



Bend Metro Park & Recreation District

February 2, 2024

Board of Directors Annual Workshop Agenda

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.



District Office | Don Horton, Executive Director

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

<https://us02web.zoom.us/j/89156220972?pwd=MGtQbmp6SThDaXovWjhzTkNoYVZ0UT09>

Webinar ID: 891 5622 0972

1. **Strategic Plan - Annual Action Plan Mid-Year Review – Michelle Healy and Rachel Colton (10 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 October 2023. This workshop update will focus on progress on action items in the first two quarters of fiscal year 2023-2024 (Attachment A).

For the 2023-2024 fiscal year, the 37 action items remain, out of a total of 83 action items. The majority (36) of the 37 action items are complete, complete/in-progress or in-progress, with only one action item 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 9 of the

identified performance measures. The remaining four performance measures are tied to data from the Perception survey, which is only updated approximately every three years.

District staff is beginning the process to develop a new strategic plan, with a completion date anticipated in the fall of 2024.

Goal of agenda item: Share progress made on the actions and performance measures.

Supporting Documents (attached): Adopted Strategic Plan – available on the BPRD website ([link](#)), Attachment A – Fiscal Year 2023-2024 Q1 and Q2 Annual Item Update (Mid-Year Review) Attachment B – Performance Measures Report

2. Financial Forecast – Kristin Toney (45 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 FY2024-25 budget (FY25), 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 FY2025 – FY2029

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 usually 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 relatively stable over the next two years at current levels before steadily increasing in year 3-5 as growth is projected to decrease while costs continue to increase. One topic requiring particular attention and discussion is the Needs-Based Assistance/Recreation Scholarship Program. Funding requirements for this program have nearly tripled over the last 3-years and cannot continue to increase at this pace without impacting the recreation and district budget. Staff will share the assumptions and strategies related to the scholarship program that are built into the financial forecast and seek board input and direction.

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

10:45 Break (10 min)

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

Staff will present the first draft of the proposed 2025 – 2029 CIP. The proposed CIP carefully weighs project priority against the forecast of available funding resources. For the first draft of the 2025-2029 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, and board priorities to meet community needs. Following the workshop, the draft 2025-2029 CIP may be adjusted upon board direction with the final CIP adopted in June 2024 as a part of the annual budget process.

Goal of agenda item: Review and discuss Draft 2025-2029 CIP

Supporting Documents: Attachment F – Draft CIP for Fiscal Years Ending 2025-2029

12 pm Break for Lunch (30 min)

5. Budget and Board Priorities – Don Horton (50 min)

This year's budget highlight will be a bit better this year with the decrease in the inflation rate and competitive wages across Bend leveling off. However, we are still seeing rising costs in most employee benefits, construction costs and one additional project that could consume a lot of district resources. As in years' past, staff will present a proposed budget that focuses on taking care of what we have and maintaining existing level of service.

Safety across the district continues to be a concern. We are seeing increased vandalism and more challenging patrons. During the current fiscal year, the board approved an additional Park Steward that has provided additional help in that area. It is likely that we will not increase level of service in the Park Stewardship area while we continue to assess the program. The district also hired a consultant last 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. A portion of the consultants' recommendations were implemented in the current fiscal year and likely will be continued through the next year having some impact of the proposed budget.

District needs assessment surveys conducted over the past three decades have shown a high desire for trails and natural areas. This fiscal year we consolidating all trail maintenance into the Natural Resources Division in order to increase our attention in that area. The proposed CIP will see additional funds allocated to trail right-of-way acquisition and construction in anticipation of following through with the identified need to fill gaps and work toward a fully-connected trail system.

Recreation has seen an increase in programs offered and the number of program participants over the last 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 preferred facilities. 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. One area in Recreation that will receive extra attention is the development of the Art Station at Larkspur Park. An engineering firm has been selected to prepare plans with an anticipated construction date starting sometime in the next fiscal year.

One area that the district will start planning for is the replacement of the fabric structure that covers 50-meter pool at Juniper Swim and Fitness Center. The fabric is nearing the end of its lifespan and the structure needs repair/major modification or replacement. Funds will be budgeted to conduct a feasibility study to determine the type of structure that will best meet the facility's needs. The district will need to decide upon a feasible funding solution to repair or new construction of the facility in the upcoming year.

The scholarship program has continued to grow over the past several years which is a testament to staff's efforts to eliminate barriers to participation. However, the funding levels have reached a point that alternative funding is needed to match the general fund contribution. The district dedicates cell tower leases, dasher board advertisements and other resources to help fund the program. In the current fiscal year, the board authorized a food and concessions division that is intended to provide additional funding toward scholarships. The duties of the Recreation Manager position were also recently revised to include more attention to building partnerships with outside non-profits and to raise funding for the needs-based assistance program.

The district is experiencing a particularly high number of retirements of tenured employees. Over the course of the next 6 months the executive director, human resources manager, one recreation manager, and three or four other supervisory positions have indicated they will retire between now and October. While two of these key positions are in the hiring process, others will shortly follow. It will take time for the district to onboard and train these new employees. It is an exciting time to honor those that have given so much to the district and celebrate those that will continue to carry our legacy forward.

Goal of agenda item: This is the time for the board to discuss priorities that have a budget implication so that staff can incorporate those ideas into the proposed budget. A discussion about upcoming priorities should be conducted to facilitate this process.

1:20 Break (5 min)

6. Policy Discussion on Fee and Tax Waiver Requests – Don Horton (30 min)

Over the years, the district has received requests to support a variety of community initiatives through direct contributions to projects or causes, fee waivers for services or system development charges, or by approving tax abatements. Sometimes these requests support initiatives that directly align with the district's mission, in other cases they are broader community efforts. The board requested staff develop a policy or some type of guidance to assist the board with decision making for these types of requests.

Goal of agenda item: To clarify purpose and intent of a policy, and review initial ideas developed by staff.

7. Board Policy Review (30 min)

Last year, SDAO recommended an update to district's board manuals. Staff was provided a template to incorporate the suggested material. The prepared draft is a modified version of the template that meets district standards and procedures. A draft Board Duties and Responsibilities Policies Manual was provided to the board members on January 23 for review.

Goal of agenda item: To discuss the Board Duties and Responsibilities Policy Manual for adoption at the next board meeting.

Supporting Document: The Board Duties and Responsibilities Policy Manual

8. Board Self-Evaluation (40 min)

The Board conducts a self-assessment annually aimed at improving how the Board conducts business. The self-assessment materials were emailed to each Board member on January 2 to provide the necessary time need to thoughtfully complete the evaluation.

Goal of agenda item: To conduct Board self-assessment

Supporting Document: Board member self-assessment responses to be handed out at the meeting.



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

Attachment A

**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 2023/2024 Q1 AND Q2
ACTION ITEM STATUS BY PILLAR**

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



- 2 complete
- 5 complete/in-progress actions
- 3 in progress actions

10

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



- 1 complete action
- 10 complete/in-progress actions
- 5 in progress actions

16

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



- 4 complete actions
- 2 complete/in-progress actions
- 4 in progress actions
- 1 not started action

11

Total Action Items 37



**BEND PARK AND RECREATION DISTRICT
2019-2024 STRATEGIC PLAN
FISCAL YEAR 2023/2024 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 (2)

- Enhance professional development program for interested employees
- Evaluate the effectiveness of the employee recognition program

Completed/In Progress (5)

- Recruit to new audiences
- 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.
- Forecast and communicate potential future positions
- Provide supervisors and managers tools and/or training to improve the performance evaluation process

In Progress (3)

- Evaluate effectiveness of onboarding process. Enhance consistency and delivery methods district-wide based upon evaluation.
- Evaluate effectiveness and value of mandatory training
- Address the need for on-call support in all departments.



**BEND PARK AND RECREATION DISTRICT
2019-2024 STRATEGIC PLAN
FISCAL YEAR 2023/2024 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)

- Develop method for ongoing education with the Board, budget committee members and the public on district finances and resource allocation decisions

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
- Support the community relations department in publishing a minimum of two magazines per year
- 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
- Improve registration processes and technology to address first day registration challenges and provide exceptional customer service.

In Progress (5)

- Revise the District's current partnership policy to define different levels of collaborative relationships and criteria
- 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 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 2023/2024 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 (4)

- 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
- 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

Complete/In Progress (2)

- Plan and prioritize funding for a new Park Services Shop
- Integrate sustainability values and practices in recreation programming when feasible

In Progress (4)

- 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

Not Started (1)

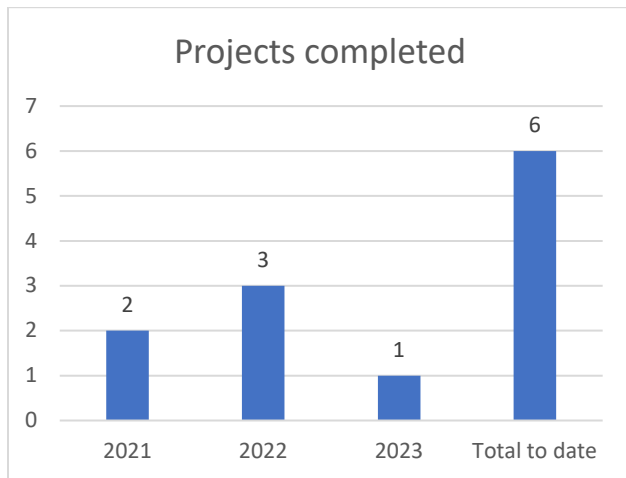
- Education and outreach for staff about the Comprehensive Plan, LOS targets and current status

Deschutes River Access and Habitat Restoration Plan Projects Completed

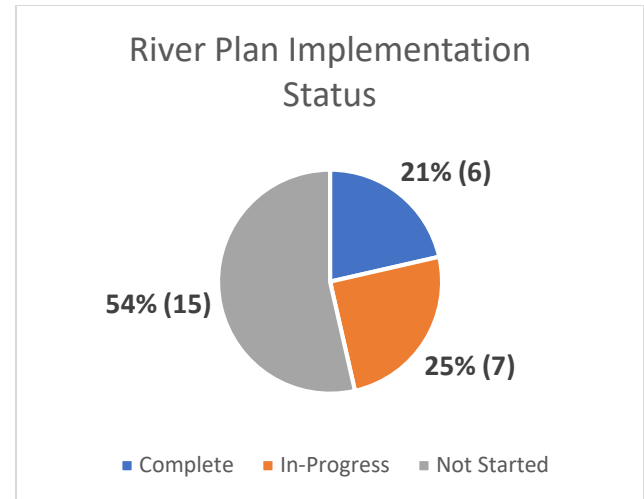
Pillar: Operations and Management Practices

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 percentage of River Plan projects completed annually.



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.

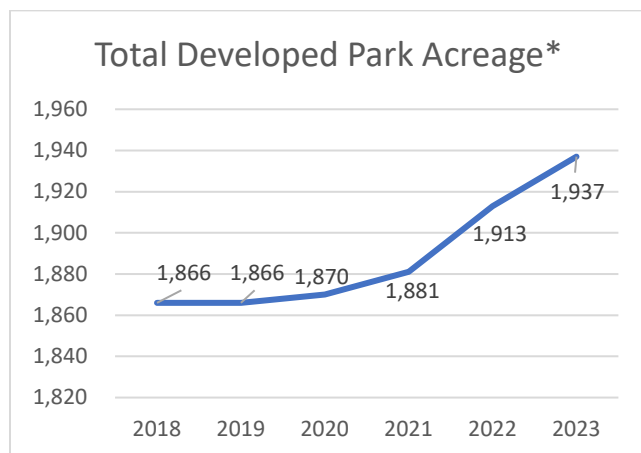
Status: BPRD adopted the River Plan in November of 2021, and has completed six projects since plan adoption. This includes one project completed in 2023. As such, for 2023, River Plan implementation did not meet the target completion of approximately three projects per year. However, numerous multi-year projects are in progress including, McKay, Miller's Landing and Columbia River Access and Restoration Projects. It should be noted, that early projects completed have been done by Natural Resources and Trails, or Facilities staff, and are smaller in scope and cost. Larger projects will take significantly more time to complete.

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

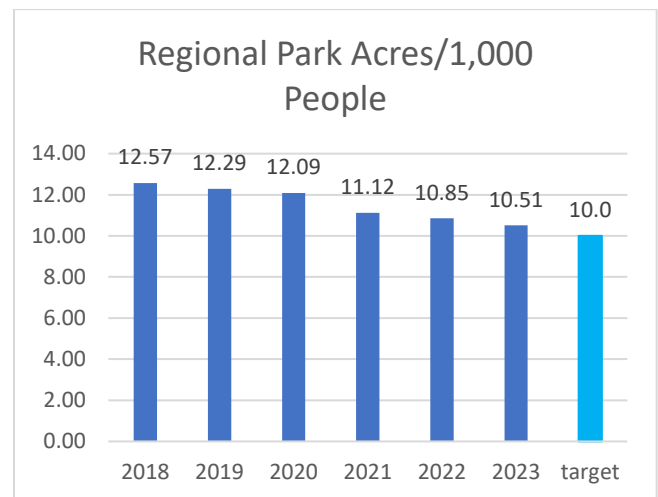
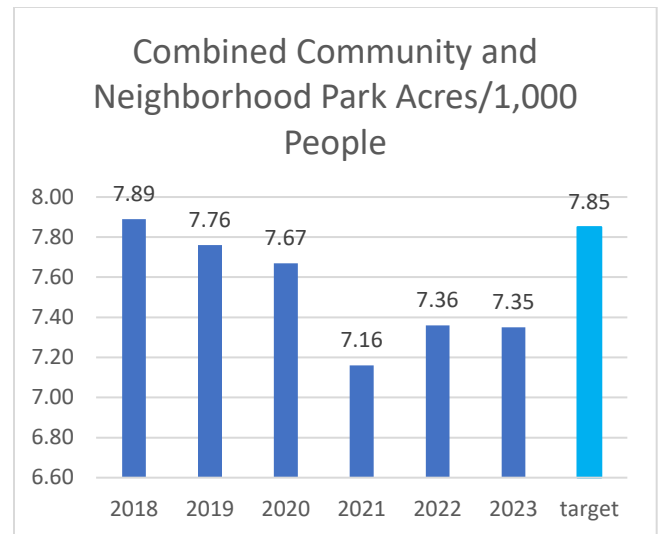
Performance Metric: Total developed park acreage (inclusive of regional, community and neighborhood parks, excludes natural areas and leased off-leash dog areas) provided by BPRD.



*Increases in 2023 can be attributed to the addition of Discovery West and Fieldstone 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



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 2023:

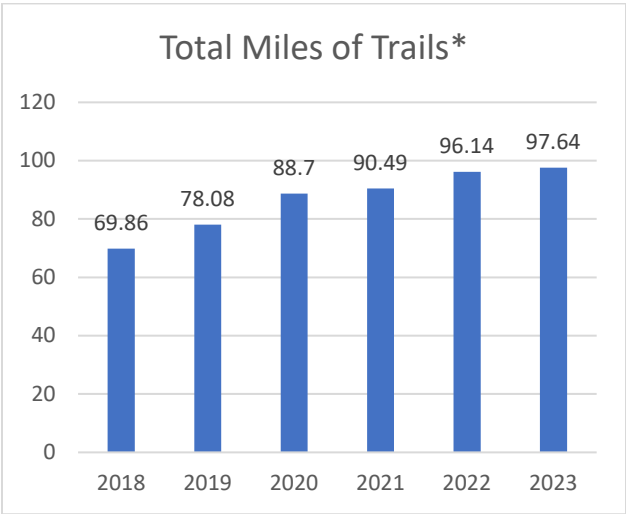
- Neighborhood and Community Parks – 7.35 acres/1,000 people
- Regional Parks – 10.51 acres/1,000 people

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

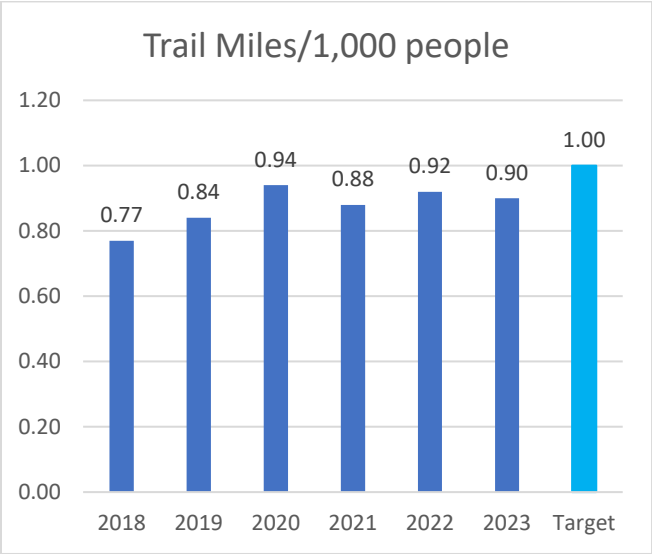
Performance Metric: Total miles of trails.



*Total trail miles include all primary trails but not connector trails. Increases in 2023 are not directly attributed to one individual project.

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. 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 2023:

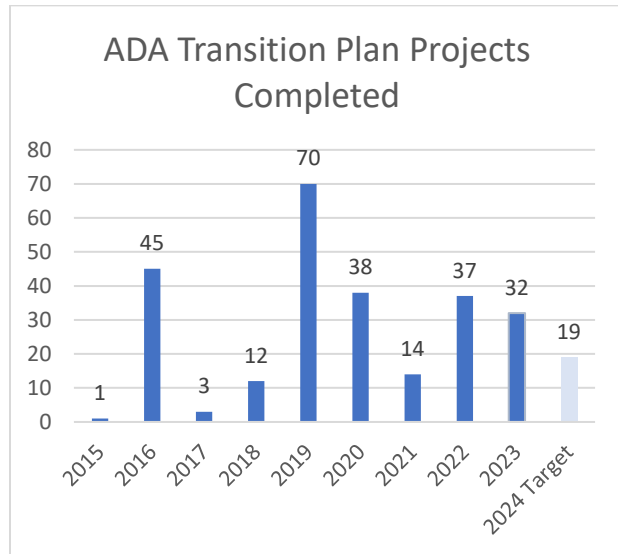
- Trails – 0.90 miles/1,000 people

ADA Transition Plan Projects Completed

Pillar: Community Relationships

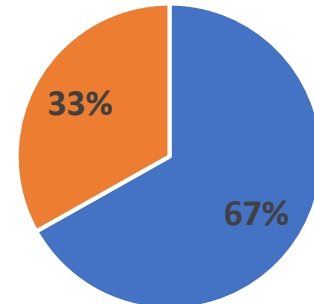
Desired Outcome 3: District services that are accessible to all.

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 Transition Plan projects completed.

ADA Transition Plan Implementation Status



Target: The ADA Transition Plan includes a total of 377 projects. Based upon historic performance, the district established a target to complete 5% of the total project identified in the ADA Plan, 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.

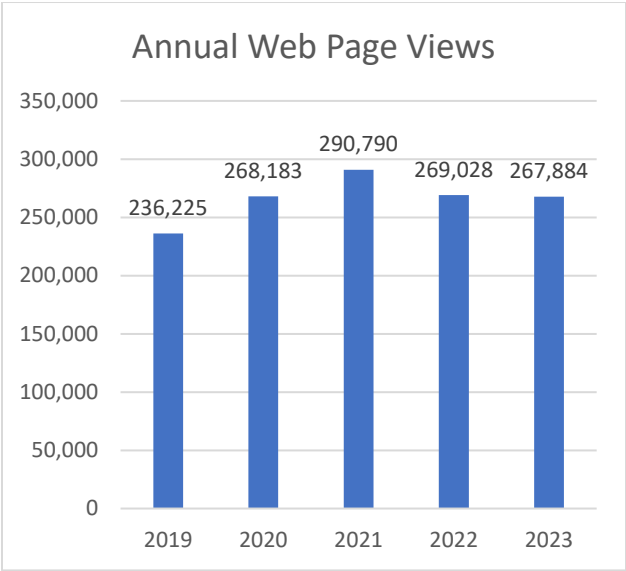
Current Status: A total of 32, or approximately 9% of the ADA Transition Plan identified projects were completed in 2023. This includes projects at numerous district facilities, but the majority were completed at Drake Park and Juniper Swim and Fitness Center. With the completion of these projects, a total 252 of the 377, or approximately 67% of the ADA Transition Plan projects have been completed to date.

Website views per population

Pillar: Community Relationships

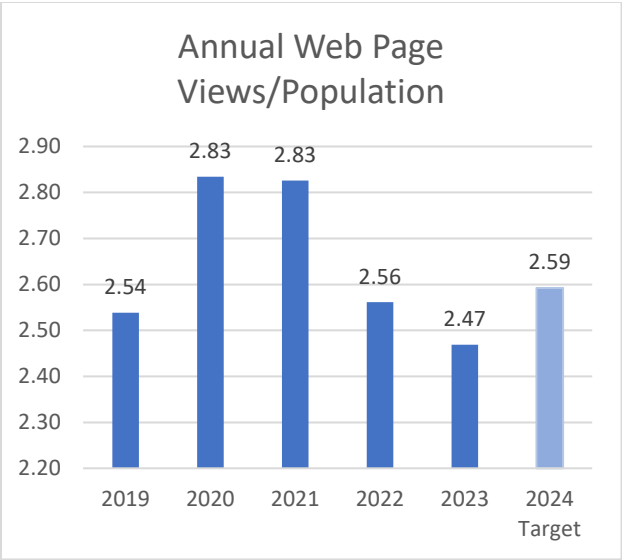
Desired Outcome 2: A community better informed about the district

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.



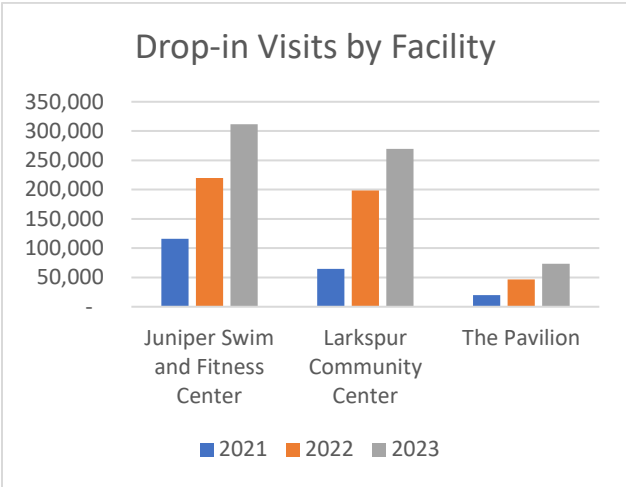
Current Status: Webpage views per population was relatively flat between 2022 and 2023. As such, views did not hit the targeted 5% annual growth. This lack of achieving the target can be partially attributed to the fact that population only increased by approximately three-percent from 2022 to 2023, and long-term residents will be more familiar with parks and trails, and have less need to view these three district websites. In the future, the district may choose to re-evaluate if these are the most appropriate website sub-pages to track data related to the community being informed about the district.

Residents Served by Drop-in Activities at Recreation Facilities

Pillar: Community Relationships

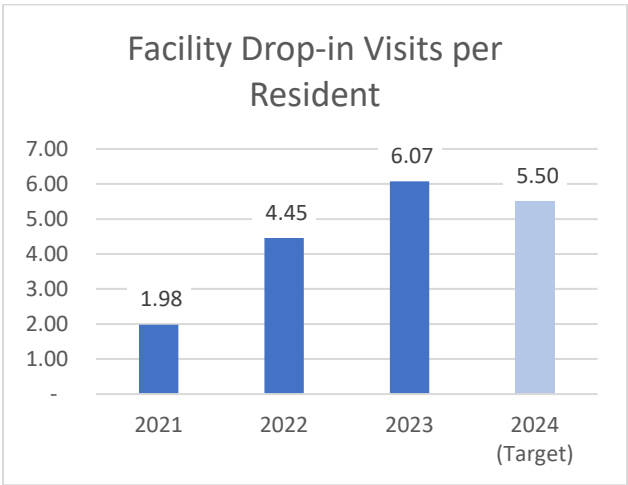
Desired Outcome 3: District Services that are accessible to all

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.



Current Status: In 2023, our recreation facilities have demonstrated remarkable success, with the number of visits per resident increasing to 6.07, significantly exceeding the 2019 peak of 5.1 and surpassing our target of 5.5 visits. This achievement is due to the high operational success of our three recreation facilities, which are central hubs for community engagement and recreation. Our facilities are consistently experiencing high levels of usage following the pandemic. The total number of drop-in visits reached an impressive 658,711 this year, up from 467,764 in the previous year. While this growth is a testament to the effectiveness and appeal of our facilities, we anticipate that the rate of increase in visits will start to stabilize, reflecting a maturation phase as our services reach a sustainable balance.

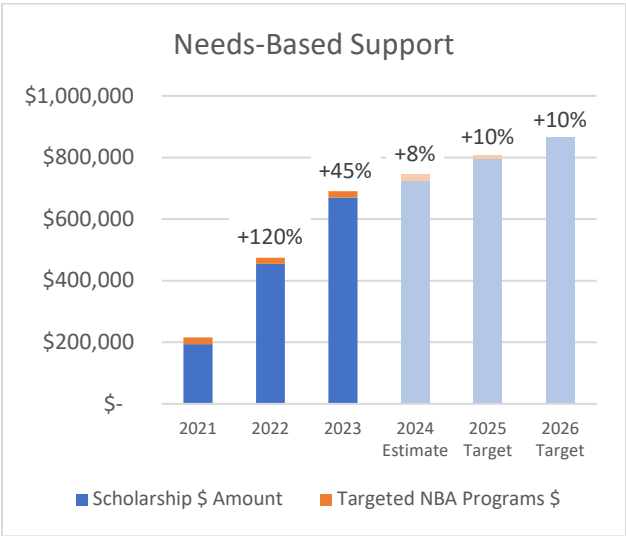
Needs-Based Assistance (NBA) Provided

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:

In the 2023 fiscal year, the district achieved a 45% increase in needs-based assistance over the previous year, disbursing a total of \$690,014 compared to the \$474,378 provided in 2022. This significant growth was primarily driven by the receipt of a substantial Summer Learning Grant of \$380,000 in FY 2023, building on the momentum of the \$150,000 grant received in FY 2022. The additional funds in 2023 were instrumental in enhancing our scholarship offerings and providing free summer family passes as part of our expanded outreach initiatives.

Based on mid-year data, and despite the absence of a Summer Learning Grant in FY 2024, the district is currently estimating an 8% increase in needs-based assistance funding compared to FY 2023. This projected increase is a testament to the district's ongoing commitment and resourcefulness in supporting low-income families through our scholarship and assistance programs. We remain steadfast in our goal to provide meaningful assistance to those in need, continuously seeking new opportunities and strategies to enhance our outreach and support services.

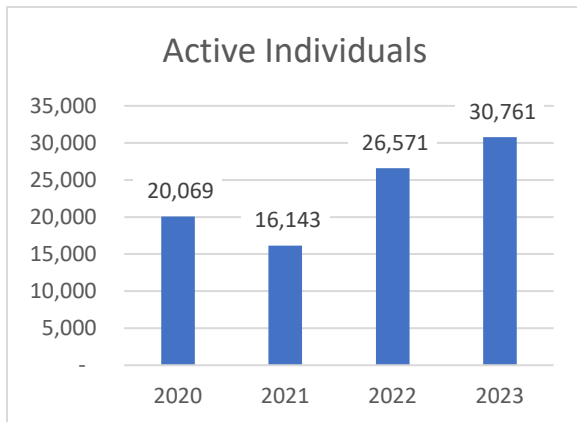
While the district is reevaluating the target goal of 10% annual increases, we are proactive in seeking alternative funding sources to support additional growth. With the introduction of the new food and beverage division, there is an optimistic forecast for supporting revenue beginning next year, which could further enhance the district's ability to provide financial assistance.

Residents Served by Organized Recreation Programs

Pillar: Community Relationships

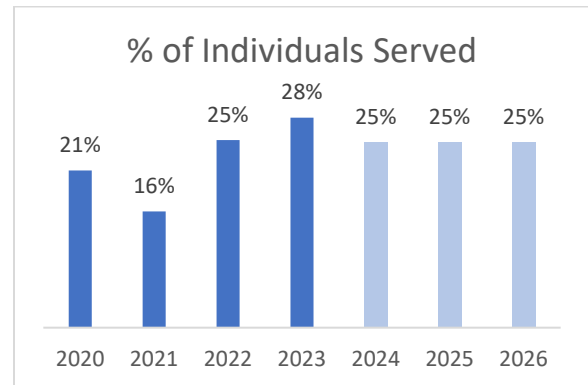
Desired Outcome 3: District Services that are accessible to all

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 of 25% 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.



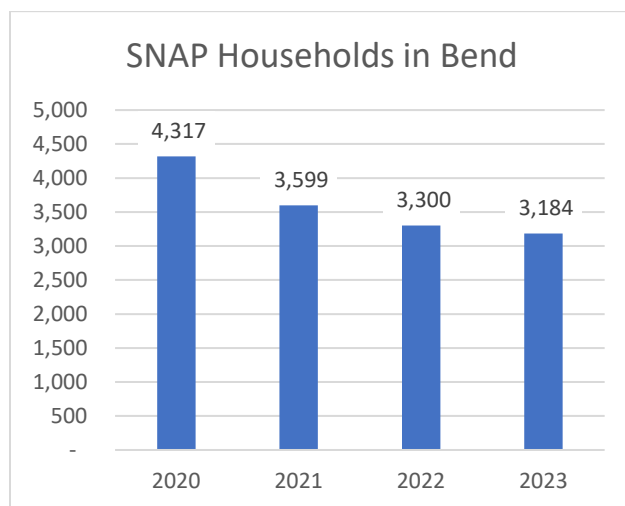
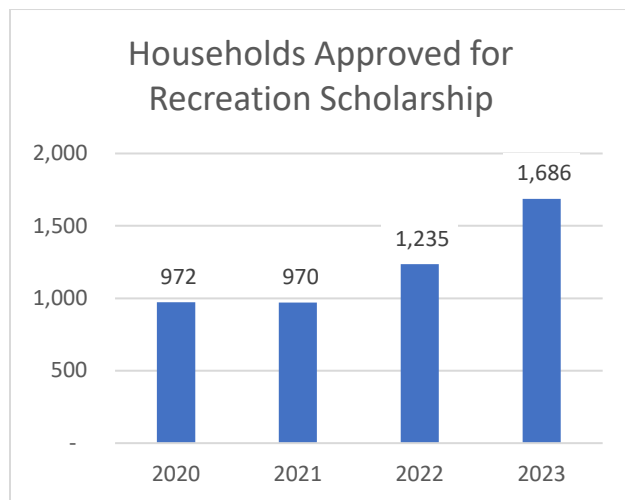
Current Status: The district's organized recreation activities have continued to show impressive recovery and growth following the setbacks experienced due to the COVID-19 pandemic. In 2023, the district experienced a 3.3% increase in population. Keeping up with these demographic changes, the number of active individuals participating in district-organized recreation activities reached 30,761. This represents a significant growth and indicates that approximately 28% of the district's population is now engaged in these activities, exceeding our target of 25%. This achievement is not only a testament to our effective recovery from the pandemic but also underscores our success in increasing community engagement through our recreation programs.

Scholarship Program Access

Pillar: Community Relationships

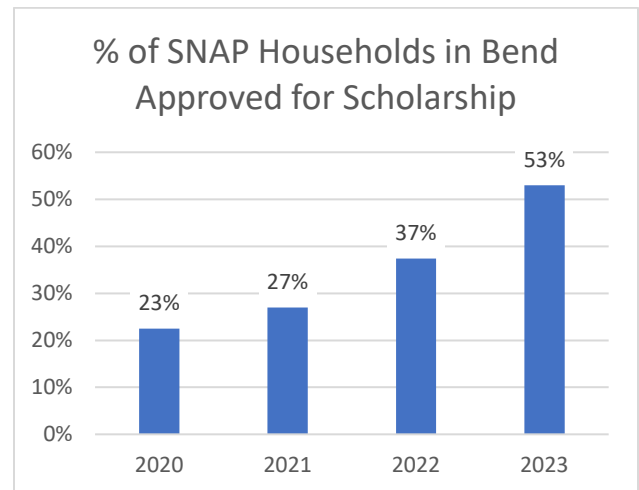
Desired Outcome 3: District Services that are accessible to all

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:

In 2023, despite the continuing trend of decreasing numbers of families receiving SNAP benefits as reported by the American Community Survey Five-Year Estimates, the district successfully expanded its reach within the community. This remarkable growth in scholarship approvals resulted in a substantial rise in the percentage of SNAP households receiving scholarships, jumping from 37% in 2022 to 52% in 2023. While the district aims to continue increasing the number of households approved for scholarships, it expects the rate of this growth to be more moderate. The district is optimistic about achieving its objective of a 1% annual increase in scholarship approvals, but it does not foresee exceeding this target significantly. This approach reflects the district's commitment to consistently serving the community's evolving needs, while adapting to the changing dynamics in SNAP household numbers and scholarship demand.

*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.



Current Status: In 2020, there were 249 Spanish-speaking participants, which increased to 308 in 2021. 2022 saw an exceptional surge with 547 participants, largely due to the implementation of the Summer Learning Grant. This grant, amounting to \$380,000, allowed the district to offer free summer family passes and expanded outreach efforts. The outreach team concentrated on historically underserved communities, which included many Spanish-speaking families. This effort was a one-time initiative in the summer, resulting in substantial participation from the target demographics.

While the number in 2023 dropped to 362, this still represents an 18% increase compared to 2021, indicating a sustained positive trend. The decrease from 2022's peak can be attributed to the conclusion of the Summer Learning Grant program. However, the consistent growth compared to 2021 highlights the ongoing effectiveness of the district's strategies to engage Spanish-speaking communities in recreational opportunities.

For 2024, the district has set a target of 398 Spanish-speaking participants, committing to its objective of increasing engagement by at least 10% each year. The district acknowledges the impact of the one-time grant in 2022 and aims to explore new strategies to maintain and build upon the engagement levels without the same level of financial aid. The incorporation of race/ethnicity questions into household accounts in the near future will further aid in refining outreach strategies and improving participation rates among Spanish-speaking and other underserved communities.

FY2025 – FY2029 Financial Forecast

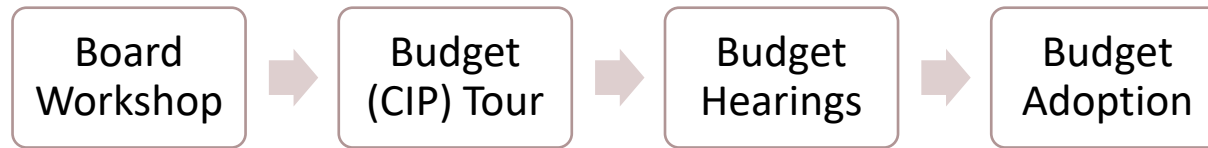
Board Workshop 2.2.2024

Kristin Toney
Administrative Services Director

Financial Forecast FY2025 - FY2029

The financial forecast 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. This forecast is the start of our budget process outlined below:



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 with rising personnel costs and district growth. Most economic outlooks now call for an economic cooling. Looking at the state of Oregon, according to the *Oregon Economic and Revenue Forecast, December 2023*¹, Oregon has seen growth stall but still has seen gains due to more output and income per worker.

The labor market remains healthy, but has eased from its overheated state during the pandemic. This rebalancing is primarily the result of job openings declining as firms staffed back up, coupled with stronger productivity gains and an increase in the labor supply. This combination means wages and overall inflation have slowed, even with underlying economic growth and consumer spending remaining quite strong.

Looking forward, the economy will cool some due to higher interest rates. The better balance in the labor market likewise means underlying wage and spending pressures should be near pre-pandemic rates in the quarters ahead. As a result, the Federal Reserve is now looking to make surgical rate cuts. As inflation continues toward target, the Fed can ease off the brakes, allowing the economy to coast. Most forecasters, including the Fed itself, expects a couple of small interest rate cuts in the second half of 2024, however the rebalancing labor market and cooler inflation readings may allow the Fed to cut sooner than expected, to ensure the economic expansion continues.

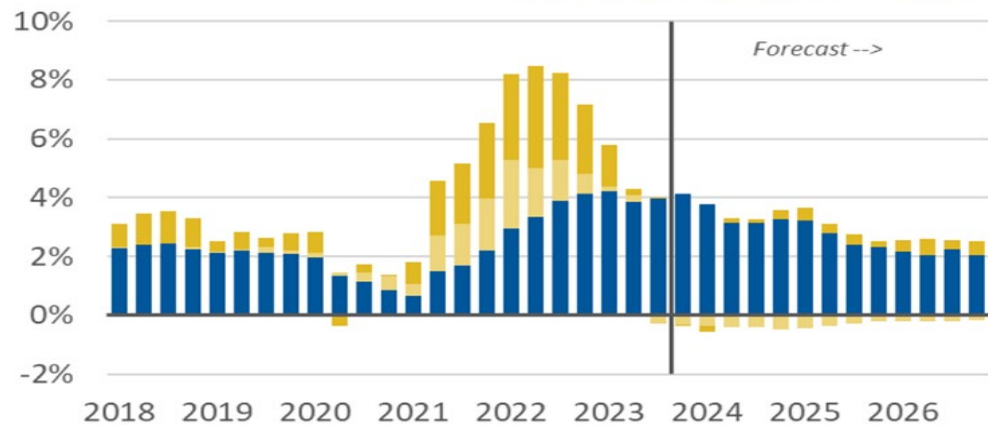
Oregon's economy is broadly following the nation. Local economic growth is being driven by a return to full employment, combined with stronger productivity gains. Recently released Census data confirm that the economic recovery from the pandemic has been inclusive and broad-based. In particular, both the racial poverty gap, and racial employment gap remain, but are smaller today than prior to the pandemic. Looking forward, a modest rebound in migration in the years ahead will allow local businesses to hire and expand at a faster pace than the nation. However, should migration not return as expected, Oregon's economy will not crater, but rather grow at a slower rate than in the baseline.

We view the west region CPI-U in consideration for the district's cost of living and performance based raises each year and inflation is forecasted to not see as high of number as the last two years:

¹ <https://www.oregon.gov/das/OEA/Pages/forecastcorev.aspx>

West Region Consumer Price Index

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



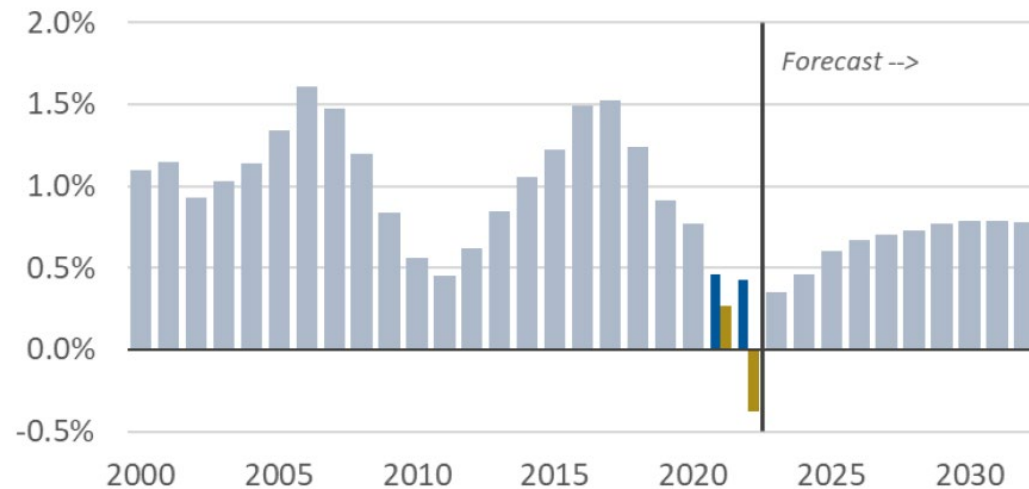
Goods and services are excluding food and energy | Latest: 2023q3 | Source: BLS, IHS Markit, OR Office of Econ Analysis

Oregon's population growth has slowed with deaths continuing to outnumber births and growth is predicted but at a slower pace than seen the last decade:

Oregon Population Growth

Annual change in total state population

OEA History and Forecast, **Portland State Estimates**, **Census Estimates**

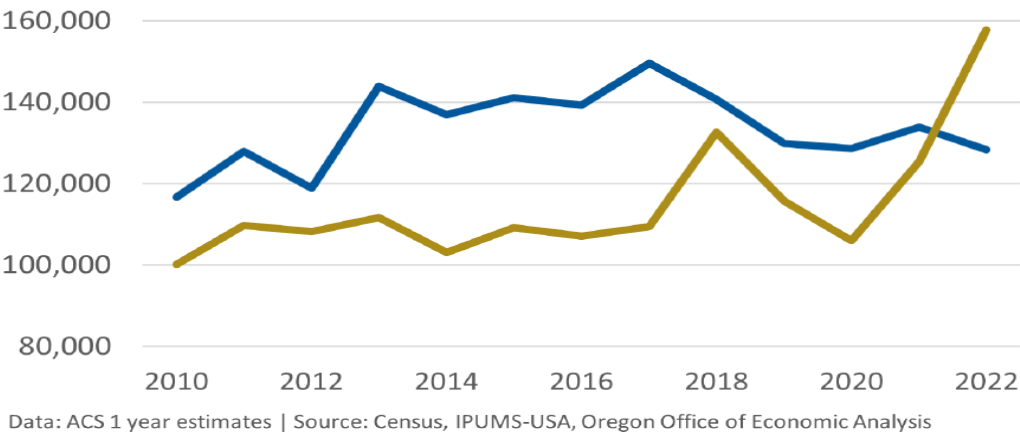


Latest: 2022 | Source: Census, Portland State Population Research Center, Oregon Office of Economic Analysis

There is also signs of migration out of the state at a higher rate than migration into the state:

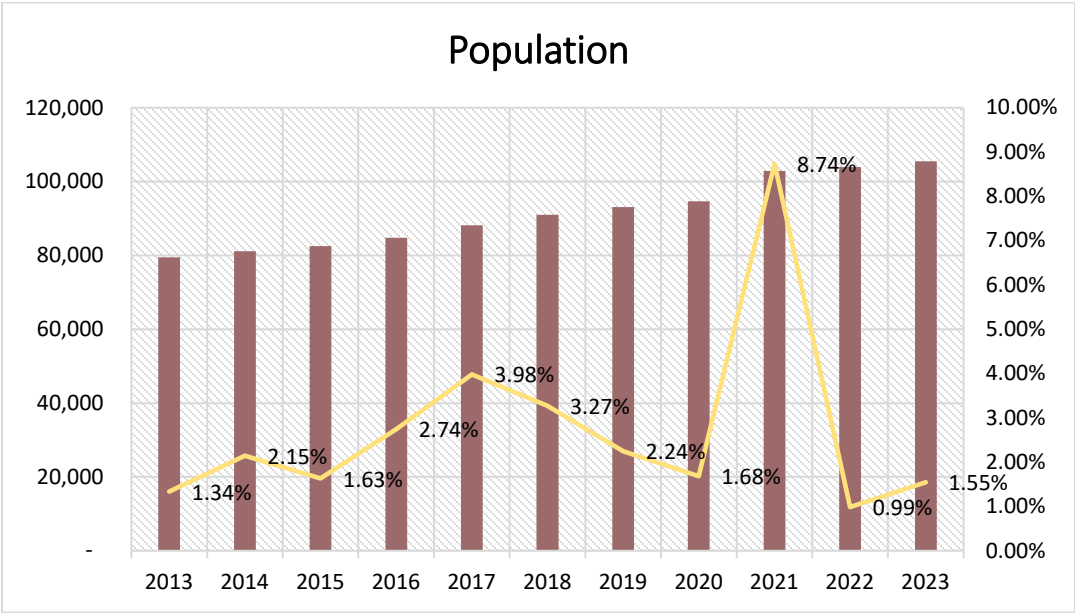
Oregon Domestic Migration

Number of people moving *Into Oregon* and *Out of Oregon*

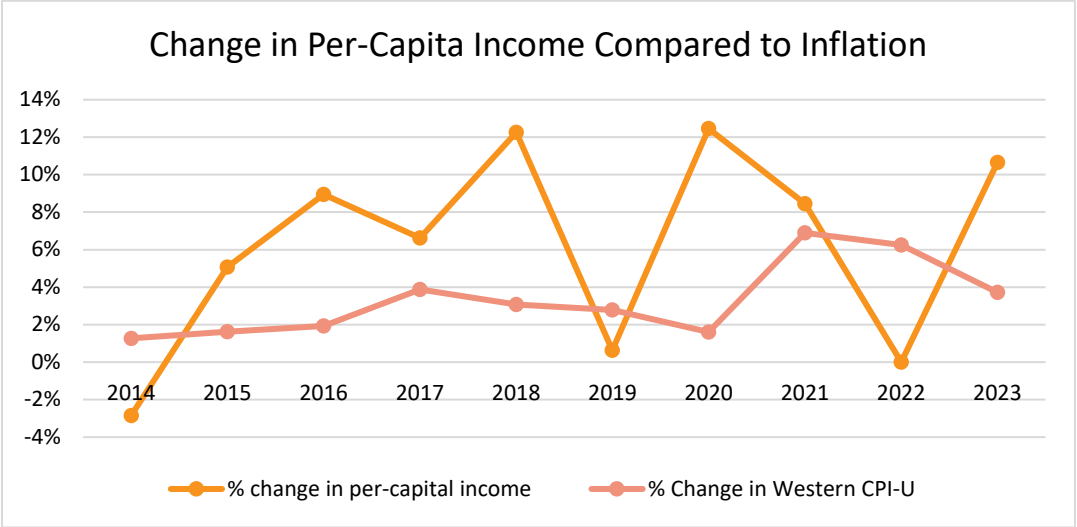


District Trends

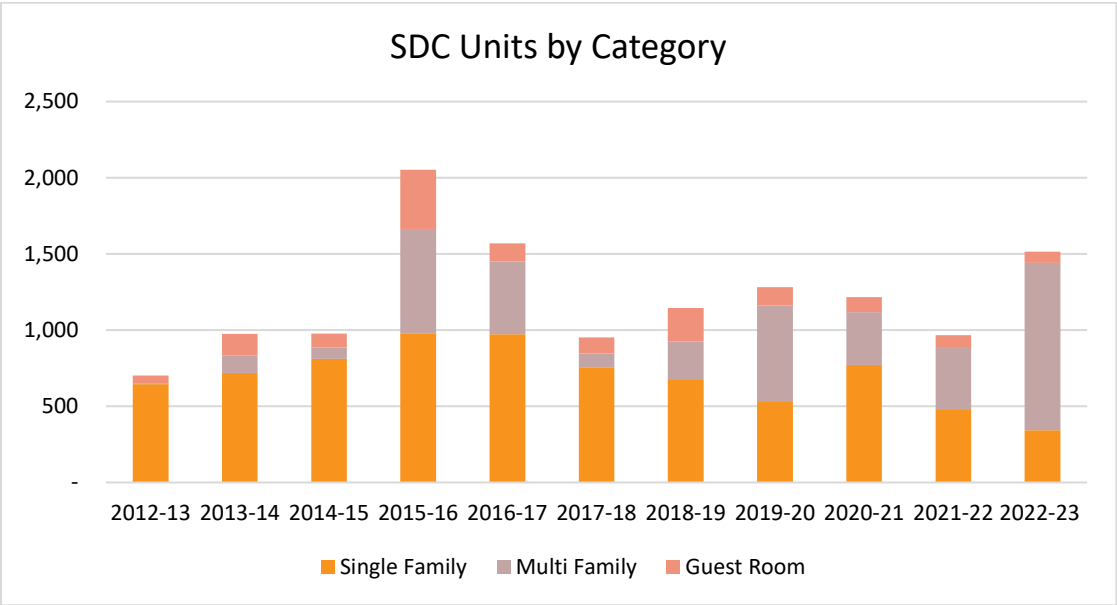
Our district has averaged 3% increase in population over the last 5 years per Portland State University Population Research Center. And we have seen much slower growth the last two years.



The population’s per capita income continues to grow as well, demonstrated by the 11% change compared to inflation of 4%²:



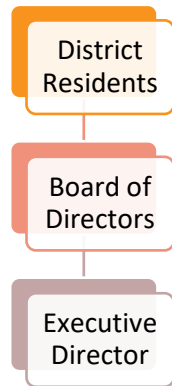
Development continues to happen with multi-family housing being a greater portion last calendar year:



² U.S. Department of Commerce, Bureau of Economic Analysis

Background

District Structure



The board of directors, composed of five elected board members, forms the legislative branch of the district government, and sets policy, appoints Budget Committee members, adopts the annual budget, and hires and directs the Executive Director. The Executive Director is responsible for the administration of the district.

The district's annual budget planning process is the culmination of a more comprehensive long-term planning process, which starts with our vision, mission and value statements. These statements serve the purpose of defining for the public, staff, volunteers, and board of directors why our organization exists, who we serve and how we serve them. These statements drive our budgetary priorities.

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.

Fund Structure

The activities of the district are funded through various means that are accounted for within specific funds. The district has a comprehensive fund plan for financial accounting in accordance with the provisions of the recommendations of the National Council on Governmental Accounting as outlined in their publication Governmental Accounting, Auditing, and Financial Reporting (GAAFR), which is the standard accounting guide for local governments. Governmental funds are a group of funds that account for activities associated with the district's basic operations. This group of funds uses a modified accrual basis of accounting and focuses on operating revenues and expenditure. The funds used by the district are detailed below. Fund summaries, which provide revenue and expenditure detail, are included within the General Fund and Other Funds sections of this budget document.

General Fund

- The operating fund of the district and accounts for the general operation of the district

Rental Special Revenue Fund

- Accounts for the proceeds of district facility and park rental revenues

System Development Charges (SDC) Special Revenue Fund

- Accounts for the acquisition and development of the community's park system

Facility Reserve Fund

- Accounts for acquiring, constructing and re-developing parks, trails and buildings

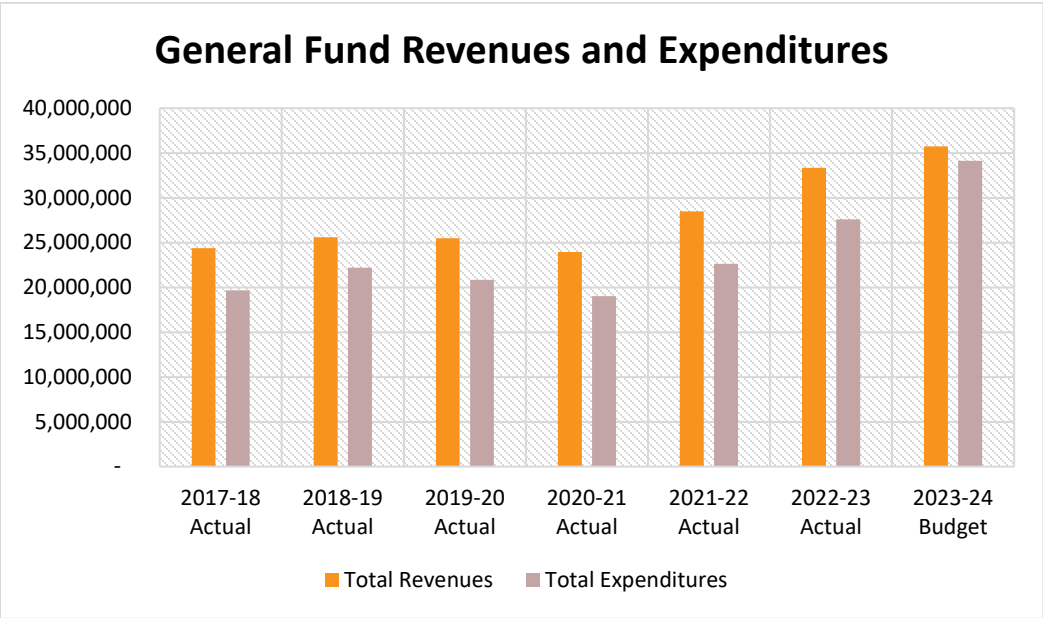
Equipment Reserve Fund

- Accounts for new and replacement vehicles, furniture, fixtures, equipment and technology

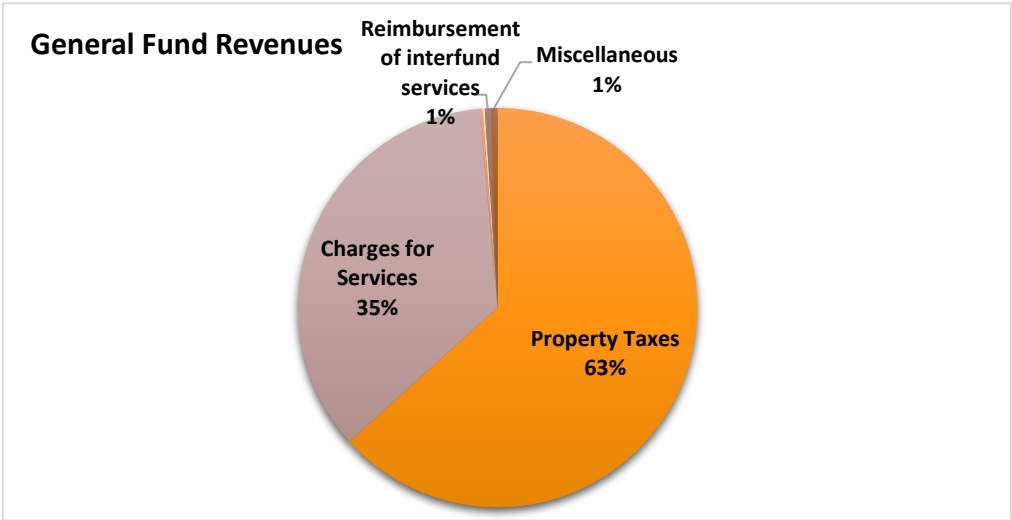
General Obligation (GO) Debt Service Fund

- Accounts for the accumulation of property taxes levied to pay principal and interest on GO bond debt (*Note: we do not forecast this fund since it levies taxes in the amount of of the bond payment*)

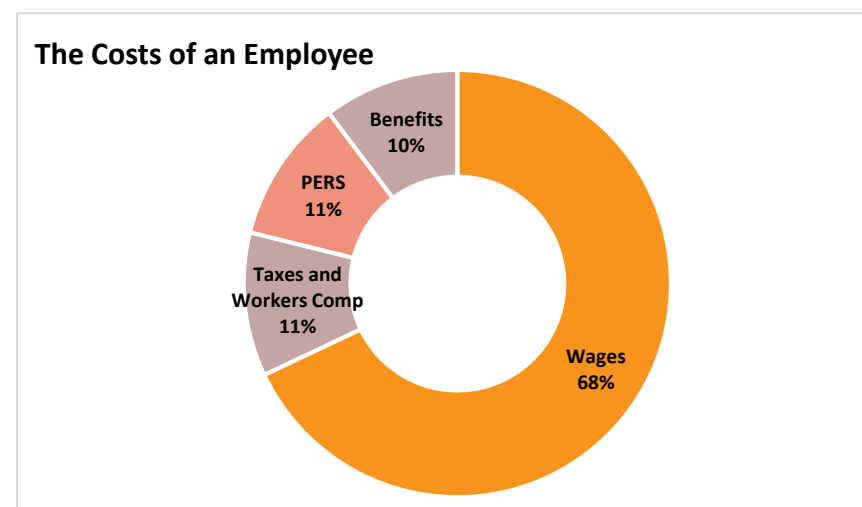
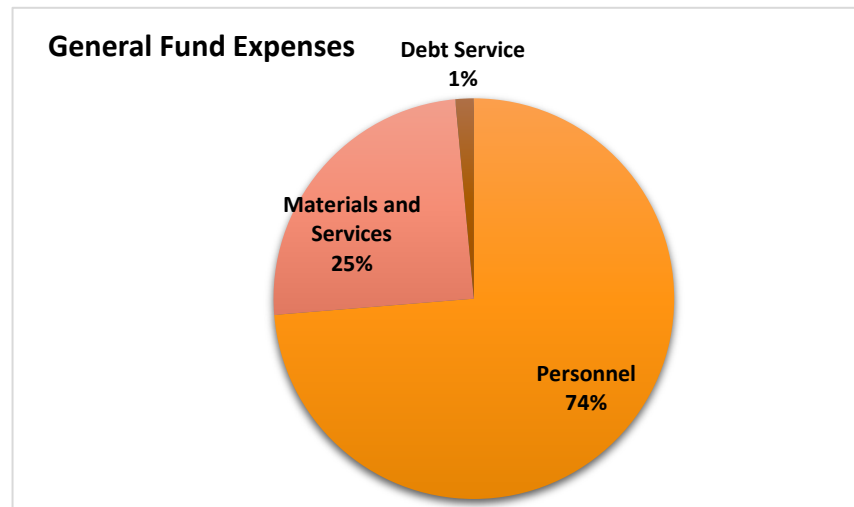
The **General fund**, the main operating fund of the district, has seen growth at a much higher rate than pre-pandemic years. Revenues have exceeded our expenditures, which has allowed larger transfers to the reserve funds for maintenance and equipment purchases and replacements.



The major sources of revenue for the General fund are property taxes and charges for services, which are our user fees. Taxes are based on assessment and the growth in property taxes is made up of the 3% of higher appraisal and new construction. Our recreation programming is seeing great growth and revenues for the fund are higher than the prior years.



By category, personnel is the General Fund's greatest expense. Personnel have more than just wages, there are other expense such as taxes, retirement, and benefits. Adding a \$50,000 employee will also need additional \$24,000 in expenses. Wages only make up 68% of the district's cost for an employee.



District Forecast

As we prepare for the FY2024-25 budget (FY25), 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

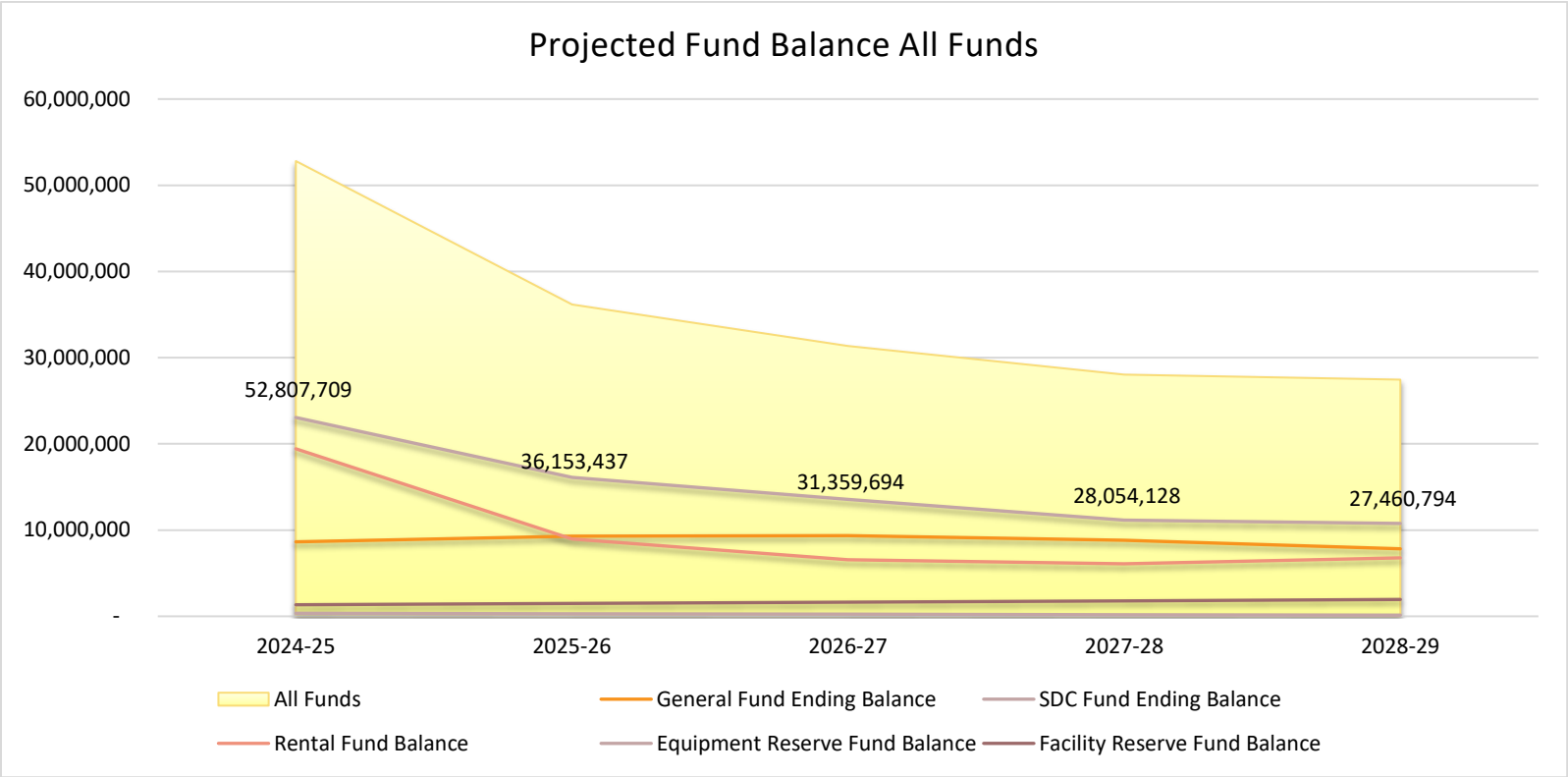
- **Taxes-** Rates are based upon county assessor's information. The average for the last five years is 5.9%. Staff estimate a conservative 4% prediction in the 5-year forecast to account for any slowing in growth. We only capture 3% of higher appraisal, which is far less than inflation.
- **System Development 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:
 - Increases with cost of living adjustment, merit-based wage changes, future pay study (FY27) and growth in staffing
 - Decreases in unemployment and worker's comp rates than expected during the last budget
 - 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
 - Recreation PT has other assumptions based on their cost recovery modeling
- **Operational costs-** Inflation continues to impact the cost of materials and services but we will see it at a much lower rate. Operating costs will also increase as new parks, trails and programs come online.
- **Capital Costs-** This forecast ties directly to the Capital Improvement Plan (CIP).

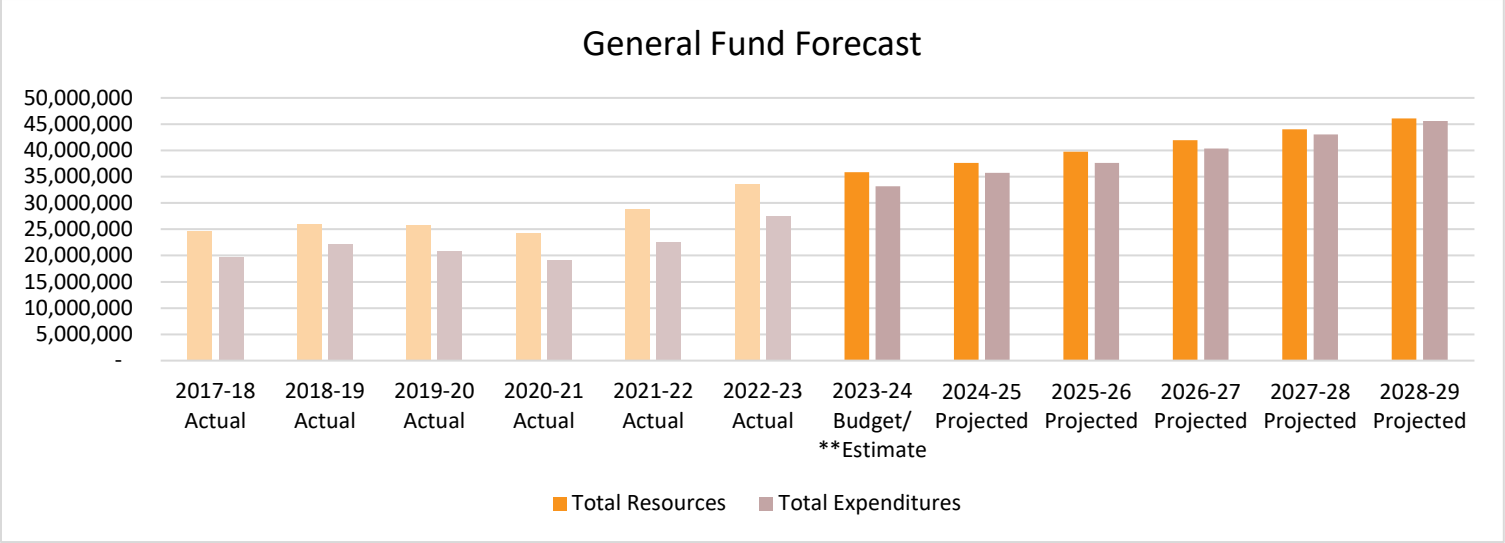
All District Funds

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. The district’s primary objective is to maintain a prudent level of financial resources to protect against reducing service levels due to temporary revenue shortfalls or unpredicted one-time expenditures. 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.

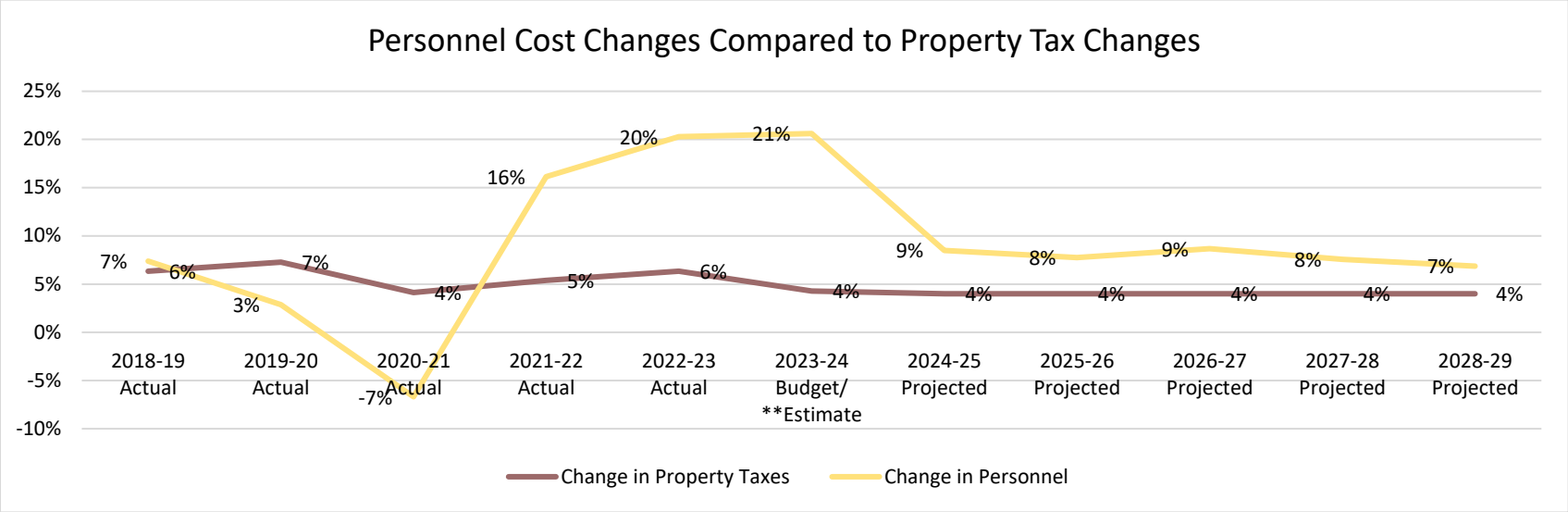


General Fund

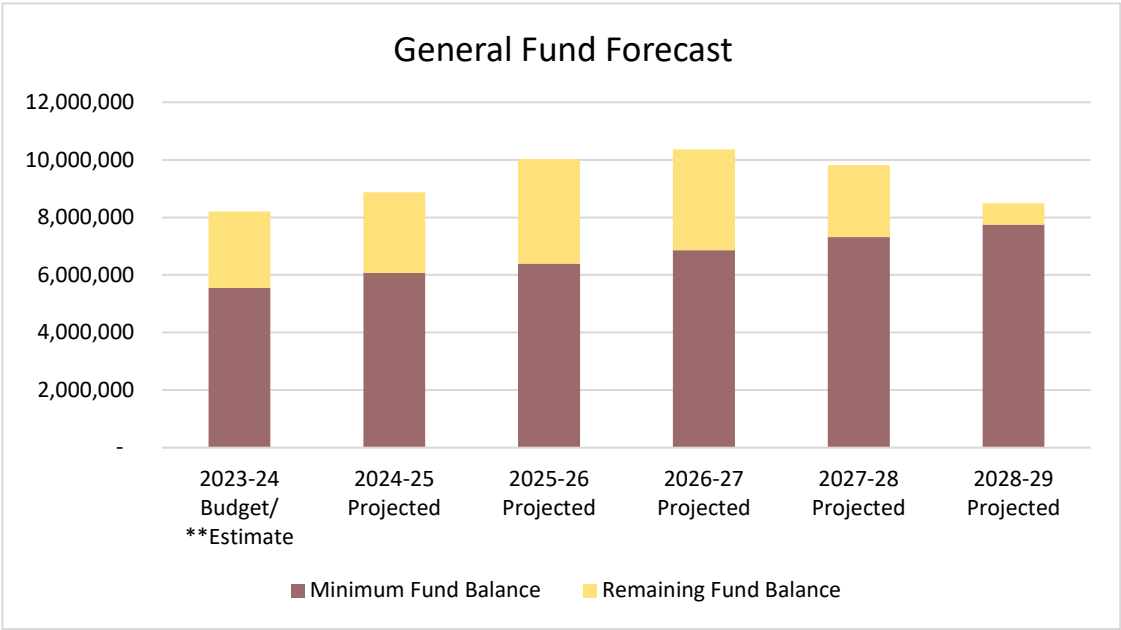
The district’s General Fund is the general operating fund and accounts for the executive director’s office, administrative services, planning and design, park services, community relations and recreation services. Principal sources of revenue are property taxes, user fees and charges, interest income, grants and contributions. Primary expenditures are personnel, materials and services necessary to provide quality services for the community. The General Fund needs to continue to save for future maintenance and repair of current facilities, address growth and adapt to changing economic conditions. In the last year of the forecast, our operating expenses remain lower than estimated revenue which means it appears the district should be able to operate within its means. Adjustments may need to be made to aid in funding some major maintenance of our facilities.



With Personnel being our biggest expenses its good to look at our tax base growth to our personnel costs. Besides the pandemic years with layoffs we have seen greater increases to staffing costs with the pay equity adjustments and higher cost of living adjustments made the last few years. With increasing personnel costs we are out pacing our property tax growth.



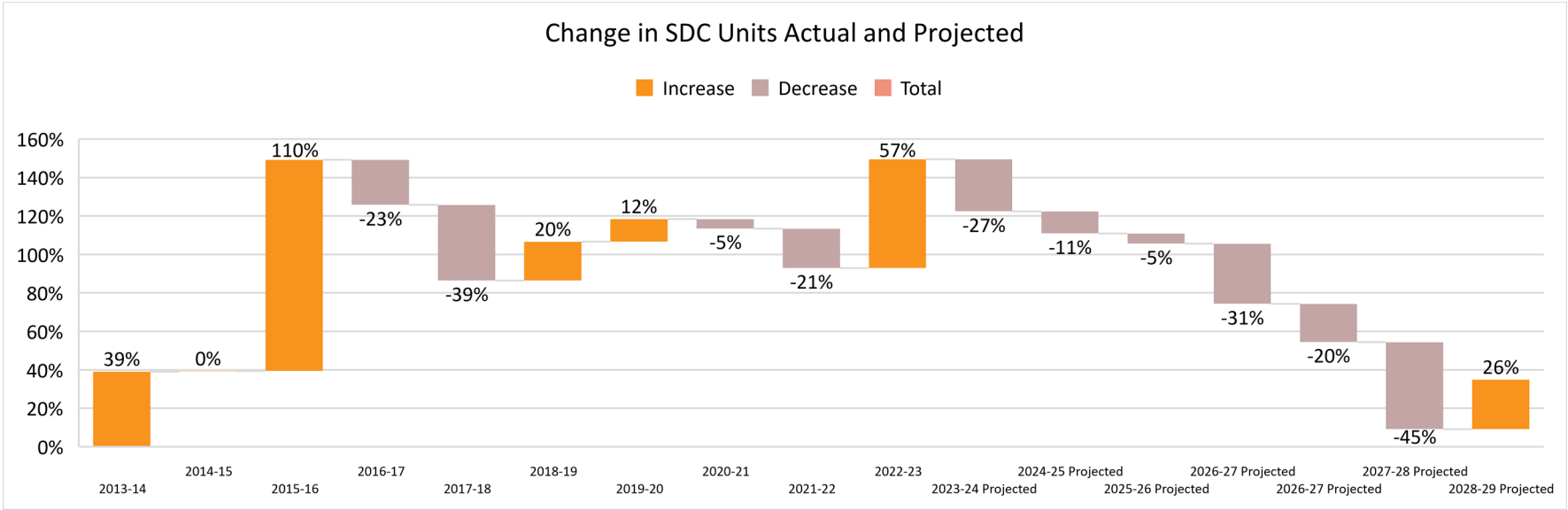
Fund balance is critical for financial stability and flexibility. Reserves aid in governments being able to respond to events, buffer against economic downturns, and re a factor for bond ratings. Therefore, local governments establish a minimum fund balance. With the revision of the reserve balance policy last year, the FY24 budget began our annual look at the needs for minimum fund reserves in our General fund and Reserve funds. See appendix C of the FY24 budget for the analysis and our minimum. All funds are budgeted to have the needed reserves based on the policy, our forecasts and capital improvement plan. For the basis of the forecast we will make the same risk calculation assumptions as in the FY24 budget. The General fund balance forecast is as follows:



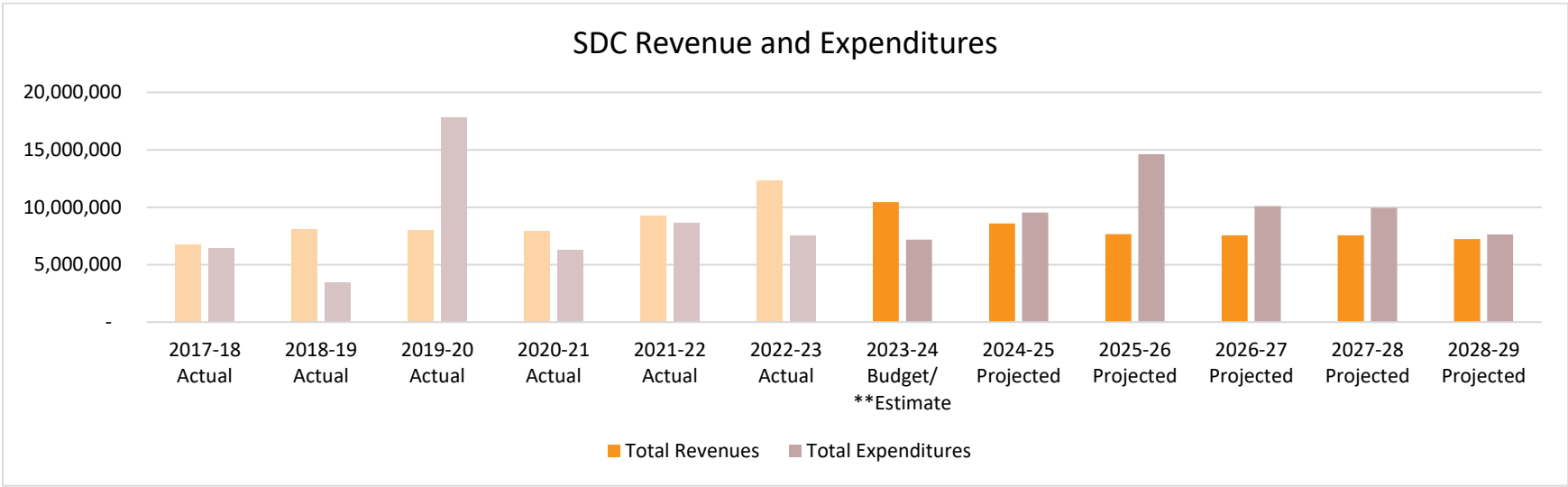
See specific cost assumptions for the General Fund in Appendix A.

System Development Charges (SDC) Fund

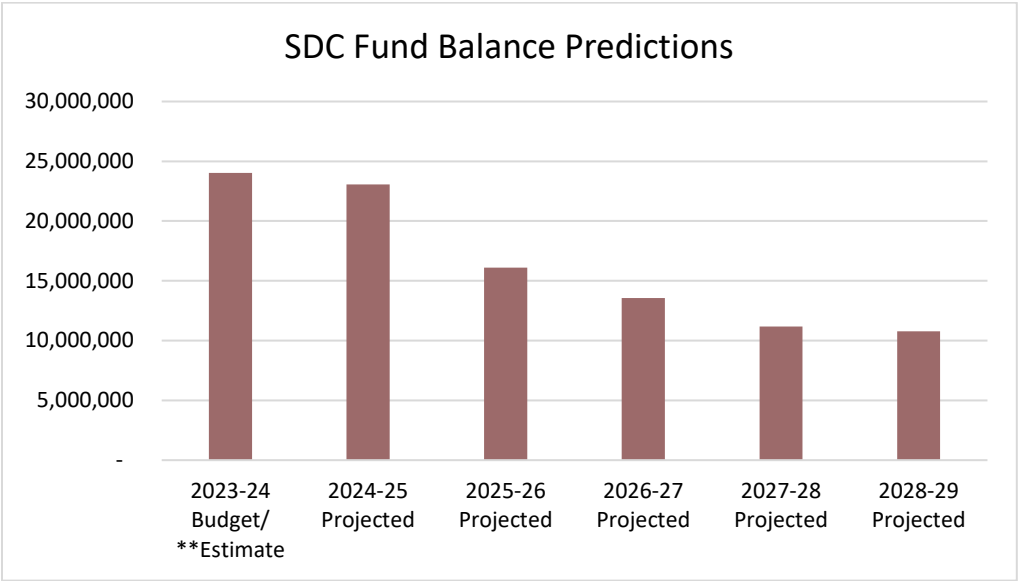
The SDC Fund is used to account for the acquisition and development of the community’s park system. Funding is provided by a fee charged for developing residential properties. SDC revenue is hard to predict and averaging the change and reviewing downturns and recoveries is necessary. We also review what is up and coming with developers and if there are any changes in their plans.



Past trends demonstrate how different each year can be for receiving this type of funding. The best approach is to calculate averages to use for revenue predictions to help plan for expenditures while predicting some slowing in development. 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.



With this prediction the SDC fund still has fund balance to continue to develop the needed projects to accommodate growth.

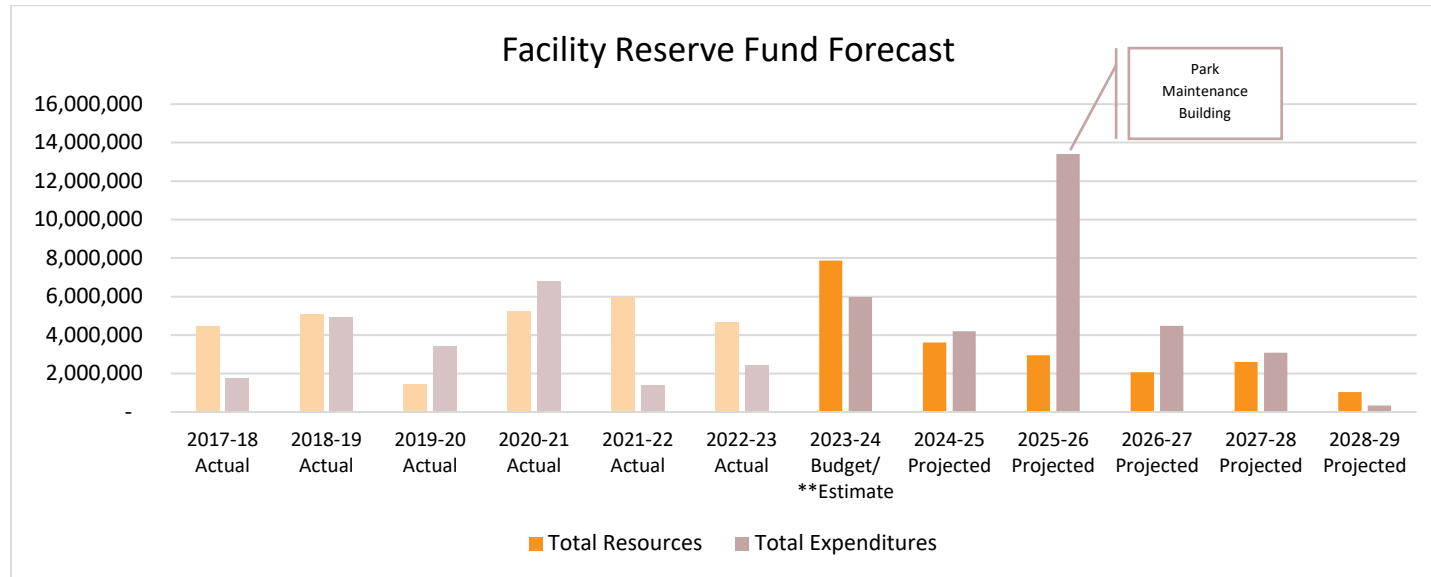


See specific cost assumptions for the SDC Fund in Appendix B.

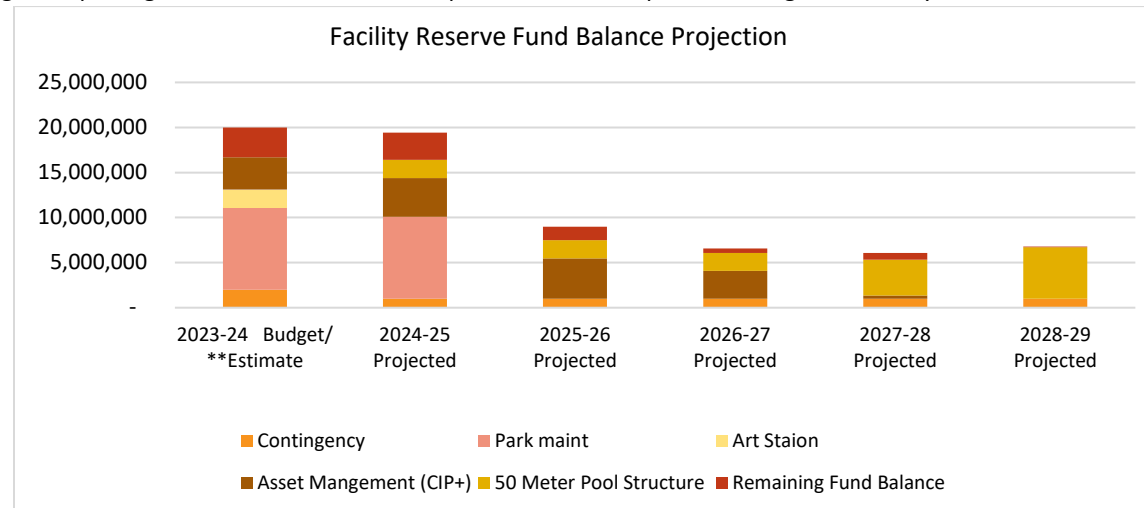
Facility Reserve and Equipment Reserve Funds

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.*

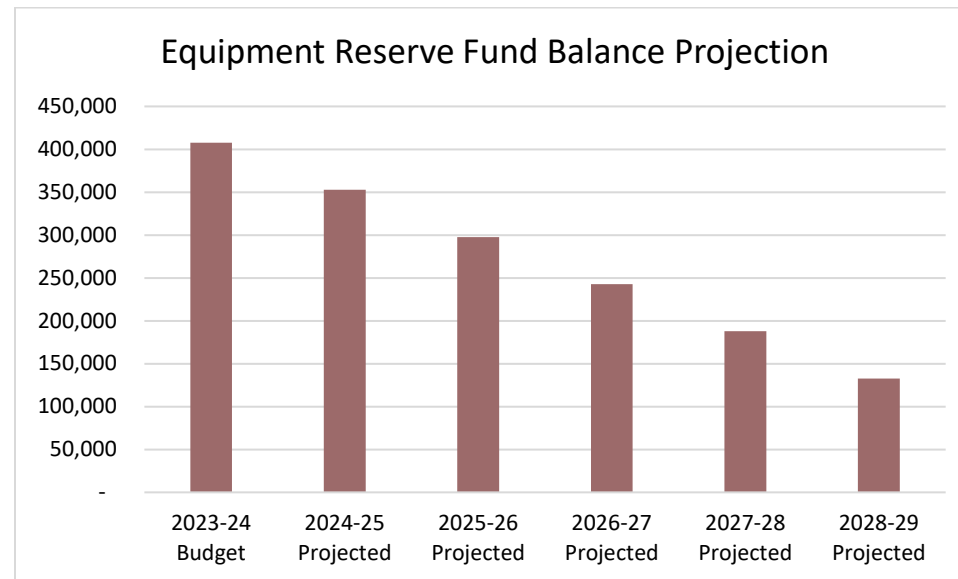
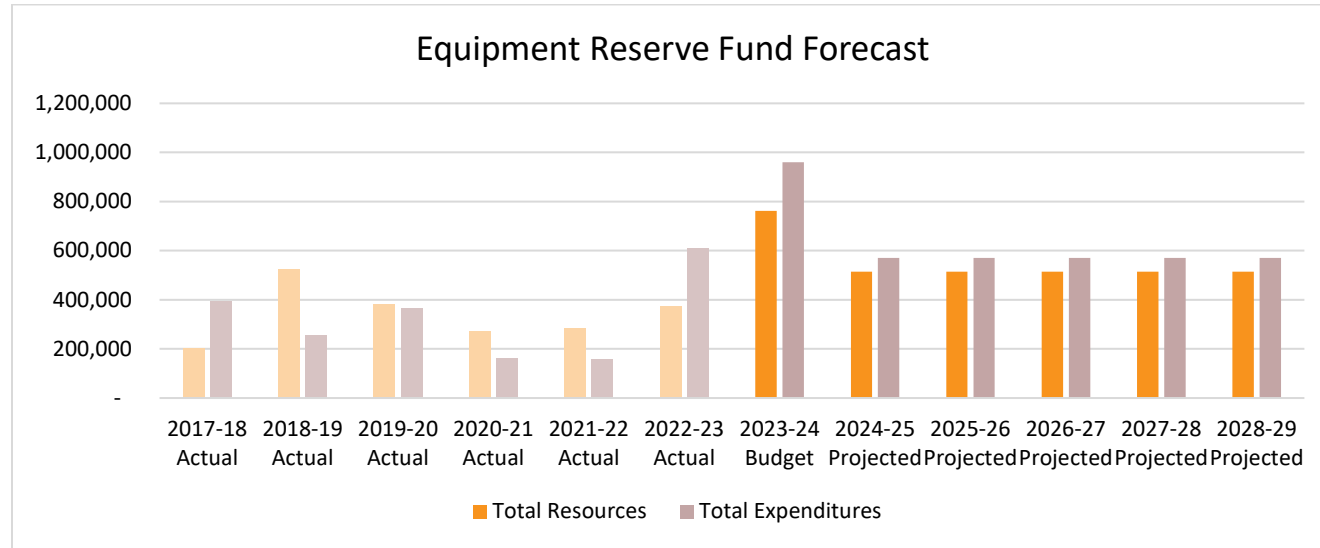
- **Facility Reserve Fund** is used to account for acquiring, constructing and re-developing parks, trails and buildings. Principal revenue sources are from transfers from the General Fund, investment income, grants and contributions. Primary expenditures of the fund are land acquisitions, new park development,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



We will need to begin planning for replacing the cover of the 50-meter pool and we have planned design work this year so we can review options, funding and timing.

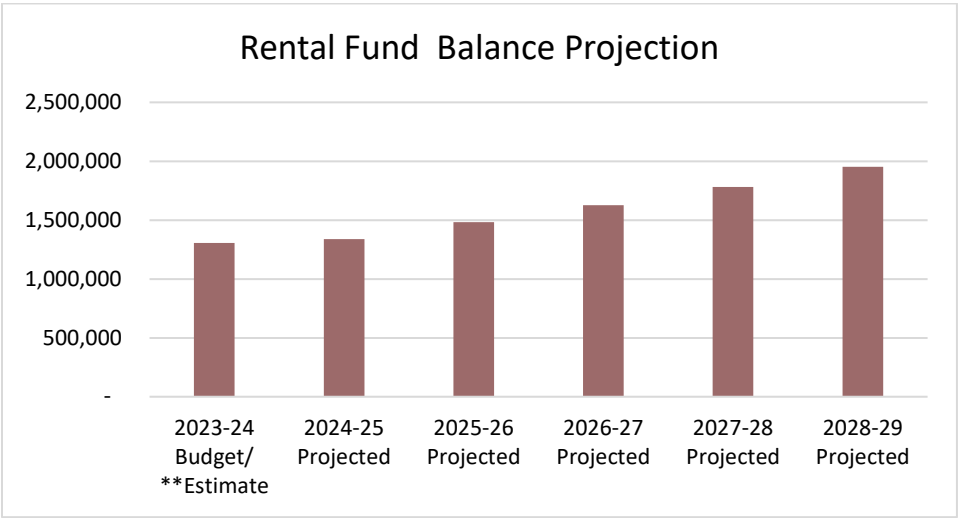
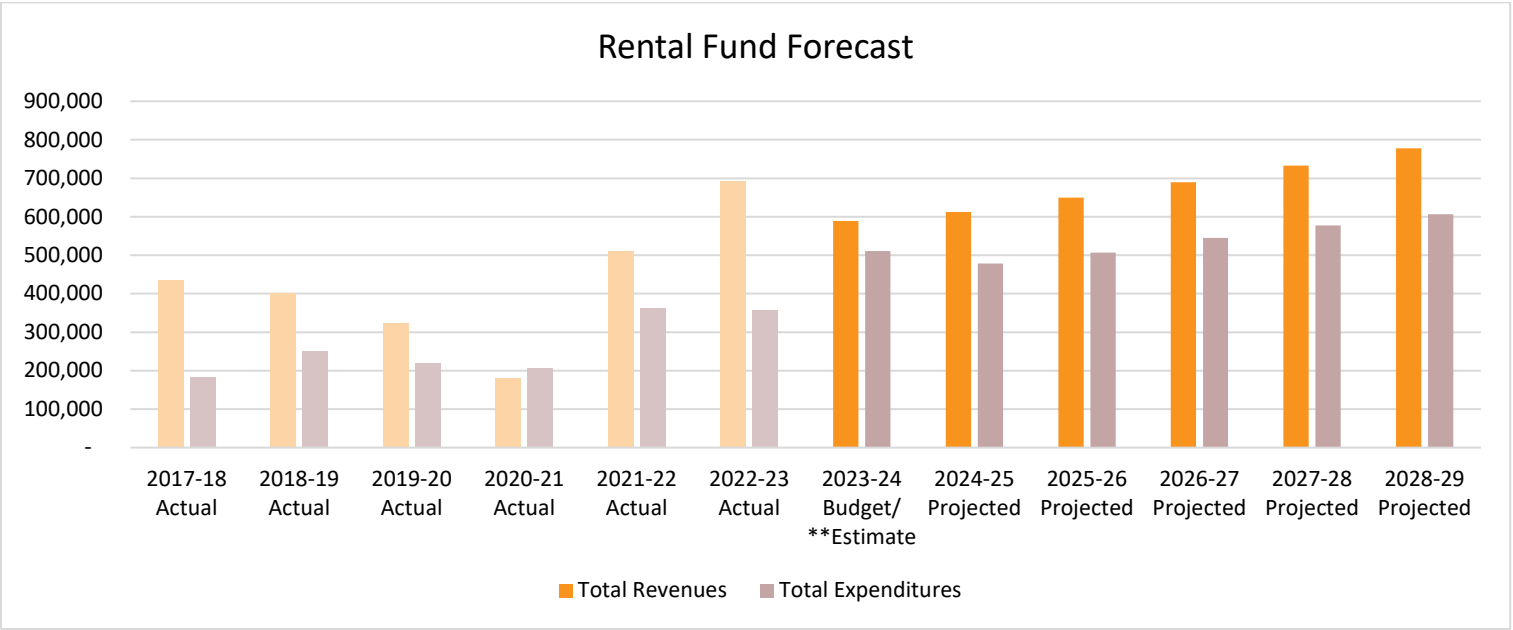


- *Equipment Reserve Fund* is authorized and established by resolution 245, on July 1, 2004, for the following specified purposes: To set aside funds, through transfers, for replacing vehicles, equipment, furniture, fixtures and technology. The board reviewed this fund in 2014 and decided to continue utilizing this reserve fund. The next review is this year. 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.



Rental Fund

The 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. We have seen recovery since the pandemic along with growth. The fund balance is to cover any shortfall in operations along with maintenance and capital repairs for the rental facilities.



See specific cost assumptions for the Rental Fund Appendix D.

Conclusion

Our goal is to 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.

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. The forecast predicts healthy fund balances with some challenges funding major maintenance projects whose only funding source is excess from the general fund.

Appendix A- General Fund

General Fund												
	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget/ **Estimate	2024-25 Projected	2025-26 Projected	2026-27 Projected	2027-28 Projected	2028-29 Projected
Beginning Fund Balance	5,249,534	6,441,781	5,091,108	8,731,949	8,793,640	9,566,358	11,264,129	8,207,282	8,627,663	9,278,483	9,357,412	8,825,585
Revenues												
Property Taxes	16,297,454	17,329,988	18,590,866	19,359,752	20,400,847	21,695,563	22,626,576	23,531,639	24,472,905	25,451,821	26,469,894	27,528,689
Charges for Services	7,508,219	7,629,944	5,991,111	3,805,519	7,484,896	10,355,275	12,108,500	13,360,140	14,524,527	15,749,381	16,799,490	17,795,452
Investment earnings	158,511	278,964	205,998	86,388	80,801	537,159	90,000	100,000	100,000	100,000	100,000	100,000
Grant Revenue	-	-	320,802	7,089	170,020	442,000	5,000	5,000	5,000	5,000	5,000	5,000
Intergovernmental	44,499	75,599	47,952	445,000	48,847	11,600	61,500	50,000	50,000	50,000	50,000	50,000
Reimbursement of interfund services	136,072	44,542	154,501	149,762	86,316	77,467	170,000	100,000	100,000	100,000	100,000	100,000
Miscellaneous	227,040	221,256	167,674	92,801	221,460	215,479	197,000	200,000	200,000	200,000	200,000	200,000
Total Revenues	24,371,795	25,580,293	25,478,904	23,946,311	28,493,187	33,334,543	35,258,576	37,346,779	39,452,432	41,656,202	43,724,384	45,779,141
Transfer in	350,000	400,000	404,616	375,114	396,967	248,232	615,000	300,000	300,000	300,000	300,000	300,000
Total Resources	24,721,795	25,980,293	25,883,520	24,321,425	28,890,154	33,582,775	35,873,576	37,646,779	39,752,432	41,956,202	44,024,384	46,079,141
Expenditures												
Personnel	13,935,256	14,965,066	15,394,190	14,365,316	16,683,523	20,069,248	24,206,493	26,264,431	28,301,907	30,757,826	33,087,896	35,359,100
Materials and Services	5,166,750	5,224,915	4,994,305	4,167,871	5,426,070	7,007,706	8,466,780	8,957,093	9,299,704	9,619,446	9,968,315	10,265,892
Capital Outlay	52,759	-	-	-	-	-	-	-	-	-	-	-
Special Payment	-	1,500,000	-	-	-	-	-	-	-	-	-	-
Debt Service	506,962	505,985	441,184	506,547	507,843	508,050	507,150	504,875	-	-	-	-
Total Expenditures	19,661,727	22,195,966	20,829,679	19,039,734	22,617,436	27,585,004	33,180,423	35,726,398	37,601,612	40,377,272	43,056,211	45,624,992
Interfund Transfers Out	3,867,821	5,135,000	1,350,000	5,220,000	5,500,000	4,300,000	5,750,000	1,500,000	1,500,000	1,500,000	1,500,000	1,450,000
Net Change in Fund Balance	1,192,247	(1,350,673)	3,703,841	61,691	772,718	1,697,771	(3,056,847)	420,381	650,820	78,929	(531,827)	(995,851)
Fund Balance	6,441,781	5,091,108	8,794,949	8,793,640	9,566,358	11,264,129	8,207,282	8,627,663	9,278,483	9,357,412	8,825,585	7,829,734
Fund Balance Reserved												
Minimum Fund Balance							5,550,982	6,073,488	6,392,274	6,864,136	7,319,556	7,756,249
Remaining Fund Balance							2,656,300	2,554,175	2,886,209	2,493,276	1,506,029	73,485

Appendix B- System Development Charges

System Development Charges Fund

	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Budget/ **Estimate	2024-25 Projected	2025-26 Projected	2026-27 Projected	2027-28 Projected	2028-29 Projected
RESOURCES												
Beginning Working Capital	20,026,754	20,043,666	24,264,961	14,084,912	15,389,208	15,602,570	20,122,789	24,019,055	23,060,519	16,115,066	13,568,108	11,168,333
Revenues												
Interest and Misc	343,648	579,217	423,661	125,327	116,455	1,514,715	950,000	593,992	165,536	552,244	547,000	229,000
System Development Charges	6,411,052	7,465,749	7,600,115	7,792,806	9,124,371	10,772,411	9,500,000	8,000,000	7,500,000	7,000,000	7,000,000	7,000,000
Total Revenues	6,754,700	8,044,966	8,023,776	7,918,133	9,240,826	12,287,126	10,450,000	8,593,992	7,665,536	7,552,244	7,547,000	7,229,000
Expenditures												
Planning and Design Program:												
Materials and Services	67,790	114,000	16,712	8,329	2,554	169,410	17,000	25,000	25,000	25,000	25,000	25,000
Capital Outlay	6,319,998	3,309,670	17,782,498	6,230,394	8,627,943	7,349,265	7,151,734	9,527,528	14,585,989	10,074,202	9,921,775	7,602,376
Total Expenditures	6,387,788	3,423,670	17,799,210	6,238,723	8,630,497	7,518,675	7,168,734	9,552,528	14,610,989	10,099,202	9,946,775	7,627,376
Net Change in Fund Balance	366,912	4,621,296	(9,775,434)	1,679,410	610,329	4,768,451	3,281,266	(958,536)	(6,945,453)	(2,546,958)	(2,399,775)	(398,376)
Interfund Transfers Out	350,000	400,000	404,616	375,114	396,967	248,232	615,000					
Ending Fund Balance/Working Capital	20,043,666	24,264,962	14,084,912	15,389,208	15,602,570	20,122,789	24,019,055	23,060,519	16,115,066	13,568,108	11,168,333	10,769,957
Fund Balance Reserved												
Contingency							2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Asset Mangement (CIP)							4,803,839	14,610,989	10,099,202	9,946,775	7,627,376	7,000,000
Remaining Fund Balance							17,215,216	6,449,530	4,015,864	1,621,333	1,540,957	1,769,957

Appendix C- Facility Reserve Fund and Equipment Reserve Fund

Facility Reserve Fund

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Actual	Actual	Actual	Actual	Actual	Actual	Budget/ **Estimate	Projected	Projected	Projected	Projected	Projected
Beginning Working Capital	12,050,988	14,718,144	14,865,720	12,874,180	11,305,886	15,889,593	18,106,907	20,007,501	19,428,260	8,980,327	6,565,327	6,090,327
Revenues												
Interest	207,509	358,802	306,894	81,112	64,616	431,608	200,000	200,000	100,000	75,000	75,000	75,000
Grant and Contribution Revenue	366,665	38,492	107,972	-	200,000	150,000	1,970,663	2,309,163	1,849,163	990,767	1,525,000	-
Intergovernmental	73,143	25,666	-	-	301,106	51,127	-	-	-	-	-	-
Miscellaneous	62,256	4,815	-	185,207	144,364	-	200,000	5,000	5,000	5,000	5,000	5,000
Total Revenues	709,573	427,775	414,865	266,319	710,086	632,735	2,370,663	2,514,163	1,954,163	1,070,767	1,605,000	80,000
Interfund Transfers in	3,717,821	4,635,000	1,000,000	4,970,000	5,250,000	4,000,000	5,500,000	1,100,000	1,000,000	1,000,000	1,000,000	950,000
Total Resources	4,427,394	5,062,775	1,414,865	5,236,319	5,960,086	4,632,735	7,870,663	3,614,163	2,954,163	2,070,767	2,605,000	1,030,000
Expenditures												
By Category:												
Materials and Services	-	-	-	-	-	870,215	393,000	200,000	200,000	200,000	200,000	200,000
Capital Outlay	1,760,238	4,915,199	3,406,406	6,804,613	1,376,379	1,545,206	5,577,069	3,993,404	13,202,096	4,285,767	2,880,000	145,000
Total Expenditures	1,760,238	4,915,199	3,406,406	6,804,613	1,376,379	2,415,421	5,970,069	4,193,404	13,402,096	4,485,767	3,080,000	345,000
Net Change in Fund Balance	2,667,156	147,576	(1,991,540)	(1,568,294)	4,583,707	2,217,314	1,900,594	(579,241)	(10,447,933)	(2,415,000)	(475,000)	685,000
Ending Fund Balance/Working Capital	14,718,144	14,865,720	12,874,180	11,305,886	15,889,593	18,106,907	20,007,501	19,428,260	8,980,327	6,565,327	6,090,327	6,775,327
Fund Balance Reserved												
Contingency							2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Park maint							9,100,000	9,100,000	-	-	-	-
Art Staion							2,000,000	-	-	-	-	-
50 Meter Pool Structure							-	2,000,000	2,000,000	2,000,000	4,000,000	5,700,000
Asset Mangement (CIP+)							3,586,881	4,302,096	4,485,767	3,080,000	345,000	-
							16,686,881	16,402,096	7,485,767	6,080,000	5,345,000	6,700,000
Remaining Fund Balance							3,320,620	3,026,164	1,494,560	485,327	745,327	75,327

Equipment Reserve Fund

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
	Actual	Actual	Actual	Actual	Actual	Actual	Budget	Projected	Projected	Projected	Projected	Projected
Beginning Working Capital	504,756	315,830	585,423	605,039	714,852	840,361	606,294	407,794	352,794	297,794	242,794	187,794
Revenues												
Interest	5,103	5,698	7,510	4,398	3,897	18,410	2,000	5,000	5,000	5,000	5,000	5,000
Grant Revenue	-	-	1,090	-	17,249	5,000	-	-	-	-	-	-
Other Income Misc. Rev	47,248	17,150	24,350	15,850	10,376	50,880	10,000	10,000	10,000	10,000	10,000	10,000
Total Revenues	52,351	22,848	32,950	20,248	31,522	74,290	12,000	15,000	15,000	15,000	15,000	15,000
Interfund Transfers in	150,000	500,000	350,000	250,000	250,000	300,000	750,000	500,000	500,000	500,000	500,000	500,000
Total Resources	202,351	522,848	382,950	270,248	281,522	374,290	762,000	515,000	515,000	515,000	515,000	515,000
Expenditures												
Martials and Services	-	-	-	-	-	35,651	68,000	20,000	20,000	20,000	20,000	20,000
Capital Outlay	391,277	253,255	363,334	160,435	156,013	572,706	892,500	550,000	550,000	550,000	550,000	550,000
Total Expenditures	391,277	253,255	363,334	160,435	156,013	608,357	960,500	570,000	570,000	570,000	570,000	570,000
Net Change in Fund Balance	(188,926)	269,593	19,616	109,813	125,509	(234,067)	(198,500)	(55,000)	(55,000)	(55,000)	(55,000)	(55,000)
Ending Fund Balance/Working Capital	315,830	585,423	605,039	714,852	840,361	606,294	407,794	352,794	297,794	242,794	187,794	132,794
Fund Balance Reserved												
Contingency							200,000	100,000	100,000	100,000	100,000	100,000
Remaining Fund Balance							207,794	252,794	197,794	142,794	87,794	32,794

Appendix D- Rental Fund

Rental Fund

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Budget/	2024-25	2025-26	2026-27	2027-28	2028-29
	Actual	Actual	Actual	Actual	Actual	Actual	**Estimate		Projected	Projected	Projected	Projected	Projected
Beginning Working Capital	767,579	1,017,128	1,167,560	1,271,500	1,243,889	1,390,572		1,726,080	1,304,870	1,338,473	1,481,767	1,626,053	1,782,089
Revenues													
Interest	16,675	31,182	28,385	10,174	7,952	50,140		12,000	5,000	5,000	5,000	5,000	5,000
Charges for Services	417,356	371,187	293,311	170,096	501,696	643,085		577,400	606,972	645,142	684,486	728,102	772,612
Miscellaneous	-	-	680	-	-	-		-	-	-	-	-	-
Total Revenues	434,031	402,369	322,376	180,270	509,648	693,225		589,400	611,972	650,142	689,486	733,102	777,612
Expenditures													
Personnel	127,747	112,362	100,844	165,832	266,497	278,656		293,010	351,969	375,264	409,037	436,095	460,699
Materials & Services	56,735	85,456	77,049	35,629	81,252	79,061		80,000	86,400	91,584	96,163	100,971	106,020
Capital Outlay	-	54,119	40,543	6,420	15,216	-		137,600	40,000	40,000	40,000	40,000	40,000
Total Expenditures	184,482	251,937	218,436	207,881	362,965	357,717		510,610	478,369	506,848	545,201	577,066	606,718
Net Change in Fund Balance	249,549	150,432	103,940	(27,611)	146,683	335,508		78,790	133,603	143,294	144,286	156,036	170,893
Interfund Transfers Out	-	-	-	-	-	-		500,000	100,000	-	-	-	-
Ending Fund Balance/Working Capital	1,017,128	1,167,560	1,271,500	1,243,889	1,390,572	1,726,080		1,304,870	1,338,473	1,481,767	1,626,053	1,782,089	1,952,982
Fund Balance Reserved													
Contingency								100,000	100,000	100,000	100,000	100,000	100,000
Remaining Fund Balance								1,204,870	1,238,473	1,381,767	1,526,053	1,682,089	1,852,982



Brady Fuller, Chair

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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

Program Category	Operated Facility	Non-Operated Facility
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

Rental Function	Partner	Non-Profit	Private	Commercial
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 FY2024-2028

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.

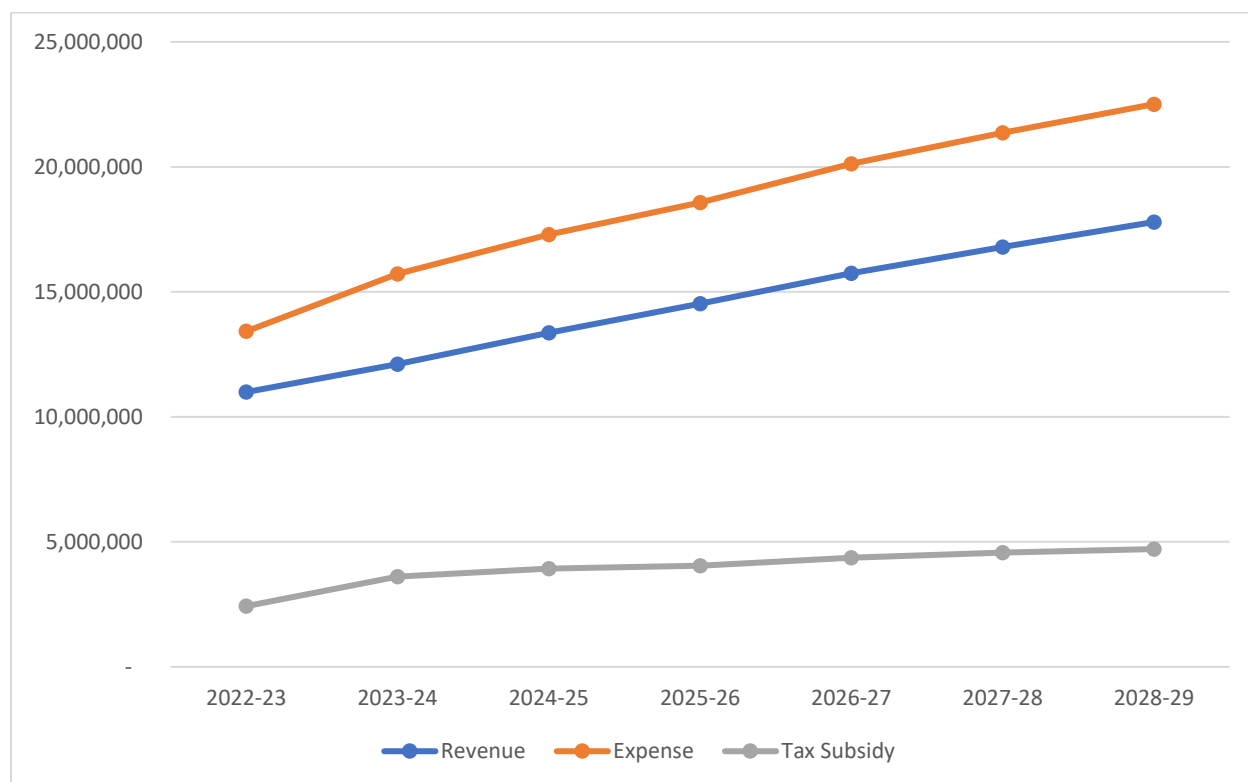
Financial forecasting is especially challenging in recreation due to the uncertainty regarding demand and revenue. Many part-time employees and supply costs also have variability based on demand. The recreation department has been generally able to keep these variable costs aligned with revenue except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

Major Assumptions

This financial forecast is based on the following major assumptions in addition to assumptions in the District Financial Forecast. This is a “middle of the road” forecast, neither conservative or aggressive. While the Recreation Department has a history of outperforming the financial forecast and annual budget, this forecast represents what can be reasonably expected, especially in regards to the tax subsidy required to support recreation facilities, programs and services at the current and anticipated level of service.

- 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 facilities and programs (with the exception of Art Station program and food and beverage operations).
- Modest fee increases averaging approximately 5% annually overall will be assessed on most programs to help keep up with rising costs.
- Scholarship use stabilizes at current levels with additional alternative funding helping support the program (see more below).
- Front line staffing needs can be reasonable filled.
- No major disruptions or downtime in the operations of a facility or major program area.
- No major changes in the supply of or demand for recreation facilities or programs other than what can be expected in normal market conditions.
- Inflation continues its downward trajectory and stabilizes at or near normal levels, and there is no major recession or other economic event.

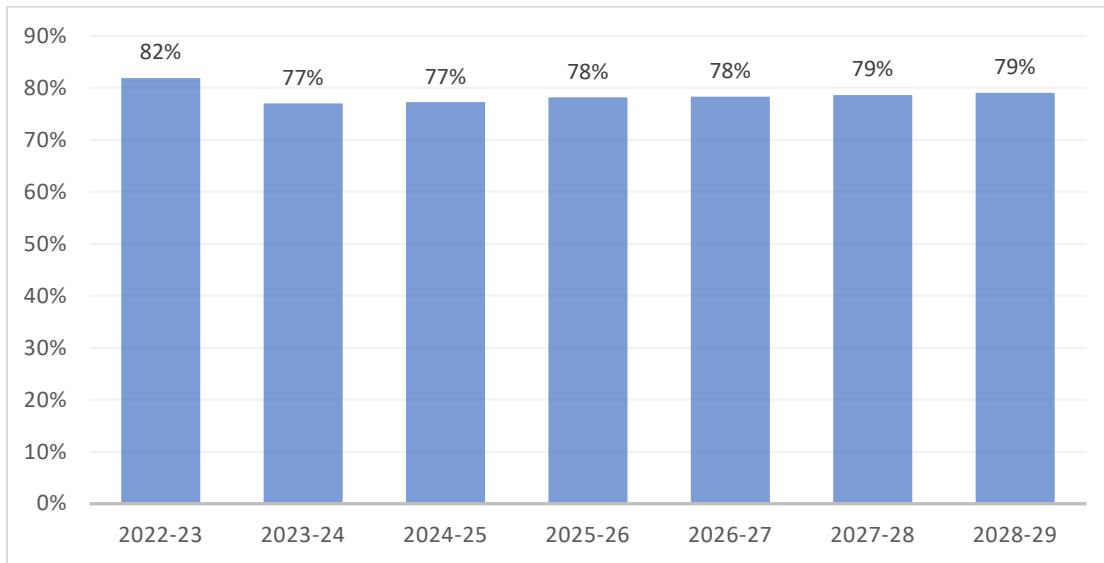
Revenue, Expenses and Tax Subsidy Forecast



Revenue growth has been very strong over the last two years (54% combined) with the additional capacity provided by Larkspur Community and overall high demand for programs and services. Growth in revenue from facilities and programs is forecast to slow over the next five years as we bump up against capacity; however, we do anticipate significant growth in two years. Art Station revenue is expected to grow substantially when the new facility opens in two years. Alternative revenue is also projected to increase substantially due to profits generated from the new food and beverage operations and additional efforts to secure more grant, sponsorship and donations. These increases, as well as modest fee increases, largely offset the slowing growth in recreation program revenue.

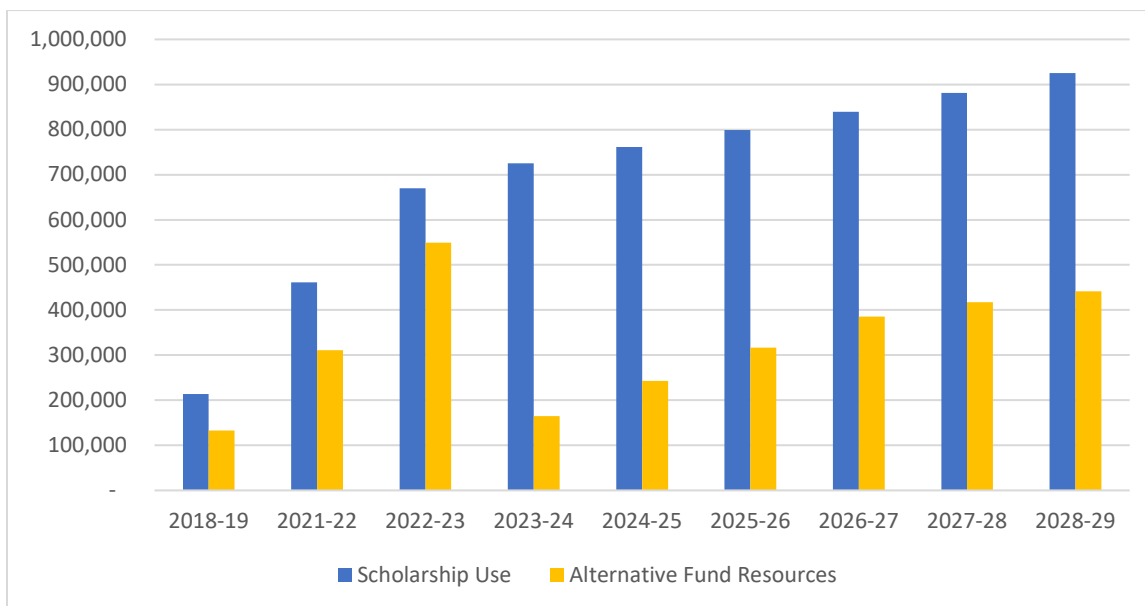
Expenses are forecast to increase at a steady pace with inflation slowing and staffing levels stabilizing; however, staffing costs are expected to increase at a slightly greater pace than revenue over the course of the forecast. This is due to wage and benefits increasing at a greater pace than can be fully recovered through fee increases and program growth. The resulting tax subsidy is approximately \$4 million in the first two years increasing to \$4.7 million in year five. This is similar to last year's forecast.

Cost Recovery 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 last year was higher (and tax subsidy lower) than budgeted due to unprecedented growth in revenue (40%) and unintended lower staffing levels and personnel costs due to the challenges in hiring front line staff. Cost recovery is expected to stabilize at approximately 78% over the next five years. This is about 10% below pre-pandemic levels and is the result of the addition of Larkspur Community Center, rapid growth in our needs-based assistance program, increasing personnel costs and general inflation.

Scholarship Use and Supporting Funds Forecast



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.

Scholarship use has nearly tripled over pre-pandemic levels as district outreach efforts have increased the visibility and facilitated the use of the program at a much higher level than in the past. The expanded use was largely supported by pandemic related grants we received from the State in fiscal year 22-22 (\$172,500) and fiscal year 2022-23 (\$380,000). With these one-time grant opportunities associated no longer available, the general fund support has grown from less than \$200,000 to nearly \$600,000.

The forecast assumes that scholarship user will grow at the same level of overall revenue and that alternative funding resources will grow significantly in order to slowly reduce the overall reliance on general tax dollars and ensure a more sustainable program. The two main sources for alternative funding were described earlier and include: 1) Profits from the newly formed food and beverage operations, and 2) planned efforts to secure additional grant funding, sponsorship, donations, etc. Slowing growth in scholarship funding to a sustainable level may require some changes to the existing scholarship program including qualification guidelines, levels of scholarship assistance provided and other considerations.

Conclusion

The Recreation Department has reached a “new normal” after several years of extraordinary change including the pandemic, opening of Larkspur Community Center, unprecedented challenges in hiring employees and some of the highest inflation in decades. The next five years looks relatively stable with the opening of the new Art Station facility and the addition of the food and beverage program as the only known major changes to our operations. As a result, the cost recovery and tax subsidy forecasts are reasonably consistent and sustainable. If we have learned anything over the last few years it is that the Recreation Department is resilient, nimble and able respond to changing conditions rapidly in order to maintain a balance between serving the community at a high level and remaining financially sustainable.

Bend Park and Recreation District
Five-Year **DRAFT** Capital Improvement Plan (CIP)
for Fiscal Years Ending 2025-2029

							FY2025-29 Funding Allocation by Source									
Project Type	Project Stage	Approved Property Tax Revenue	Approved SDC Funds	Approved Alternative Funds	Approved Funding Allocation	Prior and Current Fiscal Years	Property Tax Revenue	SDC	Alternative	Alt. Type	Total FY 25-29	FY 24-25 Total	FY 25-26 Total	FY 26-27 Total	FY 27-28 Total	FY 28-29 Total
Community Parks																
Pine Nursery Park Ph. 4 (Pending Partnership)	Order of Magnitude		78,504		78,504	28,504	-	50,000	-		50,000	-	-	50,000	-	-
Pine Nursery Park Ph. 5	Design Development	350,000	8,000,000		8,350,000	621,438	-	7,728,562	-		7,728,562	1,000,000	5,728,562	1,000,000	-	-
Big Sky Park Expansion	Design Development	303,050	3,719,200	700,000	4,722,250	3,583,403	-	838,847	300,000		1,138,847	-	-	-	1,138,847	-
Sawyer Park	Construction Documents	904,287	-	2,048,326	2,952,613	316,354	587,933	-	2,048,326	1	2,636,259	1,318,130	1,318,129	-	-	-
Land Acquisition (Rose Property)	Order of Magnitude	4,250,000			4,250,000	4,084,726	165,274	-	-		165,274	165,274	-	-	-	-
Total Community Parks		5,807,337	11,797,704	2,748,326	20,353,367	8,634,425	753,207	8,617,409	2,348,326		11,718,942	2,483,404	7,046,691	1,050,000	1,138,847	-
Neighborhood Parks																
Land Acquisitions	Order of Magnitude		9,524,835		9,524,835	-	-	9,524,835	-		9,524,835	2,090,280	1,830,000	1,656,679	1,500,000	2,447,876
Little Fawn Park	Construction Documents		2,892,704		2,892,704	2,610,559	-	282,145	-		282,145	282,145	-	-	-	-
Manzanita Ridge Park	Design Development		1,767,510		1,767,510	299,810	-	1,467,700	-		1,467,700	850,000	617,700	-	-	-
Park Search Area 5 (Talline)	Order of Magnitude		1,517,500		1,517,500	-	-	1,517,500	-		1,517,500	-	-	250,000	1,267,500	-
Park Search Area 11 (Discovery West Park/TH)	Order of Magnitude		2,923,050		2,923,050	135,000	-	2,788,050	-		2,788,050	-	966,300	975,000	846,750	-
Park Search Area 14 (Parkside Place)(Bear Creek)	Order of Magnitude		2,176,400		2,176,400	-	-	2,176,400	-		2,176,400	571,900	-	-	400,000	1,204,500
Park Search Area 24 (Stevens Ranch)	Order of Magnitude		1,684,178		1,684,178	-	-	1,684,178	-		1,684,178	-	-	300,000	1,384,178	-
Park Search Area 27 (Constellation Crest)	Order of Magnitude		2,888,000		2,888,000	-	-	2,888,000	-		2,888,000	-	853,500	750,000	1,284,500	-
Park Search Area 28 (Easton) (SE Area Plan)	Order of Magnitude		2,128,763		2,128,763	-	-	2,128,763	-		2,128,763	266,000	662,763	1,000,000	200,000	-
Park Search Area 18 (Coulter Property)	Order of Magnitude		1,750,000		1,750,000	-	-	1,750,000	-		1,750,000	300,000	200,000	950,000	300,000	-
Park Search Area 15	Order of Magnitude		2,400,000		2,400,000	-	-	2,400,000	-		2,400,000	2,400,000	-	-	-	-
Park Search Area 20	Order of Magnitude		1,500,000		1,500,000	-	-	1,500,000	-		1,500,000	300,000	-	600,000	600,000	-
Park Search Area 26	Order of Magnitude		1,725,000		1,725,000	-	-	1,725,000	-		1,725,000	475,000	-	-	600,000	650,000
Park Search Area 6	Order of Magnitude		3,000,000		3,000,000	-	-	3,000,000	-		3,000,000	-	-	-	-	3,000,000
Park Search Area 21	Order of Magnitude		1,000,000		1,000,000	-	-	1,000,000	-		1,000,000	-	1,000,000	-	-	-
Park Search Area 32	Order of Magnitude		100,000		100,000	-	-	100,000	-		100,000	-	-	100,000	-	-
Total Neighborhood Parks		-	38,977,940	-	38,977,940	3,045,369	-	35,932,571	-		35,932,571	7,535,325	6,130,263	6,581,679	8,382,928	7,302,376
Trails																
Galveston to Millers Landing	Conceptual Design		656,000	144,000	800,000	496,396	-	248,884	54,720	5	303,604	-	303,604	-	-	-
Riley Ranch Nature Reserve Bridge	Design Development		984,000	216,000	1,200,000	-	-	984,000	216,000	5	1,200,000	-	-	1,200,000	-	-
Putnam to Riley Ranch	Order of Magnitude		127,100	27,900	155,000	440	-	126,744	27,816	5	154,560	-	154,560	-	-	-
Kirkaldy to Putnam	Order of Magnitude		51,742	11,358	63,100	3,662	-	48,738	10,700	5	59,438	42,203	-	17,235	-	-
Deschutes River Trail North Trailhead	Order of Magnitude		262,400	57,600	320,000	-	-	262,400	57,600	5	320,000	-	20,000	300,000	-	-
Miscellaneous Trails	Order of Magnitude		1,189,000	261,000	1,450,000	-	-	1,189,000	261,000	5	1,450,000	300,000	300,000	300,000	250,000	300,000
North Unit Irrigation Canal Trail (NUID)	Conceptual Design		420,007	92,200	512,207	212,207	-	220,708	79,292	5	300,000	300,000	-	-	-	-
COHCT Blakley To Hansen Park	Order of Magnitude		348,675	76,500	425,175	-	-	348,644	76,531	5	425,175	-	-	275,175	150,000	-
Total Trails		-	4,038,924	886,558	4,925,482	712,705	-	3,429,118	783,659		4,212,777	642,203	778,164	2,092,410	400,000	300,000
Community Wide																
River Access McKay, Millers, & Columbia Project	Design Development	142,168		427,302	569,470	509,470	-	-	60,000	1,5	60,000	60,000	-	-	-	-
River Access Riverbend Park	Order of Magnitude			1,775,000	1,775,000	23,053	-	-	1,751,947	1,5	1,751,947	-	-	226,947	1,525,000	-
Art Station	Conceptual Design	700,000	2,300,000		3,000,000	250,000	700,000	2,050,000			2,750,000	100,000	2,650,000	-	-	-
Millers Landing Access Project	Design Development			1,325,000	1,325,000	-	-	-	1,325,000	1,2	1,325,000	1,225,000	100,000	-	-	-
Columbia Park Access Project	Design Development			788,820	788,820	-	-	-	788,820	1,2,5	788,820	-	725,000	63,820	-	-
Bend Whitewater Park Maint. & McKay Access Project	Order of Magnitude	1,300,000		700,000	2,000,000	50,000	1,250,000	-	700,000	1,5	1,950,000	150,000	150,000	1,650,000	-	-
Total Community Wide		2,142,168	2,300,000	5,016,122	9,458,290	832,523	1,950,000	2,050,000	4,625,767		8,625,767	1,535,000	3,625,000	1,940,767	1,525,000	-
Asset Management Projects																
Accessibility Improvements	Order of Magnitude	500,000			500,000	-	500,000	-	-		500,000	-	125,000	125,000	125,000	125,000
Asset Management Projects (\$5,000-\$50,000)	Order of Magnitude	340,000			340,000	-	340,000	-	-		340,000	50,000	40,000	150,000	30,000	70,000
Park Services Complex	Construction Documents	9,150,000			9,150,000	126,899	9,023,101	-	-		9,023,101	225,000	8,798,101	-	-	-
Skyline Field Renovation	Order of Magnitude	625,000			625,000	279,135	345,865	-	-		345,865	-	345,865	-	-	-
Hollinshead Park ADA & Preferred Design	Conceptual Design	750,000	250,000	100,000	1,100,000	300,000	450,000	250,000	100,000	4	800,000	800,000	-	-	-	-
Ponderosa Park (North)	Order of Magnitude	850,000	350,000		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	-	-	-	300,000	-
Pavilion Flooring Replacement	Construction Documents	202,000			202,000	52,000	150,000	-	-		150,000	-	-	-	-	150,000
JSFC Outdoor Cover Replacement	Order of Magnitude	300,000			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	-	-	170,000	-	-
JSFC Outdoor Pools Wall Liner Replacement	Order of Magnitude	500,000			500,000	-	500,000	-	-		500,000	-	-	500,000	-	-
JSFC Main Chiller Unit Replacement	Order of Magnitude	300,000			300,000	-	300,000	-	-		300,000	-	-	-	300,000	-
Sylvan Playground Replacement	Order of Magnitude	600,000			600,000	-	600,000	-	-		600,000	150,000	450,000	-	-	-
Providence Park Renovation	Order of Magnitude	1,200,000			1,200,000	-	1,200,000	-	-		1,200,000	-	-	-	400,000	800,000
Larkspur Park Playground Renovation	Order of Magnitude	500,000			500,000	-	500,000	-	-		500,000	-	500,000	-	-	-
Stover Park Renovation	Order of Magnitude	500,000			500,000	-	500,000	-	-		500,000	-	-	-	500,000	-
Total Asset Management Projects		16,787,000	600,000	100,000	17,487,000	758,034	16,028,966	600,000	100,000		16,728,966	1,525,000	10,408,966	1,995,000	1,655,000	1,145,000
Total CIP Funding Allocations		24,736,505	57,714,568	8,751,006	91,202,079	13,983,056	18,732,173	50,629,098	7,857,752		77,219,023	13,720,932	27,989,084	13,659,856	13,101,775	8,747,376

Alternative Funding Type Key
1 - Grant Funding
2 - Contributions, Collaborations, Fundraising
3 - Debt Financing
4 - Facility Rental Special Revenue Fund
5 - Reimbursement SDCs