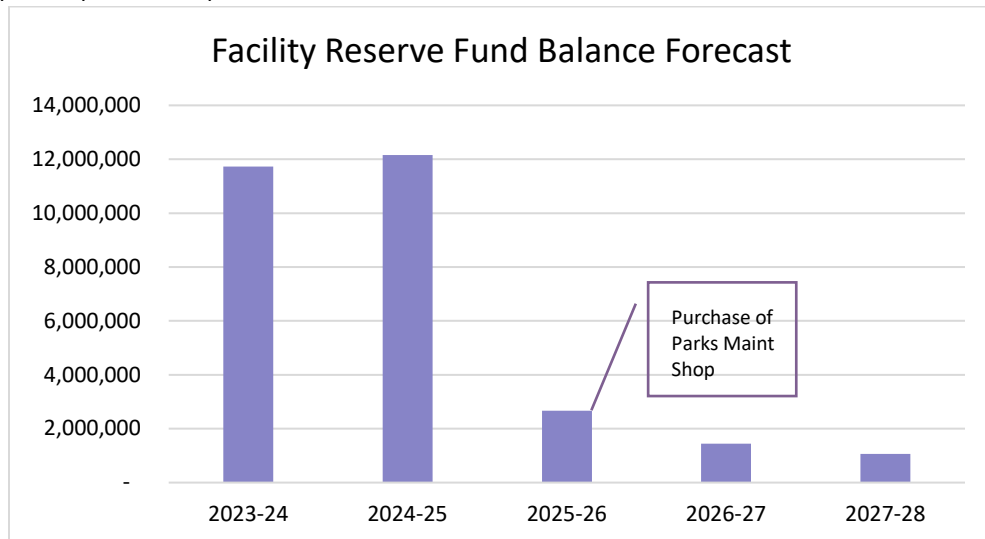


See specific cost assumptions for the SDC Fund in Appendix B.

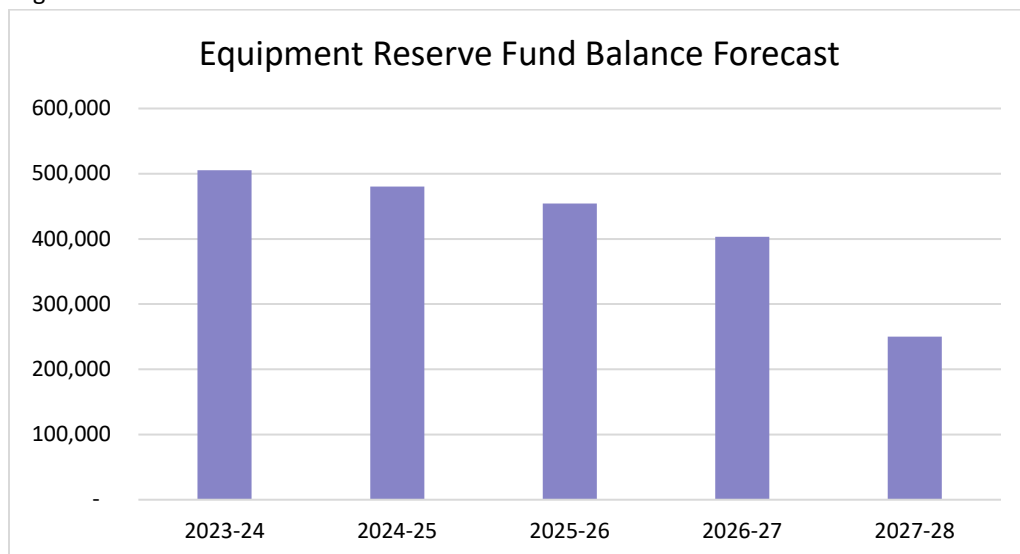
## Facility Reserve and Equipment Reserve Funds

These funds are mainly funding by transfer from the General Fund so capital projects are funded by property taxes. Fund balance is needed to ensure the district can adapt to unplanned or emergency repairs to facilities and equipment. *See specific cost assumptions for the Facility Reserve Fund and Equipment Reserve Fund in Appendix C.*

- *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, grants and contributions. Primary expenditures of the fund are land acquisitions, new park development, facility projects and asset management projects. The expenditures are based on the five-year CIP to maintain the district facilities. As the district's facilities age, we must maintain them and this fund is intended to reserve funds for this purpose to align with the capital improvement plan.

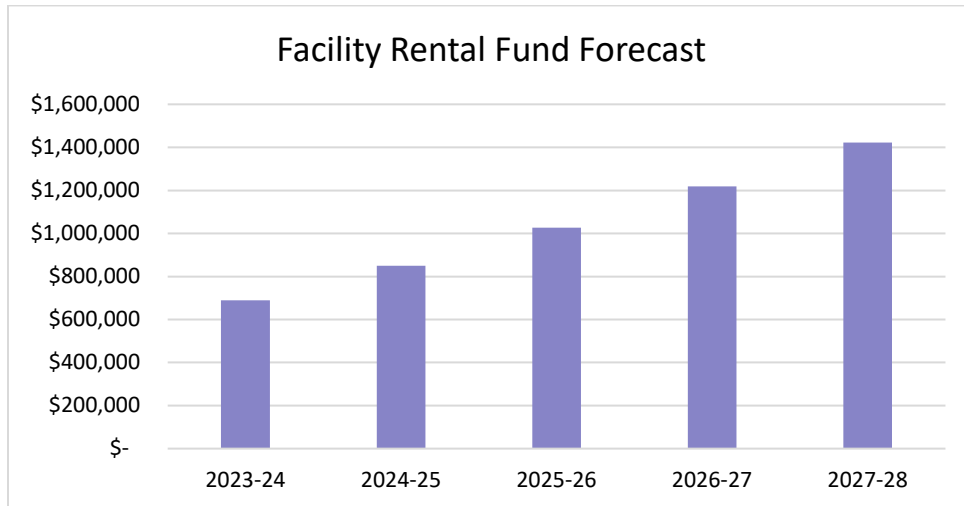


- *Equipment Reserve Fund* is authorized and established by resolution 245, on July 1, 2004, for the following specified purposes: To set aside funds, through transfers, for replacing vehicles, equipment, furniture, fixtures and technology. The board reviewed this fund in 2014 and decided to continue utilizing this reserve fund. The next review year is 2024. The expenditures are based on equipment and vehicle management. Spending varies by year depending on rotation schedules or expansion of the system or programs. As the district's equipment and vehicles age, we must maintain or replace them. This fund is intended to reserve funds for this purpose to align with our equipment and asset tracking.



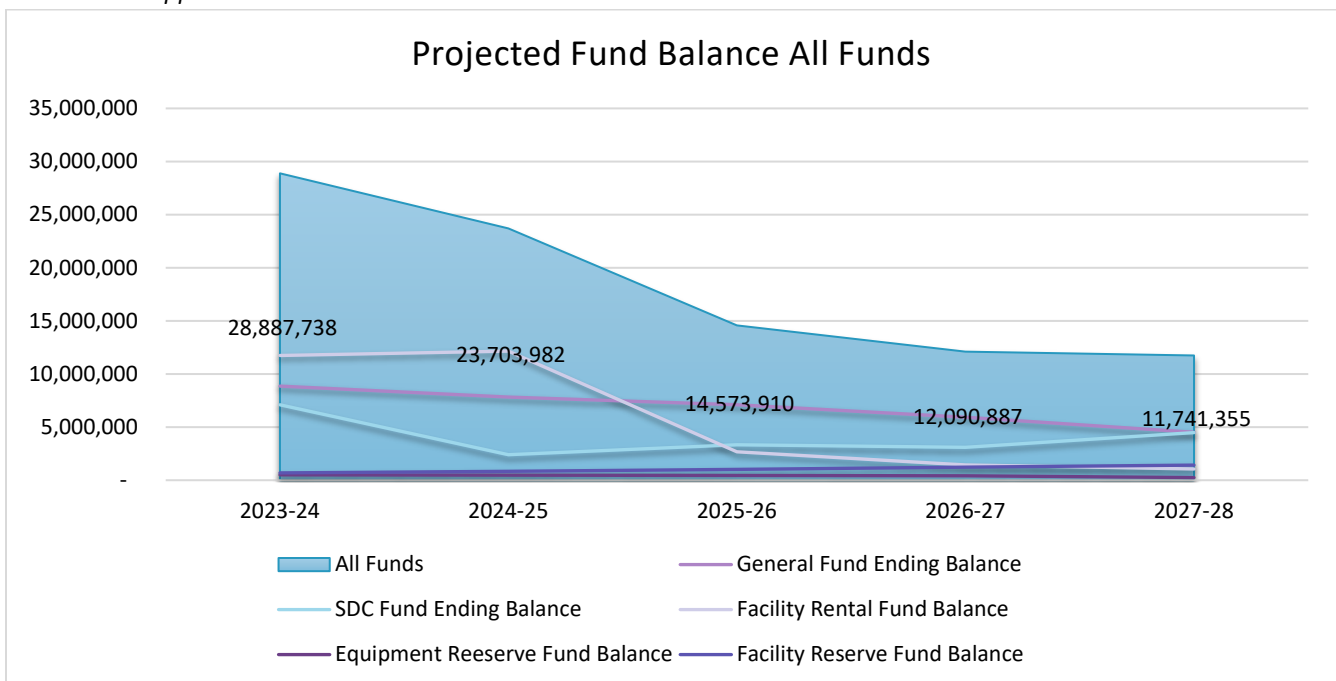
## Facility Rental Fund

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. Facility rentals were greatly impacted by the pandemic the last two fiscal year. We have seen recovery this last fiscal year and plan to continue to see a recovery in our rentals. With the increase in rentals, expenditures will again return to normal levels. In addition, there are capital expenses for repairs of the rental facilities. The fund balance is to cover any shortfall in operations along with maintenance and capital repairs for the rental facilities. The fund balance is larger than needed and is being transferred in the facility reserve fund to aid with other projects next year. *See specific cost assumptions for the Facility Rental Fund Appendix D.*



## All District Funds

Looking at all funds with the current estimates, economic conditions and past data, we can maintain needed fund balances. There are large items and growth taking place, such as the purchase of the new parks maintenance building, wages keeping up with inflation, meeting retirement fund obligations, maintaining our assets and addressing our parks and trail growth. We can meet minimum fund balances at the end of the five-year forecast, but our ability to save for facility maintenance and equipment replacement begins to decrease due to rising personnel and operational costs. *See specific cost assumptions and details in the appendices.*





## Conclusion

The district continues to be impacted by inflation, workforce shortages and rising personnel costs. Impacts on staffing costs are limiting the availability of funds for saving for large maintenance projects and protentional services in the future. Our goal is the carefully monitor cost increases to assure fees remain affordable to our residents while allowing the district to continue maintaining high levels of service. Should the rate of inflation and personnel costs continue, it will erode the additional funds the district has to maintain facilities and the high levels of service we provide to the community.

This financial forecast takes a moderate conservative approach, and our projections continue to show that we are living within our means. The last year of the five-year term forecasts expenses will be more than revenue, but the district will still be able to maintain minimum reserves.

Overall, the district remains in good financial health and must monitor the possible recession and other economic impacts to ensure our expenses do not outpace revenues. Given this moderate conservative approach, it's likely that we will perform and possibly outperform these projections, allowing the district to continue its trend of maintaining a well-managed and financially stable organization.

## Appendix A

### General Fund Details

General Fund Forecast								
Financial impact of assumptions	Actuals	Actual	Budget/Estimate	Projections				
	2020-2021	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Property tax revenues *	\$ 19,359,752	\$ 20,400,847	\$ 21,524,800	\$ 22,385,792	\$ 23,281,224	\$ 24,212,473	\$ 25,180,972	\$ 26,188,210
Other income (interest, miscellaneous)	253,141	587,621	624,700	426,728	435,689	444,839	454,181	464,172
<b>Total non-recreation operating income</b>	<b>19,612,893</b>	<b>20,988,468</b>	<b>22,149,500</b>	<b>22,812,520</b>	<b>23,716,913</b>	<b>24,657,312</b>	<b>25,635,152</b>	<b>26,652,383</b>
Total recreation operating subsidy*	3,022,602	2,668,634	2,846,512	4,170,613	4,245,582	4,327,052	4,314,267	4,396,395
Total non-recreation personnel costs	8,222,257	8,530,298	10,579,196	12,244,963	13,672,608	14,971,506	16,169,226	17,462,764
Total non-recreation operating expenses (materials, services)	2,484,358	3,008,976	4,305,247	4,606,614	4,883,011	5,127,162	5,383,520	5,652,696
Debt service for JFC 2007 expansion/reno **	508,000	507,842	508,050	508,000	508,000	-	-	-
<b>Total operating expenses ***</b>	<b>14,237,217</b>	<b>14,715,750</b>	<b>18,239,005</b>	<b>21,530,190</b>	<b>23,309,201</b>	<b>24,425,720</b>	<b>25,867,013</b>	<b>27,511,855</b>
<b>Net operating income</b>	<b>5,375,676</b>	<b>6,272,718</b>	<b>3,910,495</b>	<b>1,282,330</b>	<b>407,712</b>	<b>231,592</b>	<b>(231,861)</b>	<b>(859,472)</b>
General Fund Capital transfers (Facility Reserve & Equipment Reserve)	5,220,000	5,500,000	4,300,000	1,600,000	1,450,000	958,000	933,000	553,000
<b>General Fund Balance</b>	<b>\$ 8,793,640</b>	<b>\$ 9,566,358</b>	<b>\$ 9,176,853</b>	<b>\$ 8,859,182</b>	<b>\$ 7,816,895</b>	<b>\$ 7,090,487</b>	<b>\$ 5,925,626</b>	<b>\$ 4,513,153</b>
<b>Minimum Fund balance (FY24 16.4% of operating expenses***)</b>	<b>\$ 3,307,727</b>	<b>\$ 3,436,678</b>	<b>\$ 3,831,631</b>	<b>\$ 3,530,951</b>	<b>\$ 3,822,709</b>	<b>\$ 4,005,818</b>	<b>\$ 4,242,190</b>	<b>\$ 4,511,944</b>
<b>Fund balance over minimum</b>	<b>\$ 5,485,913</b>	<b>\$ 6,129,680</b>	<b>\$ 5,345,222</b>	<b>\$ 5,328,231</b>	<b>\$ 3,994,186</b>	<b>\$ 3,084,669</b>	<b>\$ 1,683,436</b>	<b>\$ 1,209</b>

\* Adjustments made based on current information so estimate is shown not budget  
 \*\* Debt payment ends in FY25  
 \*\*\* Use to include transfers to reserve funds now just operating will be included at 16.4% due to the nature of our revenue streams and the ability to adjust in programming along with Reserve fund balance

## Appendix B

### System Development Charge Details

SDC Fund								
	Actuals	Actuals	Budget	Projections				
	2020-2021	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Interest	\$ 125,327	\$ 89,731	\$ 56,000	\$ 65,558	\$ 42,606	\$ 14,421	\$ 19,979	\$ 18,580
SDC Improvement Fees	7,792,806	9,151,092	7,879,000	7,300,000	6,800,000	6,500,000	5,500,000	5,500,000
<b>Total Revenue</b>	<b>7,918,133</b>	<b>9,240,823</b>	<b>7,935,000</b>	<b>7,365,558</b>	<b>6,842,606</b>	<b>6,514,421</b>	<b>5,519,979</b>	<b>5,518,580</b>
Materials and Services	8,329	106,955	17,000	20,000	20,000	20,000	20,000	20,000
Capital	6,230,394	8,523,542	12,991,153	11,170,909	11,520,074	5,568,085	5,733,142	4,098,640
<b>Total Expenses</b>	<b>6,238,723</b>	<b>8,630,497</b>	<b>13,008,153</b>	<b>11,190,909</b>	<b>11,540,074</b>	<b>5,588,085</b>	<b>5,753,142</b>	<b>4,118,640</b>
<b>SDC Fund Balance</b>	<b>\$ 15,389,208</b>	<b>\$ 15,999,534</b>	<b>\$ 10,926,381</b>	<b>\$ 7,101,030</b>	<b>\$ 2,403,562</b>	<b>\$ 3,329,899</b>	<b>\$ 3,096,736</b>	<b>\$ 4,496,677</b>

## Appendix C

### Facility Reserve Fund Details and Equipment Reserve Fund Details

Facility Reserve Fund Forecast								
Financial impact of assumptions	Actuals	Actuals	Budget	Projections				
	2020-2021	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Interest	\$ 81,112	\$ 64,616	\$ 75,000	\$ 102,394	\$ 70,396	\$ 60,768	\$ 13,363	\$ 7,233
CIP Alternative Financing (Grant or other funds)				371,500	1,399,163	350,000	-	-
Other income (interest, miscellaneous)	185,207	645,470	200,000	100,000	100,000	100,000	100,000	100,000
Interfund Transfers (GENERAL & FACILITY RENTAL)	4,970,000	5,250,000	4,000,000	2,400,000	1,250,000	758,000	758,000	480,000
Total operating income	5,236,319	5,960,086	4,275,000	2,973,894	2,819,559	1,268,768	871,363	587,233
Capital Outlay	6,804,613	1,376,379	2,092,442	7,997,168	1,978,639	9,350,020	1,677,000	425,000
Other expense (Materials and Service)	-	-	1,006,265	310,000	420,000	1,400,000	420,000	550,000
Total operating expenses	6,804,613	1,376,379	3,098,707	8,307,168	2,398,639	10,750,020	2,097,000	975,000
<b>Net operating income</b>	<b>(1,568,000)</b>	<b>4,583,707</b>	<b>1,176,000</b>	<b>(5,333,000)</b>	<b>421,000</b>	<b>(9,481,000)</b>	<b>(1,226,000)</b>	<b>(388,000)</b>
<b>Facility Reserve Fund Balance</b>	<b>11,305,886</b>	<b>15,889,593</b>	<b>17,065,593</b>	<b>11,732,593</b>	<b>12,153,593</b>	<b>2,672,593</b>	<b>1,446,593</b>	<b>1,058,593</b>
<b>Minimum Fund balance 750,000</b>	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
<b>Fund balance over minimum</b>	<b>\$ 10,555,886</b>	<b>\$ 15,139,593</b>	<b>\$ 16,315,593</b>	<b>\$ 10,982,593</b>	<b>\$ 11,403,593</b>	<b>\$ 1,922,593</b>	<b>\$ 696,593</b>	<b>\$ 308,593</b>

Equipment Reserve Fund Forecast								
Financial impact of assumptions	Actuals	Actuals	Budget	Projections				
	2020-2021	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Interest	\$ 4,398	\$ 3,897	\$ 2,000	\$ 2,652	\$ 2,527	\$ 2,402	\$ 2,272	\$ 2,017
Other income (interest, miscellaneous)	15,850	27,625	10,000	22,000	22,000	22,000	22,000	22,000
Interfund Transfers (FROM GENERAL FUND)	250,000	250,000	300,000	200,000	200,000	200,000	175,000	73,000
Total operating income	270,248	281,522	312,000	224,652	224,527	224,402	199,272	97,017
Capital Outlay	160,435	127,598	601,916	225,000	225,000	225,000	225,000	225,000
Other expense (Materials and Service)	-	28,415	20,000	25,000	25,000	25,000	25,000	25,000
Total operating expenses	160,435	156,013	621,916	250,000	250,000	250,000	250,000	250,000
<b>Net operating income</b>	<b>110,000</b>	<b>125,509</b>	<b>(310,000)</b>	<b>(25,000)</b>	<b>(25,000)</b>	<b>(26,000)</b>	<b>(51,000)</b>	<b>(153,000)</b>
<b>Equipment Fund Balance</b>	<b>714,852</b>	<b>840,361</b>	<b>530,361</b>	<b>505,361</b>	<b>480,361</b>	<b>454,361</b>	<b>403,361</b>	<b>250,361</b>
<b>Minimum Fund balance **250,000</b>	150,000	150,000	150,000	250,000	250,000	250,000	250,000	250,000
<b>Fund balance over minimum</b>	<b>\$ 564,852</b>	<b>\$ 690,361</b>	<b>\$ 380,361</b>	<b>\$ 255,361</b>	<b>\$ 230,361</b>	<b>\$ 204,361</b>	<b>\$ 153,361</b>	<b>\$ 361</b>

\*\* Revising to reflect spending and price of equipment in the event of emergency replacements

## Appendix D

### Facility Rental Fund Details

Facility Rental Fund Forecast								
Financial impact of assumptions	Actuals			Projections				
	2020-2021	2021-22	Budget/Estimate 2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Interest	\$ 10,174	\$ 7,952	\$ 12,000	\$ 9,159	\$ 4,137	\$ 5,097	\$ 6,159	\$ 7,311
Charges for Services*	170,096	501,696	592,115	616,451	654,420	694,752	737,596	783,109
Total operating income	180,270	509,648	604,115	625,610	658,557	699,849	743,755	790,420
Personnel	165,832	266,497	306,276	337,435	361,870	380,868	400,843	424,893
Materials and Services	35,629	81,252	76,800	85,139	96,653	102,081	111,269	121,283
Capital	6,420	15,216	85,000	40,000	40,000	40,000	40,000	40,000
Total operating expenses	207,881	362,965	468,076	462,574	498,523	522,949	552,112	586,176
<b>Net operating income</b>	(28,000)	146,683	136,000	163,000	160,000	177,000	192,000	204,000
Capital transfers (Facility Reserve )				1,000,000	-	-	-	-
<b>Facility Rental Fund Balance</b>	<b>\$ 1,243,888</b>	<b>\$ 1,390,571</b>	<b>\$ 1,526,571</b>	<b>\$ 689,571</b>	<b>\$ 849,571</b>	<b>\$ 1,026,571</b>	<b>\$ 1,218,571</b>	<b>\$ 1,422,571</b>

\* Estimate included since its out performing budget



Brady Fuller, Chair

**User Fees and Charges**

**SECTION 1: GENERAL POLICY**

**1. Purpose**

The purpose of the policy is to provide Board direction to staff in setting fees and charges for programs, facilities and other services.

**2. Introduction**

The Bend Park and Recreation District relies on a mixture of tax revenue 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 and natural areas and help support a wide variety of recreation opportunities. Fees and charges are used to offset some or all of the cost of individual participation in a program or use of a facility. Fees and charges shift some of the cost of providing a service to the individuals who benefit directly from it. By charging fees, greater tax support is available to spread over a broader range of services allowing for a more diverse and sustainable park and recreation system.

**3. Funding Philosophy**

The District approach to funding park and recreation services is represented in the Funding Model below. This model illustrates the relationship between the expectation for, access to and benefit from a service and how the service is funded.



Reviewer: Director of Recreation  
Last Review Date: February 2019  
Next Review Date: February 2024  
Review Schedule: 5 years

### General Service Categories

- A. **Community-wide:** Public services that are basic expectations, are widely accessible and provide community-wide benefit make up the base of the Funding Model. These services are usually supported fully or heavily through tax revenues. Examples include: acquiring, developing and maintaining parks, trails and natural areas; completing capital improvement projects; providing essential planning and administrative services; and, facilitating outreach and inclusion so that all may benefit from the system.
- B. **Individual/Community:** Many services provided by the District are not usually considered a basic service but respond to varying levels of community expectations and offer a blend of community and individual access and benefit. These dual benefit services are supported by a mix of user fees and tax revenues proportional to the degree of community expectation and access that the service provides. Examples include: the operation of recreation facilities; most recreation programs; community events; and, facility rentals for non-profit organizations offering community programs.
- C. **Individual:** Services that are not generally expected and/or have limited access and benefit to the community at large are considered private services. These services should not be subsidized through tax revenue and in most cases should generate revenue that help support other services that provide broader community access and benefit. Examples include: concession and merchandise sales; private and/or advanced instruction; and, private and commercial use of facilities.

#### 4. Cost Recovery Methodology

- A. Cost recovery is the method for aligning fee and tax support with the funding philosophy described above. Cost recovery represents the portion of the cost of providing a program or service that is recovered through user fees. Services with broader community expectation, access and benefit therefore should have a lower cost recovery expectation than services that have more limited and individual access and benefit.
- B. Cost recovery expectations for different categories of services are approved and periodically reviewed by the Board of Directors. These cost recovery expectations provide guidance and direction to staff for establishing fees for fee-based services. The cost recovery expectations for service categories are expressed as a range. This is because a variety of factors influence actual cost recovery that cannot always be predicted during the fee setting process including: the number of enrollments; facility utilization levels; and, certain costs. By providing a cost recovery range instead of a single target, it is more realistic to ensure that services are consistently falling in the approved cost recovery guidelines.

## 5. Subsidy Allocation

Subsidy allocation is the actual amount of tax subsidy that is provided for a service based on the cost recovery expectation. For example, a service that costs \$100,000 to provide and has an 80% cost recovery expectation would require a tax subsidy of \$20,000 whereas another service that has the same cost recovery expectation but costs \$1,000,000 to provide would require a \$200,000 tax subsidy. Because tax subsidy requirements can vary greatly even with the same cost recovery expectation, it is important that subsidy allocation is considered alongside cost recovery. Subsidy allocations for different services are approved by the Board of Directors annually through the budget process.

## 6. Fee Setting Methods

- A. Fee setting for District programs and services are based primarily on the cost recovery methodology described above. Specifically, this includes:
  - Determining the appropriate category for the program/service
  - Identifying the cost of providing the program/service
  - Applying the approved cost recovery guidelines
- B. Fee setting will also take into account market considerations where applicable including:
  - What people would typically expect or be willing to pay for the service
  - Comparisons with other providers, both public and private, relative to the value of the service
  - Balancing participation goals and affordability with cost recovery expectation
- C. Program fees should at a minimum meet the cost recovery guidelines. Program fees and the resulting cost recovery may be higher when market conditions allow, freeing resources for programs and services that require higher rates of tax support.

## 7. Fee Setting Authority

- A. The Board of Directors approves cost recovery guidelines for different categories of programs and services. These guidelines are included in this policy and shall be reviewed no less than every four (4) years.
- B. Fees are established by staff for specific programs and services based on the Board-approved guidelines in this policy. Fees will be evaluated and updated to ensure they continue to meet cost recovery guidelines.
- C. The Board delegates to the Executive Director or designee the authority to approve fees that do not meet the cost recovery guidelines.



## **SECTION II: COST RECOVERY GUIDELINES FOR RECREATION PROGRAMS AND SERVICES**

1. **Program Category Descriptions:** District recreation programs and services are separated into the following categories based on the degree of community versus individual access and benefit the program provides and the relative level of expectation and reliance the community has for the program.
  - A. **Issue-Focused Services:** Programs and services designed to address a community issue or need that the District has identified as a priority for use of tax resources. Services such as needs-based assistance, inclusion services, outreach and targeted programming to underserved populations are examples.
  - B. **Core Programs:** Programs that are central to supporting the District’s mission and initiatives and that there is strong expectation that the District provides. It is also unlikely that other providers could meet the community need. Programs in this category have broad interest, access and participation such as public swimming and skating times or serve a strongly identified need such as after school care, swim lessons and youth sport leagues.
  - C. **Complementary Programs:** Programs that complement core services and contribute to fulfilling the District mission but that there is a lower expectation for the District to provide. Similar programs are typically offered by other providers. Programs in this category include activities with more specialized interest and focus and generally lower capacity and participation such as art, enrichment, STEM and facilitated outdoor programs.
  - D. **Specialized Programs:** Programs not expected and/or necessary to fulfill the mission of the District and serve a narrower population or interest. Programs often require a specific skill level and/or have very limited capacity, and are usually offered by private providers as well. Examples include advanced classes and camps, individualized instruction, small group training, etc.
  - E. **Private Benefit Services:** Services that do not directly support the District mission but are desired by some and can produce revenue to help offset the cost of providing public benefit services. Examples include food and beverage sales, merchandise for resale and private rentals of facilities.
  
2. **Cost Recovery Guidelines:** The following cost recovery guidelines will be used to establish fees for the categories of recreation programs and services described above. Operated facilities include Juniper Swim & Fitness Center, The Pavilion and Larkspur Community Center.

**Table 1: Cost Recovery Guidelines for Recreation Programs**

<b>Program Category</b>	<b>Operated Facility</b>	<b>Non-Operated Facility</b>
Issue-Focused Services	0-50%	0-50%
Core Programs	60-80%	80-100%
Complementary Programs	80-100%	100-120%
Specialized Programs	100-120%	120-140%
Private Benefit Services	120%+	140%+

3. **Costs Included in Cost Recovery:** The following cost will be considered when applying the cost recovery guidelines to the different categories of recreation programs and services.

**Table 2: Costs included in Recreation Program Cost Recovery**

Location	Direct Costs	Program Management	Registration	Marketing	Facility Operations	Organizational Support	Capital Costs
Operated Facility	Yes	Yes	Yes	Yes	Yes	No	No
Non-Operated	Yes	Yes	Yes	Yes	No	No	No

- **Direct Costs** – costs directly associated with providing the program including staff wages, payroll taxes and benefits, consumable program supplies, etc.
- **Program Management** – costs of planning, coordinating and managing the program including staff wages, payroll taxes and benefits, and indirect costs such as office supplies, phone, staff training, etc.
- **Registration** – costs associated with registration and customer service to support the activity including customer service wages, payroll taxes and benefits, credit card processing fees, printing, etc.
- **Marketing** – costs associated with marketing and communication efforts including the production and mailing of the program guide, website management, advertising and other collateral material.
- **Facility Operations** – direct costs of operating and maintaining facilities including utilities, maintenance, repairs, janitorial, and staffing and materials required to support the ongoing maintenance and operations of a facility.
- **Organizational Support** – services that support the overall operation of the District, including: Human Resources, Finance, Business, IT, Community Relations, Planning and Development, Executive Directors office, etc.
- **Capital Costs** – the initial capital costs to develop the facility, including annual debt service payments or depreciation of these investments and ongoing capital costs required to maintain and improve District facilities and assets.

### **SECTION III: COST RECOVERY GUIDELINES FOR RENTAL FACILITIES**

1. **Rental Definitions:** A facility rental is considered any third party reserved use of a District park, facility or portion thereof. Facility rentals are divided into the following three service categories for cost recovery consideration.
  - **Community Events:** Functions that are promoted as community-wide events and open to all who choose to participate.
  - **Organized Sport User Groups:** Use of facilities to operate organized sports or other recreation activities that are open with some limitations to registered participants.
  - **Exclusive Functions:** Rentals intended for exclusive use by invited guests such as weddings, birthday parties, holiday parties, reunions, etc.
  
2. **Renter Types:** The District recognizes four types of renters in its cost recovery guidelines. The renter type is based on the purpose of the rental function rather than the renting entity.
  - **Partner:** Renter is a formal partner of the District for the rental function.
  - **Non-profit:** Renter is a non-profit organization conducting activities that directly support the mission and purpose of the non-profit organization.
  - **Private:** Renter is a private individual.
  - **Commercial:** Renter is engaging in a commercial “for-profit activity” whether a fee is charged directly or not.
  
3. **Cost Recovery Guidelines:** The following cost recovery guidelines will be used to establish fees for the various categories and types of facility rentals.

**Table 3: Cost Recovery Guidelines for Rental Facilities**

<b>Rental Function</b>	<b>Partner</b>	<b>Non-Profit</b>	<b>Private</b>	<b>Commercial</b>
Community Events	0-50%	50-75%	N/A	100-125%
Organized Sport User Groups	0-50%	75-100%	100-125%	125-150%
Exclusive Rentals	0-50%	100-125%	125-150%	150-200%

4. **Costs Included in Cost Recovery:** The following cost will be considered when applying the cost recovery guidelines to the different types of facility rentals.

**Table 4: Costs included in Rental Facility Cost Recovery**

Facility Type	Reservation	Direct Service	Facility Operations	Organizational Support	Capital Improvements	Capital Costs
Parks & Shelters	Yes	Yes	No	No	No	No
Athletic Fields	Yes	Yes	No	No	No	No
Recreation Facilities	Yes	Yes	Yes	No	No	No
Rental Halls	Yes	Yes	Yes	Yes	Yes	No

- **Reservation** – costs associated with reserving and renting the facility, including processing reservations, credit card procession fees, permits, logistical plans, etc.
- **Direct Service** – cost of direct services provided by the District to support the rental activity such as athletic field preparation for specific activity, athletic field lighting, additional trash or restroom service, site and utility modifications, staff logistical support, delivery and/or set-up of equipment, etc.
- **Facility Operations** – direct costs of operating and maintaining a park or facility including utilities, maintenance, janitorial service, general turf maintenance, staffing and materials required to support the ongoing maintenance and operations of a facility, etc.
- **Organizational Support** – services that support the overall operation of the District, including: Human Resources, Finance, Business, IT, Community Relations, Planning and Development, Executive Directors office, etc.
- **Capital Improvements** – capital costs required to maintain and improve District facilities and assets.
- **Capital Costs** – the initial capital cost to develop the facility, including annual debt service payments or depreciation of these investments.

## **SECTION IV: OUT-OF-DISTRICT USE AND FEES**

1. **Philosophy:** The Bend Park and Recreation District was established to provide park and recreation services to those who reside or own property within district boundaries. District residents and property owners pay taxes to support District operations. The District recognizes visitors and residents from outside of the District's boundaries will also use and enjoy District parks, facilities and programs. In order to limit the financial subsidy of providing services to non-resident users and ensure that non-resident users pay their fair share for services, the District will normally assess additional fees to non-resident users where fees are charged.
  
2. **Recreation Programs**
  - A. Most District recreation programs are designed primarily to serve and benefit district residents; however, the District encourages non-resident participation as many would not otherwise have access to these services. Non-resident participation can also contribute to the overall financial viability of programs by filling available spots. In the event that non-resident participation significantly displaces district residents, the District will consider implementing priority registration to district residents through early registration or other means.
  
  - B. Non-residents will be charged a 20% out-of-district fee in addition to the in-district fee to participate in most recreation programs. The following recreation programs are exempt from out-of-district fees:
    - Drop-in fees at recreation facilities (due to the difficulty in verifying District residency)
    - Programs offered in partnership with Bend-La Pine Schools (for students who reside outside the Bend Park and Recreation District, but within the Bend-La Pine School District boundaries)
    - Private-benefit and specialized services that exist to generate revenue and do not require tax support (i.e. concession and merchandise sales, personal instruction, specialized training, etc.)
    - Exceptions as granted by the Executive Director
  
3. **Facility Rentals**
  - A. District facilities are developed and operated primarily to benefit district residents. Many of these facilities are made available for rent by private parties or organizations. The District will prioritize residents when feasible; however, many facilities are scheduled on a first come, first serve basis so resident priority is not possible.
  
  - B. Non-residents will be charged a 20% out-of-district fee in addition to the in-district fee to rent facilities. The following rentals are exempt from out-of-district fees.
    - Governmental agencies or non-profit organizations serving district residents
    - Exceptions as granted by the Executive Director

## **SECTION V: NEEDS-BASED ASSISTANCE**

1. **Philosophy:** The District believes that everyone should have the opportunity to benefit from recreation activities. The District provides this opportunity by offering a diverse array of recreation options, from parks and trails to recreation facilities and programs. Many recreation options are available to the public without charge, including: parks, trails, playgrounds, outdoor basketball courts, skate parks, tennis and pickleball courts, etc. Most organized recreation programs and indoor recreation facilities require a fee to participate. The District recognizes that these fees can present a barrier for some. As a result, the District provides assistance to facilitate access to fee-based recreation programs and facilities for those who are unable to pay the regular fee. While the District would like to make all programs available to district residents regardless of ability to pay, services must be prioritized to ensure that the highest and most critical needs are met with available resources.
  
2. **Types of Needs-Based Assistance:** Financial assistance is provided by the District through two primary methods.
  - A. **Recreation Scholarship Program** uses resources from a specifically budgeted line item to fund a portion of the regular participation fees. The Recreation Scholarship Program is supported through revenue received from cell phone tower leases, Bend Park and Recreation Foundation donations, and General Fund tax resources.
  - B. **Free or Low Fee Programs** includes programs that are offered free to the entire community and/or subsidized services that target low income families and individuals.
  
3. **Eligibility For Needs-Based Assistance:**
  - A. Eligibility will be based on Federal Poverty Guidelines for household income and family size. The District will have a two-tiered system: high need and moderate need. To the degree possible, the qualifying income levels will be coordinated with other assistance programs including school Free and Reduced Lunch Program, SNAP, TANF and Oregon Health Plan,
  - B. The District will work with the Family Action Network and other local agencies to identify and address extreme cases where assistance programs are not adequate to facilitate participation.
  
4. **Funding Priorities:** In order to ensure the most critical needs and services are funded, the following priorities have been established:
  - A. Priority will be given to the following **populations** in order:
    1. Individuals with disabilities, including those on long-term disability.
    2. Youth 18 years and younger.
    3. Adults 19 years and older with qualifying health considerations.
    4. General senior population (65-years or older).
    5. General adult population (19-64 years).
  - B. Priority will be given to the following **programs/services** in order:
    1. Issue-focused programs.

2. Core recreation programs.
3. Complementary recreation programs.
4. Needs-based assistance will not be offered for specialized programs, private services, rentals or the out of district portion of fees.

**5. Needs-Based Assistance Plan and Funding:**

- A. An annual Needs-Based Assistance Plan including recommendations regarding service levels and funding requirements will be approved by the District Board of Directors.
- B. The funding required for the Needs-Based Assistance Plan will be approved through the budget process each year.
- C. The following strategies will be considered if the approved funding is not adequate to meet the demand for needs-based assistance.
  1. Suspend funding to lower priority populations.
  2. Suspend funding of complementary recreation programs.
  3. Reduce the percentage of fee covered by needs-based assistance programs.
  4. Implement limits on the amount of funding received per individual/household.

# Recreation Financial Forecast FY2024-2027

## Background

The Recreation Financial Forecast is completed at the same time as the District Financial Forecast with the results incorporated into the overall financial forecast model. Because the Recreation Department is largely supported by user fees and operates under a business model, the Recreation Financial Forecast incorporates more market-based supply and demand assumptions. Assumptions regarding wage increases, employment taxes and benefit changes are consistent with those used in the overall financial forecast model. The District Financial Forecast typically shows only the total recreation operation subsidy (the amount of tax support required to fund recreation services), rather than overall revenue and expenses, as only the subsidy portion has an impact on general fund resources.

Financial forecasting is especially challenging in recreation due to the uncertainty regarding demand and revenue. Many part-time employees and supply costs also have variability based on demand. The recreation department has been generally able to keep these variable costs aligned with revenue except when there is a major change in level of service such as the addition of Larkspur Community Center.

## Current Status

Recreation has experienced a dramatic rebound from the COVID-19 pandemic and is on pace for record participation and revenue in the current fiscal year (22-23). This recovery has been further strengthened by the first full year of operations at Larkspur Community Center. Overall department revenue is estimated to top \$10.3 million, which represents a 33% increase over the FY 18-19, the last full year of recreation operations before the pandemic. Expenses are estimated to be \$13.2 million, which is a 43% increase over FY 18-19. The larger increase in expenses compared to revenues is due primarily to the additional costs of operating Larkspur Community Center and higher wages and associated payroll and benefit expenses. The overall recreation subsidy for FY 22-23 is expected to be \$2.9 million, which is \$1.3 million under the budgeted subsidy and double what it was in FY 18-19.

## Major Assumptions

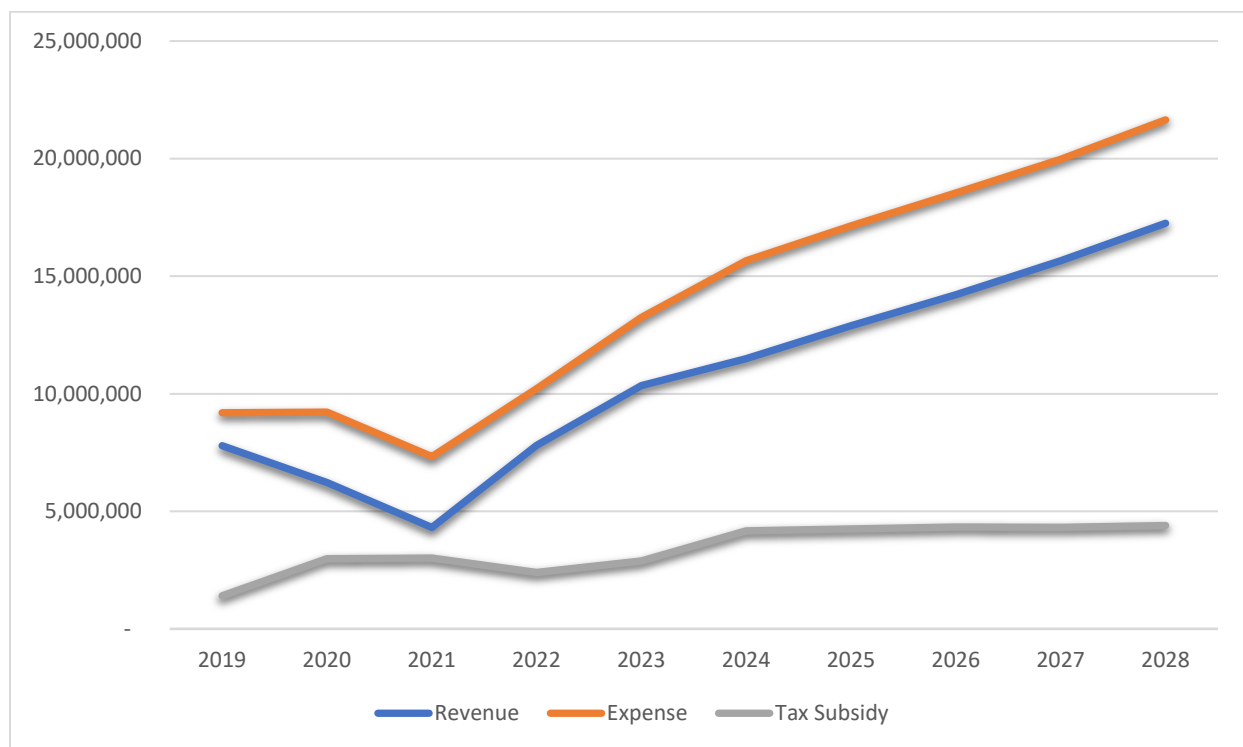
Due to the uncertainty regarding the economy and job market over the next several years, the recreation forecast is on the conservative side of what can be reasonably expected. The biggest challenge in the coming years will be meeting front line staffing needs. Additionally, continued high inflation and/or a recession could have an impact on demand for recreation programs and facilities and increase the cost of providing services.

- Current cost recovery guidelines remain in place and are met or exceeded for all programs.
- Demand will continue to grow throughout the five-year period but at a decreasing rate as we begin to bump up against capacity in many programs.
- Revenue will grow at an average annualized rate of 11% due to a combination of increase in demand and fee increases. Fee increases will unlikely be able to keep up with increased costs in providing service, making us dependent on continued growth.



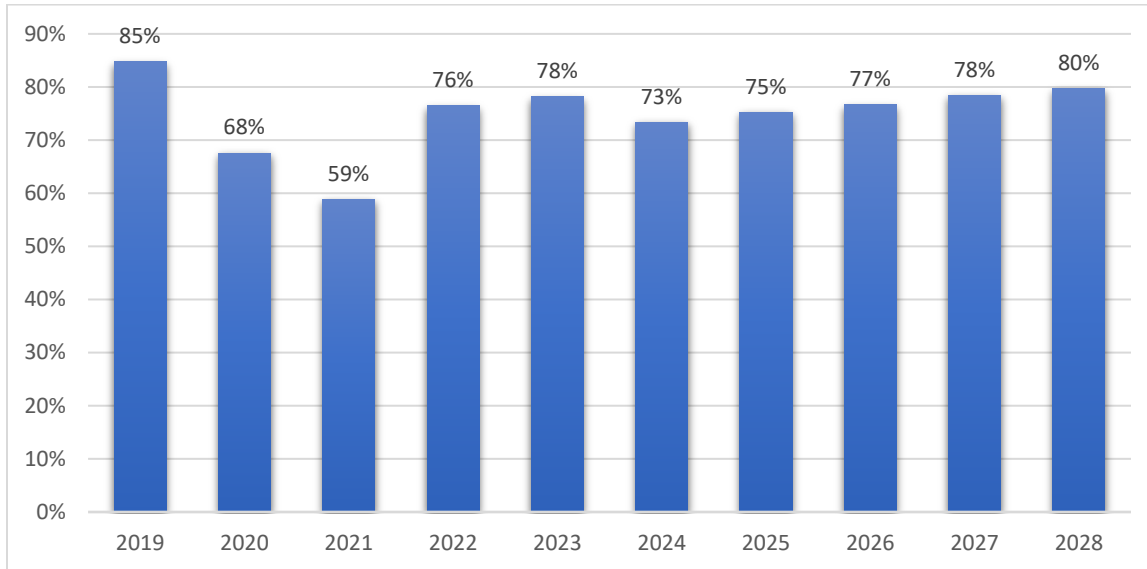
- Scholarship use is projected to increase approximately 5% per year after increasing 167% over previous three years, largely due to grant funding we received and aggressive outreach efforts. Current trends in per capita income gains and decreases in poverty rates and households receiving state food assistance point to lower overall need in the next several years. We are not projecting any additional grant funds; however, if we are able to secure future grants, the funds will largely go to additional scholarship support.
- Wages and benefits are anticipated to increase at higher than average rate over the next two years due to increased hours needed to support expanded programming and higher COLA and associated benefit costs before stabilizing over the final three years.
- Materials and supplies are also forecast to follow this pattern with higher increase in the first two years due to both program growth and cost increases, especially with utilities.
- The forecast does not include the potential relocation and expansion of art and enrichment programs as this is unknown at this time. Nor does it include any other major change in the current services offered except for expansion of programs and use where capacity exists.

## Revenue, Expenses and Tax Subsidy History and Forecast



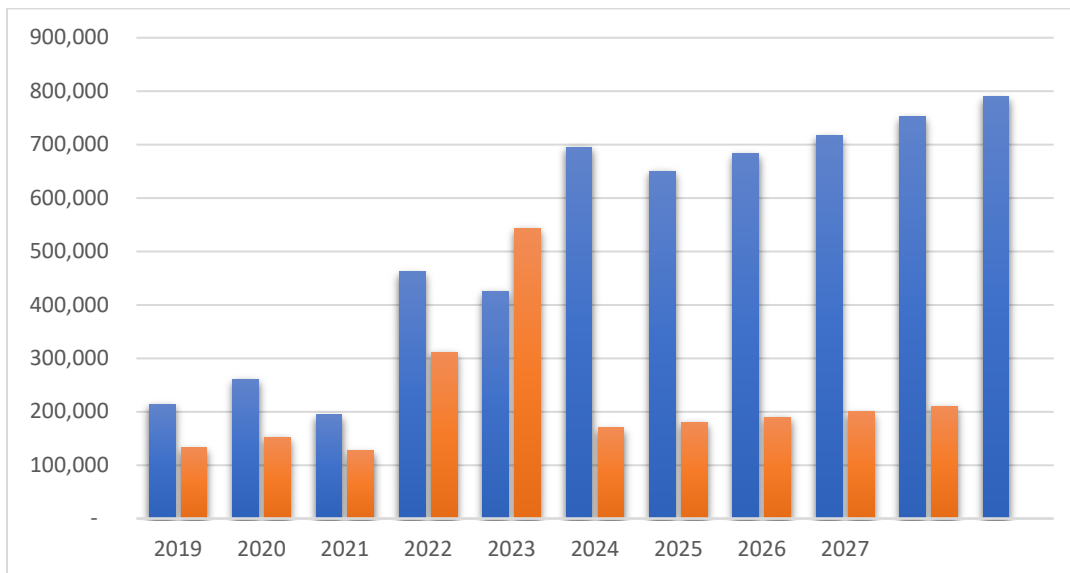
Revenues and expenses have grown greatly the last two years due to the addition of Larkspur Community Center and strong demand following the pandemic. Revenue and expenses are forecast to increase at a similar pace over the next five years, with slightly larger increases occurring in the first two years as demand rebounds and grows and staffing hours increase to meet this demand along with higher expected COLA and benefit costs. The resulting tax subsidy is forecast to stabilize around \$4.3 million over the next five years as increased costs are generally covered through additional revenue from a combination of program growth and fee increases.

## Cost Recovery History and Forecast



Cost recovery represents the percentage of the direct costs of providing recreation services that is paid for through fees, charges and other non-tax resources. Cost recovery declined substantially during the pandemic years due to disruption of services and our commitment to maintaining core recreation staff. Cost recovery has rebounded as demand and revenue have and are forecast to increase incrementally from 73-80% in the next five years. Cost recovery will likely be stronger as assumption are relatively conservative.

## Scholarship Use and Supporting Funds



Providing access to recreation for all regardless of ability to pay continue to be a priority of the district. Staff have increased funding and outreach to support this goal over the past several years. This graph shows the amount of scholarships awarded and the dedicated funding resources that help support them. These include grants, cell phone tower leases, sponsorships and donations including those from the Bend Park & Recreation Foundation. The difference between use and dedicated funding resources is made up by general fund tax support.

- FY 20-21: The decrease in scholarship funding was the result of limited program offerings due to the pandemic. It does not reflect that nearly \$1 million in financial assistance provided for the Team Up all-day program during distance learning. The resources that year also do not reflect the \$445,000 in CARES Act funding and related donations that helped support Team Up as both the resources and fee waivers were processed through the youth recreation budget and not the scholarship fund.
- FY 21-22: The increase in both scholarship use and the supporting funding was due to a \$150,000 state grant and an additional \$22,500 in related donations, which allowed us to increase scholarship support especially for summer programs.
- FY 22-23: The increase in both scholarships use and funding is the result of a \$380,000 state grant to support enhanced access to summer programs.
- FY 23-24: Decrease in scholarship funding forecasted is in anticipation of not receiving any state grants to support summer programs.
- FY 24-28: Scholarship awards and supporting resources are forecast to grow 5% and 10% respectively with no additional state grants included. Should the district receive state grant funds for summer programming (which is currently in a bill being considered by the legislature), scholarship use would increase as well. The district and BPR Foundation plan to pursue other funding options in order to both sustain and expand the scholarship program; however, there is nothing at this point to include in the financial forecast.

## Conclusion

The district survived an unprecedented event in the pandemic by making extremely difficult decisions to protect the long-term staff and financial capacity to provide a comprehensive recreation program for the community. Demand for recreation programs and facilities has rebounded rapidly from the pandemic and reached record-high levels, resulting in strong revenue growth. At the same time, the cost of providing recreation services has increased substantially due to higher wages and related payroll costs and rapidly rising supply costs, especially for utilities and chemicals.

Despite these challenges, the recreation department is forecasting revenue and expenses to be on the same trajectory over the next five years with the general fund tax subsidy stabilizing to a “new normal” of approximately \$4.3 million and cost recovery of 75-80%.

**Recreation Department Financial Forecast  
2024-2028**

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Revenue	Actual	Actual	Actual	Actual	Estimate	Forecast	Forecast	Forecast	Forecast	Forecast
JSFC/Larkspur	3,062,890	2,342,693	912,338	2,895,822	4,085,000	4,697,750	5,402,413	5,942,654	6,536,919	7,190,611
Pavilion	773,424	710,886	417,218	824,491	953,000	1,048,300	1,153,130	1,268,443	1,395,287	1,534,816
Youth Recreation	1,971,924	1,370,627	1,867,040	2,001,348	2,760,000	3,242,000	3,566,200	3,922,820	4,315,102	4,746,612
Sports	963,571	842,569	576,390	1,140,859	1,311,000	1,442,100	1,586,310	1,744,941	1,919,435	2,111,379
Enrichment/Outdoor	683,545	600,105	416,911	727,335	1,005,000	1,105,500	1,216,050	1,337,655	1,471,421	1,618,563
Art Station	184,360	154,473	157,569	236,746	203,000	223,300	245,630	270,193	297,212	326,934
Therapeutic Rec/Inclusion	211,417	170,013	28,003	132,744	188,000	206,800	227,480	250,228	275,251	302,776
Grants/Sponsors/Donations	133,062	152,264	126,709	311,178	543,000	170,000	180,000	190,000	200,000	210,000
Outreach and Events	23,035	13,865	-	350	600	-	-	-	-	-
Admin/Registration	-	129,981	4,943	(1,984)	(2,000)	-	-	-	-	-
Scholarships	213,581	260,531	193,838	461,586	695,000	650,000	682,500	716,625	752,456	790,079
<b>Total Revenue</b>	<b>7,793,647</b>	<b>6,226,945</b>	<b>4,313,283</b>	<b>7,807,303</b>	<b>10,351,600</b>	<b>11,485,750</b>	<b>12,894,713</b>	<b>14,210,309</b>	<b>15,658,171</b>	<b>17,251,611</b>
Annual Change	0%	-20%	-31%	81%	33%	11%	12%	10%	10%	10%
<b>Full-Time Personnel</b>					1.67					
Wages	2,302,846	2,371,260	2,053,876	2,732,624	3,301,355	3,775,668	4,077,721	4,322,384	4,581,728	4,856,631
Benefits	851,844	935,115	825,712	926,342	1,174,037	1,457,408	1,574,000	1,741,921	1,846,436	1,957,222
Payroll Taxes/Workers Comp	206,534	207,591	185,832	255,865	434,166	562,574	566,803	557,588	545,226	577,939
<b>Total</b>	<b>3,361,224</b>	<b>3,513,966</b>	<b>3,065,420</b>	<b>3,914,831</b>	<b>4,909,558</b>	<b>5,795,650</b>	<b>6,218,525</b>	<b>6,621,893</b>	<b>6,973,389</b>	<b>7,391,793</b>
<b>Part-Time Personnel</b>										
Wages	3,173,448	3,129,898	2,291,552	3,260,123	4,313,250	5,073,445	5,682,259	6,250,484	6,875,533	7,563,086
Benefits	377,784	452,374	367,406	406,231	506,160	761,017	852,339	937,573	1,031,330	1,134,463
Payroll Taxes/Workers Comp	284,614	274,005	207,336	305,257	567,242	755,943	789,834	806,312	818,188	900,007
<b>Total</b>	<b>3,835,846</b>	<b>3,856,277</b>	<b>2,866,294</b>	<b>3,971,611</b>	<b>5,386,652</b>	<b>6,590,405</b>	<b>7,324,431</b>	<b>7,994,370</b>	<b>8,725,051</b>	<b>9,597,556</b>
<b>Total Personnel</b>	<b>7,197,070</b>	<b>7,370,243</b>	<b>5,931,714</b>	<b>7,886,442</b>	<b>10,296,209</b>	<b>12,386,055</b>	<b>13,542,956</b>	<b>14,616,263</b>	<b>15,698,440</b>	<b>16,989,349</b>
Annual Change	8%	2%	-20%	33.0%	31%	53%	9%	8%	7%	8%
<b>Materials &amp; Services</b>	<b>2,001,354</b>	<b>1,845,614</b>	<b>1,394,670</b>	<b>2,325,034</b>	<b>2,950,000</b>	<b>3,270,307</b>	<b>3,597,338</b>	<b>3,921,099</b>	<b>4,273,998</b>	<b>4,658,657</b>
Increase		-8%	-24%	66.7%	27%	11%	10%	9%	9%	9%
<b>TOTAL EXPENSES</b>	<b>9,198,424</b>	<b>9,215,857</b>	<b>7,326,384</b>	<b>10,211,476</b>	<b>13,246,209</b>	<b>15,656,363</b>	<b>17,140,294</b>	<b>18,537,361</b>	<b>19,972,438</b>	<b>21,648,006</b>
Annual Change		0%	-21%	39.4%	30%	18%	9%	8%	8%	8%
<b>Subsidy (Revenue - Expense)</b>	<b>1,404,777</b>	<b>2,988,912</b>	<b>3,013,101</b>	<b>2,404,173</b>	<b>2,894,609</b>	<b>4,170,613</b>	<b>4,245,582</b>	<b>4,327,052</b>	<b>4,314,267</b>	<b>4,396,395</b>
<b>Cost Recovery</b>	<b>85%</b>	<b>68%</b>	<b>59%</b>	<b>76%</b>	<b>78%</b>	<b>73%</b>	<b>75%</b>	<b>77%</b>	<b>78%</b>	<b>80%</b>

Project Type	Project Stage	Approved Funding Allocation	Prior Years Spent	Current Year-end estimate to spend	Prior and Current Fiscal Years	FY2024-28 Funding Allocation by Source					FY 23-24 Total	FY 24-25 Total	FY 25-26 Total	FY 26-27 Total	FY 27-28 Total
						Property Tax Revenue	SDC	Alternative	Alt. Type	Total FY 24-28					
<b>Community Parks</b>															
Pine Nursery Park Ph. 4 (Pending Partnership)	Order of Magnitude	78,504	28,504		28,504	-	50,000	-		50,000	-	-	50,000	-	-
Pine Nursery Park Ph. 5	Design Development	5,000,000		100,000	100,000	-	4,900,000	-		4,900,000	2,600,000	2,300,000	-	-	-
Big Sky Park Expansion	Award/Bid	4,922,250	1,964,379	1,793,450	3,757,829	100,000	714,421	350,000	1	1,164,421	200,000	-	964,421	-	-
Land Acquisition	Order of Magnitude	4,250,000				4,250,000	-	-		4,250,000	4,250,000	-	-	-	-
<b>Total Community Parks</b>		<b>14,250,754</b>	<b>1,992,883</b>	<b>1,893,450</b>	<b>3,886,333</b>	<b>4,350,000</b>	<b>5,664,421</b>	<b>350,000</b>		<b>10,364,421</b>	<b>7,050,000</b>	<b>2,300,000</b>	<b>1,014,421</b>	<b>-</b>	<b>-</b>
<b>Neighborhood Parks</b>															
Land Acquisitions	Order of Magnitude	5,746,959			-	-	5,746,959	-		5,746,959	3,500,000	1,090,280	-	1,156,679	-
Neighborhood Parks Design & Development	Order of Magnitude	3,020,229			-	-	3,020,229	-		3,020,229	-	-	1,465,489	-	1,554,740
Little Fawn Park	Design Development	2,370,559	747,546	252,454	1,000,000	-	1,370,559	-		1,370,559	1,370,559	-	-	-	-
Park Search Area 5 (Talline)	Order of Magnitude	1,517,500			-	-	1,517,500	-		1,517,500	-	-	-	250,000	1,267,500
Park Search Area 9 (Shevlin West)	Order of Magnitude	1,667,510	164,442		164,442	-	1,503,068	-		1,503,068	200,000	1,303,068	-	-	-
Park Search Area 11 (Discovery West Park/TH)	Order of Magnitude	2,673,050		70,000	70,000	-	2,603,050	-		2,603,050	65,000	-	966,300	1,571,750	-
Park Search Area 14 (Bear Creek)	Order of Magnitude	2,176,400			-	-	2,176,400	-		2,176,400	-	-	-	1,000,000	1,176,400
Park Search Area 24 (Stevens Ranch)	Order of Magnitude	1,684,178			-	-	1,684,178	-		1,684,178	-	-	300,000	1,384,178	-
Park Search Area 27 (Constellation Crest)	Order of Magnitude	3,692,700			-	-	3,692,700	-		3,692,700	1,745,500	1,947,200	-	-	-
Park Search Area 28 (SE Area Plan)	Order of Magnitude	2,412,763			-	-	2,412,763	-		2,412,763	-	2,412,763	-	-	-
<b>Total Neighborhood Parks</b>		<b>26,961,848</b>	<b>911,988</b>	<b>322,454</b>	<b>1,234,442</b>	<b>-</b>	<b>25,727,406</b>	<b>-</b>		<b>25,727,406</b>	<b>6,881,059</b>	<b>6,753,311</b>	<b>2,731,789</b>	<b>5,362,607</b>	<b>3,998,640</b>
<b>Trails</b>															
Galveston to Millers Landing	Order of Magnitude	800,000	96,396		96,396	-	703,604	-		703,604	703,604	-	-	-	-
Riley Ranch Nature Reserve Bridge	Design Development	1,200,000			-	-	1,200,000	-		1,200,000	-	-	1,200,000	-	-
Putnam to Riley Ranch	Order of Magnitude	155,000	440		440	-	154,560	-		154,560	-	154,560	-	-	-
Kirkaldy to Putnam	Order of Magnitude	63,100	3,662		3,662	-	59,438	-		59,438	-	42,203	17,235	-	-
Deschutes River Trail North Trailhead	Order of Magnitude	320,000			-	-	320,000	-		320,000	-	20,000	300,000	-	-
Miscellaneous Trails	Order of Magnitude	750,000			-	-	750,000	-		750,000	200,000	150,000	150,000	150,000	100,000
North Unit Irrigation Canal Trail (NUID)	Conceptual Design	512,207		135,961	135,961	-	376,246	-		376,246	76,246	300,000	-	-	-
COHCT Blakley To Hansen Park	Order of Magnitude	425,175			-	-	425,175	-		425,175	150,000	-	54,640	220,535	-
<b>Total Trails</b>		<b>4,225,482</b>	<b>100,498</b>	<b>135,961</b>	<b>236,459</b>	<b>-</b>	<b>3,989,023</b>	<b>-</b>		<b>3,989,023</b>	<b>1,129,850</b>	<b>666,763</b>	<b>1,721,875</b>	<b>370,535</b>	<b>100,000</b>
<b>Community Wide</b>															
Drake Park DRT Trail & Bank Improvements	Award/Bid	9,627,231	1,030,482	8,196,749	9,227,231	58,500	310,000	31,500	1	400,000	400,000	-	-	-	-
River Access McKay, Millers, & Columbia Project	Order of Magnitude	933,295		176,127	176,127	117,168	-	640,000	1,5	757,168	757,168	-	-	-	-
River Access Riverbend Park	Order of Magnitude	775,000	5,000	45,000	50,000	-	-	725,000	1,5	725,000	-	-	200,000	525,000	-
Art Station	Order of Magnitude	2,500,000			-	-	1,800,000	700,000	4	2,500,000	500,000	2,000,000	-	-	-
<b>Total Community Wide</b>		<b>13,835,526</b>	<b>1,035,482</b>	<b>8,417,876</b>	<b>9,453,358</b>	<b>175,668</b>	<b>2,110,000</b>	<b>2,096,500</b>		<b>4,382,168</b>	<b>1,657,168</b>	<b>2,000,000</b>	<b>200,000</b>	<b>525,000</b>	<b>-</b>
<b>Asset Management Projects</b>															
Accessibility Improvements	Order of Magnitude	575,000			-	575,000	-	-		575,000	100,000	100,000	125,000	125,000	125,000
Asset Management Projects (\$5,000-\$50,000)	Order of Magnitude	1,190,000			-	1,190,000	-	-		1,190,000	260,000	180,000	250,000	250,000	250,000
Park Services Complex	Order of Magnitude	9,150,000		22,980	22,980	9,127,020	-	-		9,127,020	100,000	-	7,975,020	1,052,000	-
Skyline Field Renovations + Parking Lot Lights	Order of Magnitude	625,000	279,135	30,000	309,135	315,865	-	-		315,865	-	315,865	-	-	-
Sawyer Park	Design Development	2,902,574	4,000	285,800	289,800	1,313,611	-	1,299,163	1	2,612,774	1,500,000	1,112,774	-	-	-
Hollinshead Park ADA & Preferred Design	Order of Magnitude	1,000,000			-	650,000	250,000	100,000	4	1,000,000	900,000	100,000	-	-	-
Ponderosa Park (North)	Order of Magnitude	1,200,000			-	850,000	350,000	-		1,200,000	-	150,000	1,050,000	-	-
Mirror Pond Dredge Commitment	Construction Documents	300,000			-	300,000	-	-		300,000	-	-	-	-	300,000
Pavilion Flooring Replacement	Order of Magnitude	140,000			-	140,000	-	-		140,000	-	140,000	-	-	-
JSFC Outdoor Cover Replacement	Order of Magnitude	300,000			-	300,000	-	-		300,000	-	-	300,000	-	-
JSFC Roof Replacement (South/East Wing)	Order of Magnitude	170,000			-	170,000	-	-		170,000	-	-	-	170,000	-
Bend Whitewater Park Maintenance	Order of Magnitude	1,300,000			-	1,300,000	-	-		1,300,000	50,000	100,000	1,150,000	-	-
JSFC Outdoor Pools Wall Liner Replacement	Order of Magnitude	500,000			-	500,000	-	-		500,000	-	-	-	500,000	-
JSFC Main Chiller Unit Replacement	Order of Magnitude	300,000			-	300,000	-	-		300,000	-	-	-	-	300,000
<b>Total Asset Management Projects</b>		<b>19,652,574</b>	<b>283,135</b>	<b>338,780</b>	<b>621,915</b>	<b>17,031,496</b>	<b>600,000</b>	<b>1,399,163</b>		<b>19,030,659</b>	<b>2,910,000</b>	<b>2,198,639</b>	<b>10,850,020</b>	<b>2,097,000</b>	<b>975,000</b>
<b>Total CIP Funding Allocations</b>		<b>78,926,184</b>	<b>4,323,986</b>	<b>11,108,521</b>	<b>15,432,507</b>	<b>21,557,164</b>	<b>38,090,850</b>	<b>3,845,663</b>		<b>63,493,677</b>	<b>19,628,077</b>	<b>13,918,713</b>	<b>16,518,105</b>	<b>8,355,142</b>	<b>5,073,640</b>

Alternative Funding Type Key  
 1 - Grant Funding  
 2 - Contributions, Collaborations, Fundraising  
 3 - Debt Financing  
 4 - Facility Rental Special Revenue Fund  
 5 - Reimbursement SDCs (\$450k for #188, & \$275K for #195)