



Proposed Budget

July 1, 2026 to June 30, 2027

Fiscal Year 2027



Bend Park &
Recreation
DISTRICT



Bend Park & Recreation DISTRICT

Budget Committee

Fiscal Year 2026-27

Board Members

Donna Owens
Cary Schneider
Jodie Schiffman
Deb Schoen
Nathan Hovekamp

Citizen Members

Daryl Parrish
Corey Johnson
Cara Marsh-Rhodes
Joanne Matthews
Abigail Brenholdt

Staff

Executive Director - Michelle Healy
Administrative Services Director- Kristin Toney
Human Resources Director- Kathleen Hinman
Community Engagement Director - Julie Brown
Planning and Development Director- Brian Hudspeth
Park Services Director- Sasha Sulia
Recreation Services Director - Jase Newton
Finance Manager - Eric Baird
Executive Assistant and Board Liaison - Natalie Macsalka

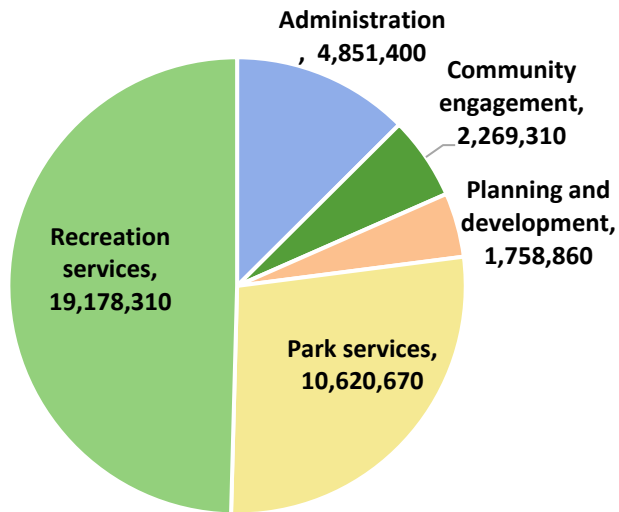


Bend Park & Recreation DISTRICT

Bend Park & Recreation District
799 SW Columbia Street
Bend, OR 97702
541-389-7275
www.bendparksandrec.org

Budget in Brief

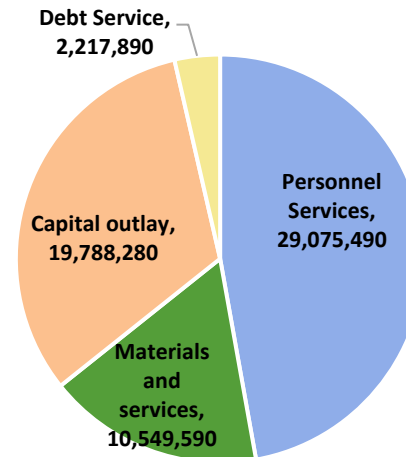
What does it **cost to operate** the district? \$38.6M



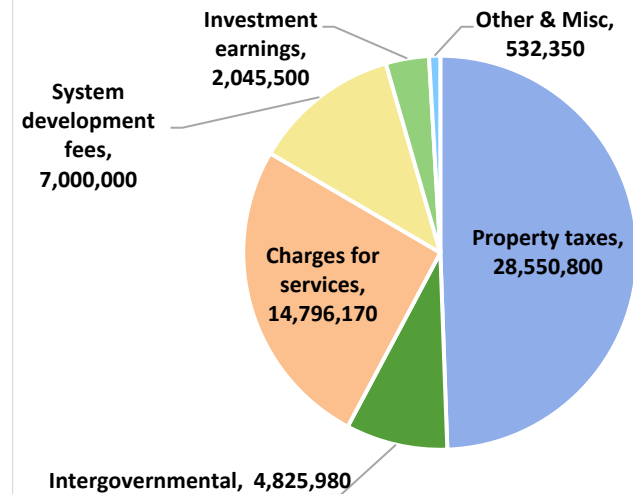
Average over 675 employees that make up 305 Full Time Equivalents

Full-Time Positions	159
Part-Time Benefited	46
Part-Time/Seasonal Positions	100
	<hr/>
	305

What is the district's **total budget** including capital



How much and where does the district's money come from? \$57.8M



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District Budget Message - Budget for Fiscal Year 2026-2027

Bend Park and Recreation Budget Committee Members and District Residents,

We are pleased to present the Bend Park and Recreation District's proposed Annual Budget for the fiscal year beginning July 1, 2026, and ending June 30, 2027 (FY 27). This budget serves as the district's comprehensive financial plan for delivering parks, trails, and recreation opportunities that enhance quality of life for community members and visitors alike.

Developing the annual budget is a collaborative effort. Dozens of staff members from across the organization contributed ideas, program proposals, and assessments of operational and capital needs. The budget is guided by the district's long-range planning framework, including the Comprehensive Plan, Strategic Plan, Financial Forecast, Capital Improvement Plan, Asset Management Plan. Together, these tools align community and Board priorities and support progress toward the district's mission and long-term vision.

As with every budget cycle, FY 27 was developed in an environment that includes unknowns and evolving conditions. The district enters this year in a strong financial position, supported by sound financial policies, conservative forecasting, and thoughtful long-term planning. Continued community growth, an aging system of parks and facilities, and rising service costs require disciplined decision-making and careful prioritization. In response, the FY 27 proposed budget emphasizes efficiency, fiscal responsibility, and stewardship, along with taking care of existing assets while making strategic investments that position the district to serve the community well today and into the future.



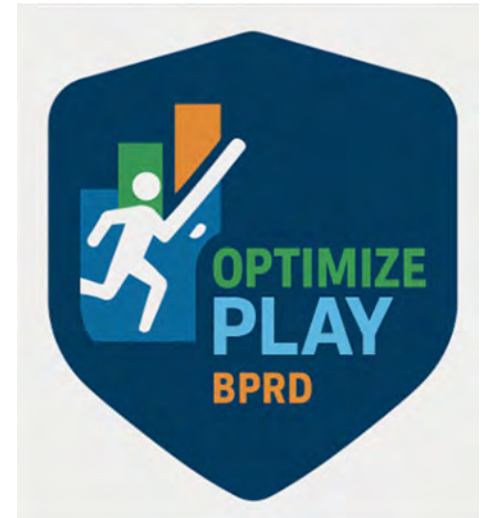
Key Factors Influencing Decisions

Several factors shaped the FY 27 proposed budget, including economic conditions, continued community growth, and board priorities. On any given day, more than 675 employees support programs, parks, and services across the district, representing approximately three-quarters of the General Fund budget. Personnel costs increased an average of 6.6 percent this year, reflecting cost-of-living and merit increases, compensation and pay equity adjustments, healthcare benefits, PERS, and Paid Leave Oregon. While these cost increases were necessary to support and retain the district's workforce, staffing additions were made thoughtfully and strategically. The FY 27 proposed budget includes just two new full-time positions, three benefitted part-time positions, and limited additional part-time hours. This deliberate approach ensures staffing levels align with service needs while maintaining long-term financial sustainability. Thoughtful planning was required to support staff, respond to growing community demand, and continue delivering the high-quality services residents expect and value.

As Bend grows, the district is investing in facilities that allow teams to work smarter, safer, and at a scale that meets the community's needs. The purchase and remodel of the Boyd Acres Shop marks a major milestone for Park Services, providing expanded space that improves efficiency, enhances safety, and better equips crews to care for a growing system of parks and trails. Co-locating the Planning and Development department with Park Services further strengthens coordination and collaboration, supporting more seamless park and trail development from planning through construction and long-term maintenance. Together, these improvements strengthen the district's ability to proactively maintain assets and respond effectively as new parks and amenities come online.

At the same time, the district is expanding opportunities for creativity and connection. The construction of the new Art Station represents an exciting addition to the community, creating a welcoming, purpose-built space for arts education and expression. The Art Station increases program capacity, supports a broader range of classes and workshops, and brings arts programming into a highly visible and accessible setting that will serve residents of all ages.

While these new facilities enhance service delivery and community experience, they also bring new ongoing operating responsibilities. Staffing, maintenance, and utilities reinforce the importance of planning not only for capital investments, but for long-term sustainability. The FY 27 proposed budget balances these needs through continued focus on fiscal responsibility, including moderating growth in recreation subsidy, improving efficiency through the Optimize Play continuous improvement initiative, and prioritizing safety, asset maintenance, and lifecycle replacement. Tactical use of System Development Charges, grants, and other dedicated revenue sources continues to reduce pressure on the General Fund while supporting investments that position the district for long-term success.



FY2026-27 Proposed Budget

The district's Fiscal Year 2026–27 budget is a balanced budget that maintains healthy reserves to support planned future projects and ongoing asset maintenance. The proposed budget anticipates \$57.8 million in revenues and \$61.6 million in expenditures, for total budgeted requirements of \$120.6 million, including contingencies and reserves. This budget supports 305 full-time equivalent (FTE) employees, representing \$29.1 million in personnel costs, and includes \$19.8 million in capital investment to maintain and improve district facilities and infrastructure.

Revenues

The district's primary revenue sources include property taxes, charges for services (user fees), and System Development Charges (SDCs). Total revenues are projected to increase by approximately \$7.4 million, a 14.6 percent increase over the prior year's budget. This increase is largely attributable to the prior year's conservative property tax and SDC estimates and increased grant funding supporting capital projects and land acquisition. Together, these revenue sources provide a stable foundation to support both ongoing operations and capital investments.

Expenditures

While broader economic conditions continue to influence operations, labor costs remain a significant budget consideration, particularly as the district implements adjustments from recent compensation, classification, and pay equity studies. Overall expenditures in the FY 27 proposed budget are projected to decrease by \$10.3 million, or 14.3 percent, compared to the prior year. This decrease is primarily the result of reduced capital spending following several large projects completed or underway in the previous budget year, including the purchase and remodel of the Park Services Shop and major SDC-funded projects such as the Art Station and Pine Nursery. In FY 27, more projects are in planning or design phases.

Despite the overall decrease, personnel and operating expenditures increased by 6.6 percent and 6.4 percent respectively, reflecting continued investment in staffing, service delivery, and the cost of maintaining district facilities and programs. These increases total approximately \$2.4 million

Fund balance

Maintaining adequate fund balance is essential to the district's financial stability and flexibility. Reserves enable the district to respond to unexpected events, manage economic uncertainty, and support strong bond ratings. For this reason, the district establishes minimum fund balance targets through formal policy.

Following the reserve balance policy, the FY 27 budget continues the annual evaluation of reserve needs within the General Fund and Reserve Funds. All funds are budgeted to meet or exceed policy requirements, consistent with long-term financial forecasts and the Capital Improvement Plan. This approach ensures the district remains well-positioned to sustain operations, protect assets, and respond proactively to future needs.



Conclusion

The district's parks, trails, and recreation programs contribute significantly to the quality of life in our community. Our philosophy of "Play for Life" reflects both the enjoyment of today and the responsibility to build a lasting legacy for future generations. This budget reflects continued emphasis on safety, fiscal stewardship, optimizing operations, controlling long-term subsidy growth, and caring for the assets entrusted to us.

The FY27 proposed budget represents the collective effort of the board of directors, budget committee, and district staff. Through thoughtful planning and responsible financial management, the district is well positioned to support community priorities while safeguarding public resources. We extend our sincere

appreciation to the board of directors and the citizens serving on the budget committee for their leadership, guidance, and commitment to the Bend Park and Recreation District.

Respectfully submitted,

Michelle Healy

Kristin Toney

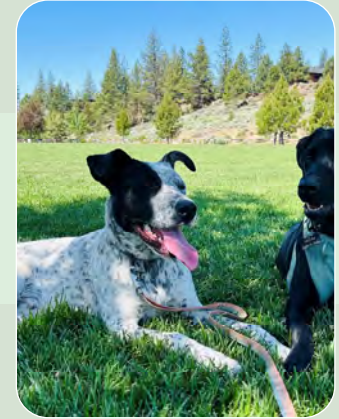
Michelle Healy

Kristin Toney

Executive Director

Administrative Services Director

Reader's Guide



SUMMARY

- The Budget Summary includes a high-level overview about the district, its structure, and budget process. The Summary also presents tables and graphs of the current year's budget.

FUND SUMMARY

- This section explains the fund structure of the district and the purpose of the funds. The budget for each fund is presented along with analysis of past financials and current projections.

DEPARTMENT DETAIL

- This section gives organizational structure of the district. Each department is summarized with its goals for the upcoming year.

CAPITAL SUMMARY

- This plan shows the capital project planning for the district and discusses the projects, the funding and any future costs.

APPENDICES

- Additional information about the district that aid in budget understanding.



Bend Park & Recreation
DISTRICT

BUDGET SUMMARY



Budget Summary Section

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

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

This Budget Summary provides information about the district, along with information about the budget process, revenues, expenditures and the district's programs and services. It is intended to provide an accessible, transparent way of learning about the district's budget, while accurately showing how the district invests its resources.

Background

Bend began as a logging town but is now a gateway for many outdoor recreational activities such as cycling, hiking, golfing, rock climbing, and ice, snow and water sports.

Voters established the Bend Park and Recreation District (district) on May 28, 1974. The district was a department of the City of Bend prior to that date and was formed as a separate special district under the Oregon Revised Statutes as a priority of the community citizens to protect park and recreation funding from the pressures of other community priorities. In 1976, the citizens voted to dedicate property tax funding for the sole purpose of providing this community with park and recreation services.

The district boundaries and population are slightly larger than those of the city of Bend. The city of Bend is in Central Oregon, just east of the Cascade Mountain range, and encompasses an area of 37.6 square miles. Bend is the largest city in Central Oregon with a population estimate of 107,079. Bend serves as the seat for Deschutes County and as the hub of economic activity in a three-county region including Deschutes, Jefferson and Crook counties.



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.

District System at a Glance

Our Vision

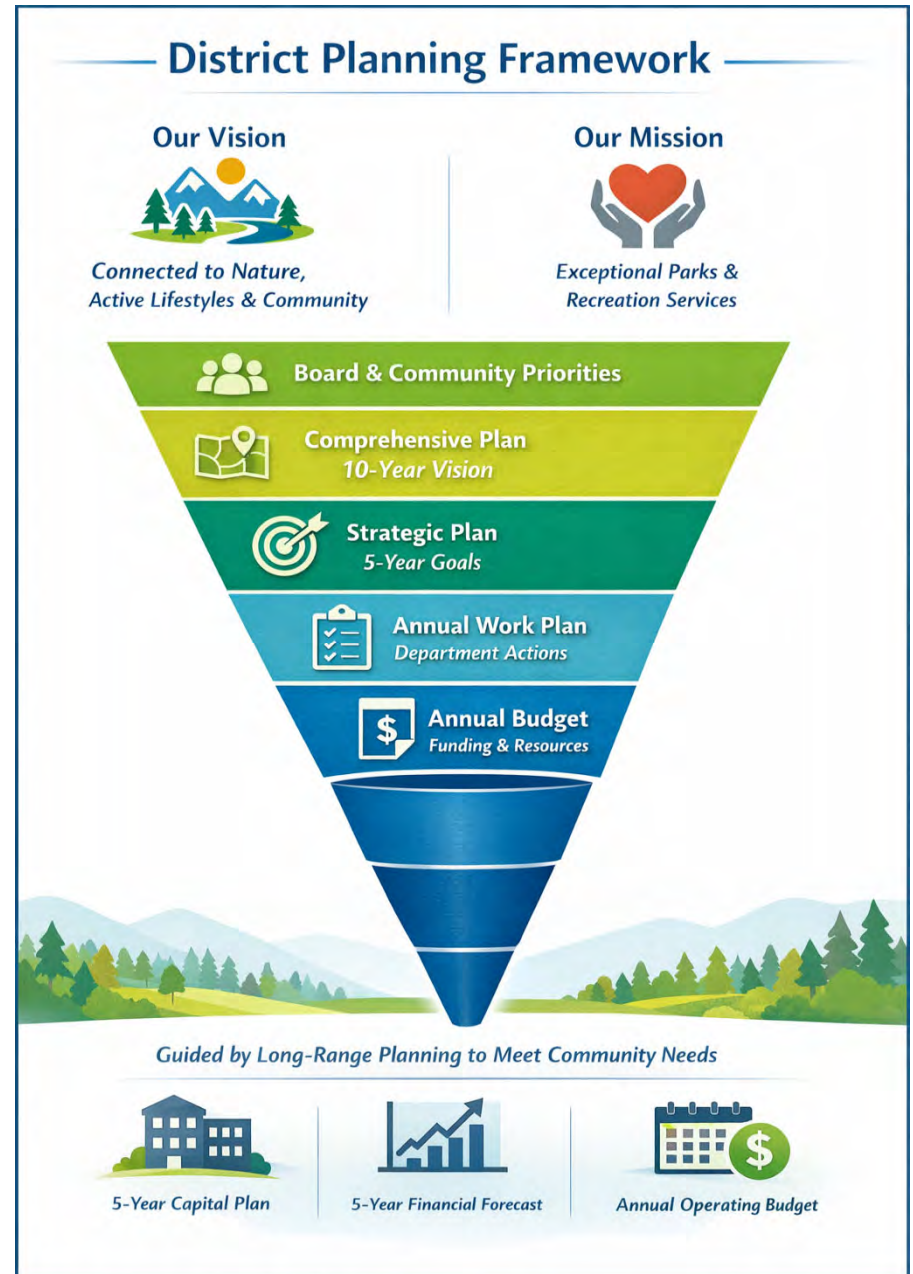
To be a leader in building a community connected to nature, active lifestyles and one another.

Our Mission

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

Comprehensive Plan and Strategic Plan

Long-range planning helps answer three essential questions: Where are we now? Where do we want to go? How will we get there? The District's Comprehensive Plan and Strategic Plan provide the foundation for this work and guide annual decision-making. Using this framework, the District annually develops and adopts a five-year Capital Improvement Plan (CIP), a five-year financial forecast, and the annual operating and capital budget, ensuring that resources are aligned with community needs and organizational priorities.



Our Comprehensive Plan

The Comprehensive Plan serves as the District’s primary 10-year planning document. Originally adopted in July 2018, it was updated through a Midterm Comprehensive Plan Update approved by the Board in November 2024. The plan responds to Bend’s rapid growth and provides direction for parks, trails, amenities, and indoor recreation facilities over the next decade. Key elements of the plan include community vision and values, population and demographic analysis, policies, park and trail inventory, maps, a community needs assessment, and level-of-service standards.

Together, community input, Board priorities, and long-range planning documents guide the District’s Strategic Plan, Annual Work Plan, and ultimately the annual budget, ensuring fiscal decisions are intentional, transparent, and aligned with long-term goals.

Our Strategic Plan

The Strategic Plan’s over-arching capstone, pillars and foundation are designed to strengthen the district’s operations and management practices, community relationships, and employees and workplace culture. The board adopted the 2024-2029 Bend Park and Recreation District Strategic Plan October 2024.



Budget Process

The district plans for the long-term needs of our community through the Comprehensive Plan and the Strategic Plan. Along with these documents, the Capital Improvement Plan is used to budget for capital projects and in the annual plan the budget is developed.

The district follows Local Budget Law established by the State of Oregon. Oregon’s Local Budget Law serves the following purposes:

- Establishes standard procedures for preparing, presenting, and administering the budget
- Outlines programs and fiscal policies
- Requires estimates of resources and expenditures
- Encourages community member involvement in the preparation of the budget and public disclosure of the budget before its formal adoption
- Controls expenditure of public funds

To give the public many opportunities to participate in the annual budgeting process, Local Budget Law requires that a Budget Officer be appointed and a Budget Committee, consisting of community members and members of the board be formed. The following chart outlines our process and timing for the budget:



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.

Budget and Financial Policies

General Fund	<ul style="list-style-type: none"> •The operating fund of the district and accounts for the general operation of the district 	<p><i>See detailed Financial and Budget Policies in Appendix C.</i> The budget must be “balanced,” and the district can use fund balance as a resource to balance the budget. Fund balance should not be used as a long-term approach to balancing the budget. Planned uses of fund balances should be limited. It is also appropriate to use fund balance when fund balances have increased beyond the reserve requirements due to higher than anticipated revenues. In this circumstance, the use of fund balances will be used for one-time expenditures, not ongoing operating costs. In all circumstances, it is important to retain sufficient undesignated fund balance for unforeseen circumstances.</p>
Rental Special Revenue Fund	<ul style="list-style-type: none"> •Accounts for the proceeds of district facility and park rental revenues 	
System Development Charges (SDC) Special Revenue Fund	<ul style="list-style-type: none"> •Accounts for the acquisition and development of the community’s park system 	
Facility Reserve Fund	<ul style="list-style-type: none"> •Accounts for acquiring, constructing and re-developing parks, trails and buildings 	
Equipment Reserve Fund	<ul style="list-style-type: none"> •Accounts for new and replacement vehicles, furniture, fixtures, equipment and technology 	
General Obligation (GO) Debt Service Fund	<ul style="list-style-type: none"> •Accounts for the accumulation of property taxes levied to pay principal and interest on GO bond debt 	

Basis of Budgeting

The basis of budgeting and accounting refers to when a transaction or related event is recognized in an agency’s budget, or in the operating statement, both of which follow Generally Accepted Accounting Principles. All governmental funds (including the general, special revenue, debt service and capital projects funds) use modified accrual as both the basis of budgeting and for accounting/financial reporting. Under the modified accrual system, revenues are recognized in the accounting period in which they become “measurable and available.” The Executive Director develops and presents the budget to the Board of Directors for consideration and adoption. The budget identifies significant financial and service issues, identify funding requirements and sources

of funds, provide supplemental information on programs and service areas, include budget and performance details for all district departments, and relate recommendations to the district's vision and goals. Once the budget is adopted, the Administrative Services Director shall maintain a system for financial monitoring and control of the district's Operating Budget during the fiscal year.

Financial Policies

The following is a summary of the policies that have a direct impact on the budget process; a complete listing of fiscal policies to be adopted with the budget are in Appendix C. The district shall annually prepare a long-term financial forecast to promote responsible planning for the use of resources, and to assist in ensuring the delivery of priority services through all types of economic cycles. The purpose of this plan is to ensure the district's ongoing financial sustainability beyond a single fiscal year budget cycle considering our long-term service vision and objectives.

Fund Balance and Reserves

General Fund Ending Fund Balance- The General Fund beginning fund balance that exceeds budgeted beginning balance shall be added to the General Fund contingency as a set aside. The General Fund contingency should be used for future Capital Improvement Plan funding, mitigating overhead revenue shortfalls in future years, paying down existing debt as advised by the Executive Director, or other unanticipated needs or emergencies, as prioritized through future budgeting processes and, ultimately, adopted by the Board of Directors. **See Appendix B for the Fund Balance analysis to set this year's minimum fund balance.**

Revenue Policy

The district shall maximize and diversify its revenue base to raise sufficient revenue to support and maintain essential services, and to prevent undue or unbalanced reliance on any one source of funds. This revenue diversity will protect the district in instances where there are short-term fluctuations in any one revenue source. One-time revenues shall be used only to increase fund balances, decrease debt or for non-recurring expenditures such as capital acquisitions, one-time projects, and grants. The district shall avoid using temporary revenues to fund mainstream services or for budget balancing purposes.

The Cost Recovery and Subsidy Allocation models are included in the User Fees and Charges Policy, which is periodically reviewed and approved by the Board of Directors no less than every four years. The model is the method by which the district's funding philosophy is operationalized into a clear strategy for allocation of district resources and for fee setting.

Expenditure Policy

Expenses should always be for district operations and strategic goals. Department heads and the Finance Department monitor expenditures. All expenditures must comply with laws, rules and regulations and have proper support and authorization.

FY2026-2027 District Statistics and Economic Outlook

We continue to respond by shifting and balancing priorities to ensure the district's financial stability in an ever-changing environment. 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

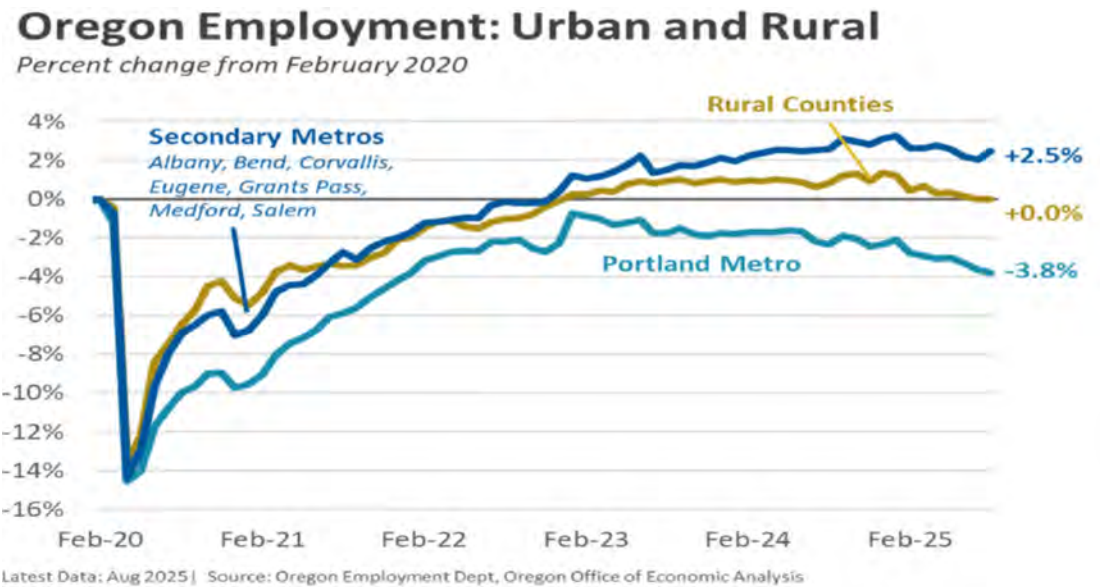
development of this forecast with rising personnel and materials costs and district growth. Most economic outlooks now call for an economic cooling. Looking at the state of Oregon, according to the Oregon Economic and Revenue Forecast, for November 2025, we can see the shifts nationally and specifically Oregon¹.

US Economy

- The risk of recession is decreasing, with GDP growth expected to slow to 1.6% in 2025 and rebound to 1.9% in 2026. Inflation is moderating (3.0% vs. 3.5% previously), and unemployment is stable at 4.4%. The OEA estimates a 25% chance of recession, down from higher levels earlier in the year.
- Uncertainty: Economic uncertainty has peaked and is now receding, with growth forecasts stabilizing. However, delays in federal economic data due to government shutdowns have complicated analysis.
- Tariffs: A pending Supreme Court ruling could significantly impact tariffs, with potential for both economic stimulus and volatility.

Oregon-Specific Trends

- Labor Market: Oregon’s labor market is cooling but not crashing. Unemployment claims remain below recessionary thresholds, though layoff notices are rising. Job growth is uneven, with declines in manufacturing, trade, and construction, but gains in health services and hospitality.
- Regional Employment: Secondary metro areas (e.g., Bend, Salem) are driving job creation, while Portland lags. Rural counties are seeing modest growth.
- Population: Oregon’s population growth is slowing (0.7% from 2020–2024), with most growth coming from net migration. Ten counties lost population, mainly in the south and southeast.



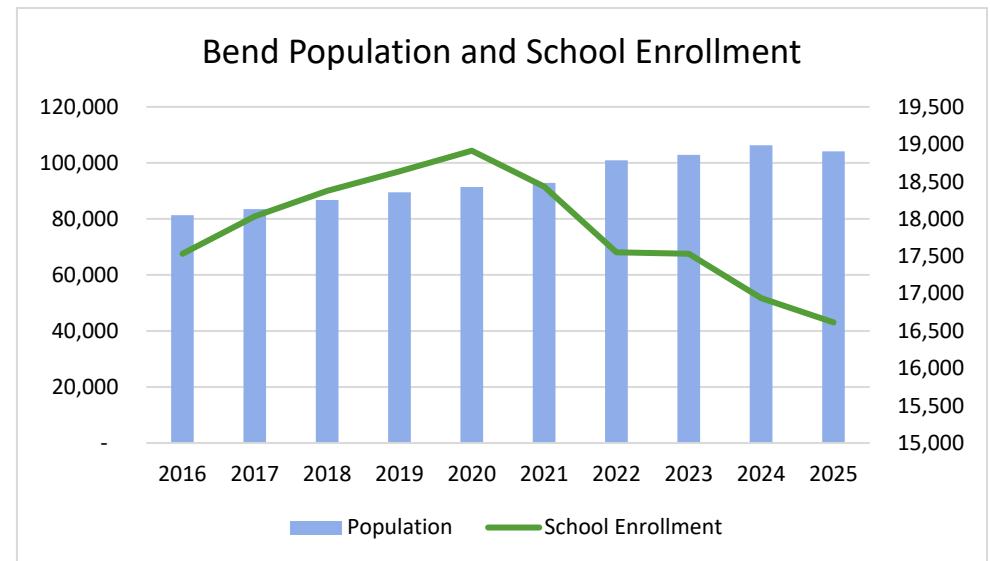
¹ <https://www.oregon.gov/das/oea/pages/forecastcorev.aspx> November 2025, Chief Economist Carl Riccadonna & Senior Economist Michael Kennedy

District Trends

The district has seen growth in many forms over the last two decades. This growth along with current economic factors is having a greater impact than may have been foreshadowed and there are financial constraints that we need to address in the coming years. The district is holistically planning for community growth to ensure sustainable expansion of the system into the future. Looking at Central Oregon specifically local economists are predicting the following²:

Population & Demographic Trends

- **Growth Slowing, But Still Positive:** Deschutes County continues to see population growth, but the pace has slowed significantly.
- **Migration Remains Key:** Net migration is the primary driver of population gains, as natural increase (births minus deaths) is now negative statewide. Central Oregon, including Bend, remains attractive for in-migration, especially among retirees and remote workers.
- **Ageing Population:** The region is experiencing fast growth in the retirement-age population (65+), while the youth population (<18) is declining. This shift impacts demand for recreation services, with increased interest in adult and senior programming.



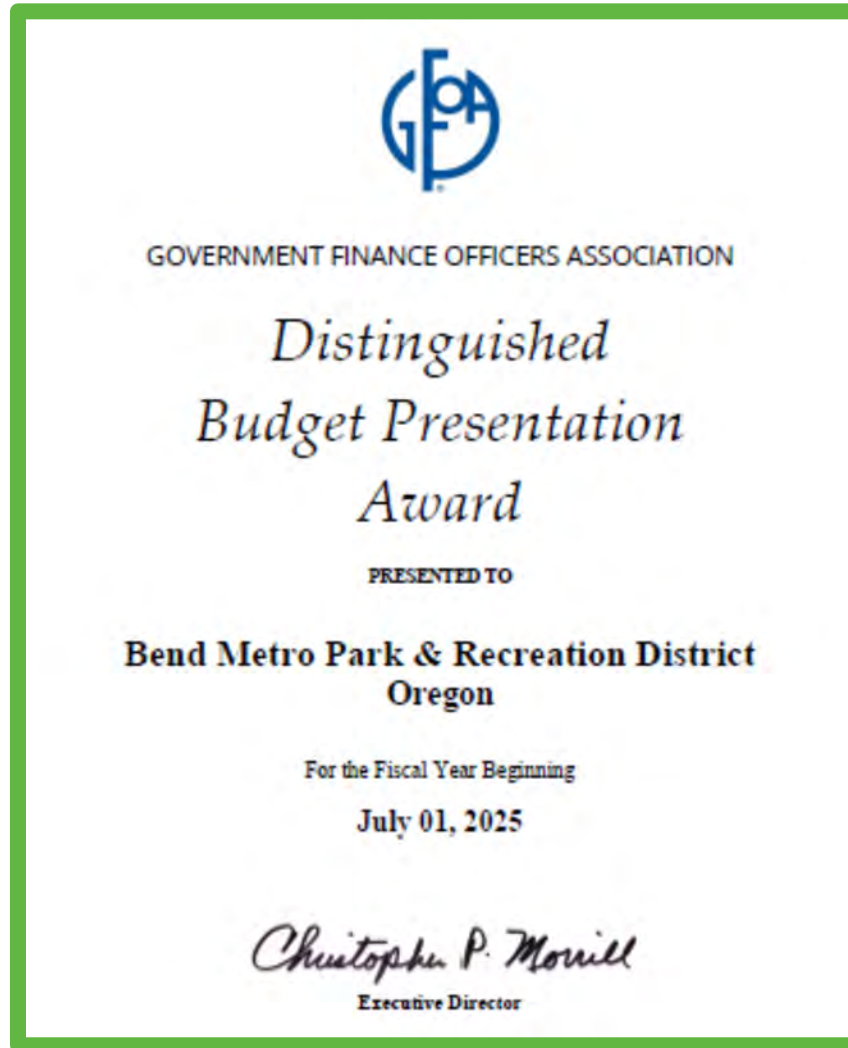
Looking at national, state and local economic indicators, we have a stable but cautious outlook for BPRD. While Deschutes County is outperforming much of Oregon, the overall economic environment is less robust than in past decades. We should plan for steady, but not rapid, growth in participation and revenues.

Indicator	Trend/Status	Implication for BPRD
Population growth	Slowing, but positive	Steady demand, aging patrons
Net Migration	Strong	New residents, diverse needs
Labor Market	Cooling, but resilient	Stable revenues, staffing pressure
Housing Affordability	Challenging	Staff recruitment, fee sensitivity

² Runberg, D. (2025). Bend Chamber 2025 Impact Conference: Beyond Growth—Building Resilience in Oregon’s Economic Future [Conference presentation slides]. Business Oregon.

Awards and Accomplishments

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the district for its annual budget for the fiscal year beginning July 1, 2025. The district has received this award fifteen times. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.



FY2026 – 2027 (FY27) Budget Summary

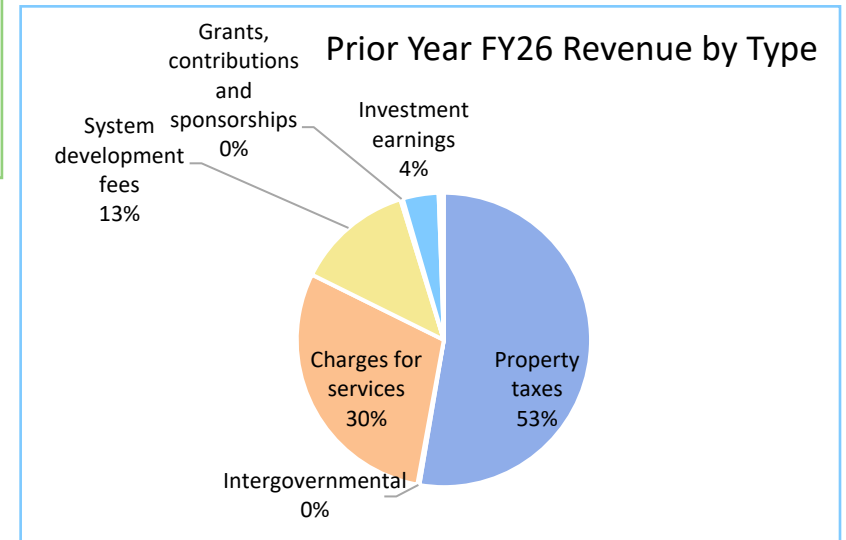
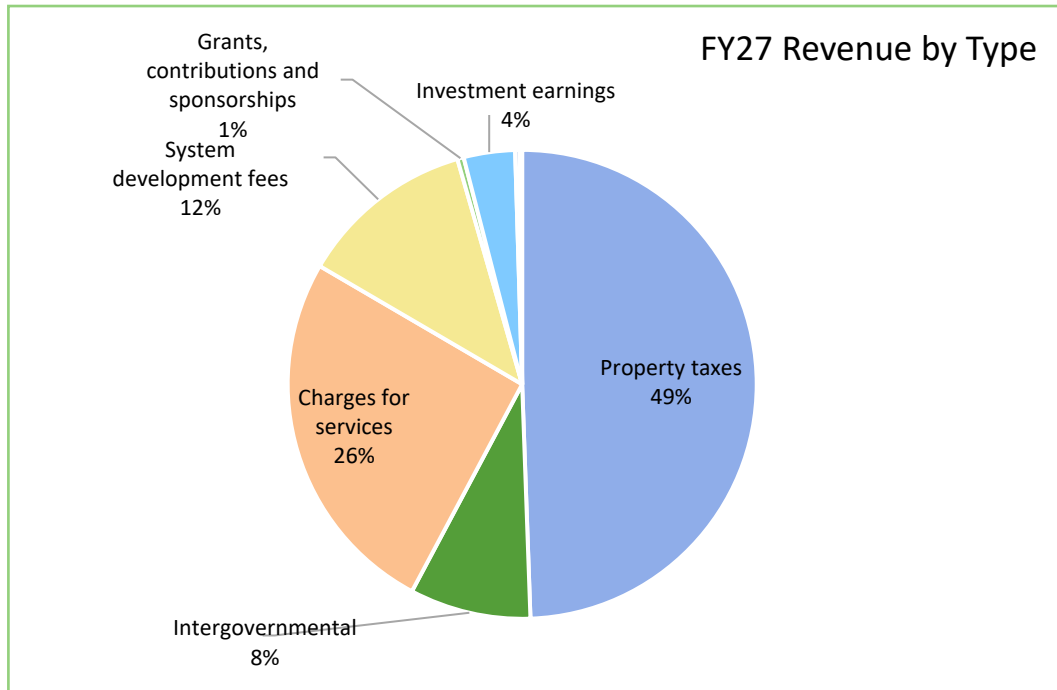
What is the District's Budget? - Overall District Summary

The district's Fiscal Year 2026-2027 is estimated to receive \$57.8 million in revenue. FY27 Budget expenditure is \$61.6 million. This will support 305 full-time equivalent (FTE) employees and \$19.8 million in capital spending. Major changes to the FY27 budget are illustrated below:

	General Fund	System Development Charges Fund	Rental Fund	Reserve Funds	GO Bond Debt Service Fund	2026-27 Proposed Budget	2025-26 Amended Budget	Change in Budget \$	Change in Budget %
RESOURCES									
Beginning Working Capital	\$ 9,655,030	\$ 20,365,750	\$ 1,315,630	\$ 24,095,830	\$ 161,370	\$ 55,593,610	\$ 62,009,550	\$ (6,415,940)	-10.3%
Revenues									
Property taxes	26,354,090	-	-	-	2,196,710	28,550,800	26,530,620	2,020,180	7.6%
Intergovernmental	114,000	-	-	4,711,980	-	4,825,980	115,000	4,710,980	4096.5%
Charges for services	13,924,850	-	871,320	-	-	14,796,170	14,820,900	(24,730)	-0.2%
System development fees	-	7,000,000	-	-	-	7,000,000	6,500,000	500,000	7.7%
Grants, contributions and sponsorships	130,000	-	-	125,000	-	255,000	138,000	117,000	84.8%
Investment earnings	500,000	927,000	60,000	522,500	36,000	2,045,500	1,983,460	62,040	3.1%
Reimbursement for interfund services	170,000	-	-	-	-	170,000	170,000	-	0.0%
Miscellaneous	97,350	-	-	10,000	-	107,350	118,000	(10,650)	-9.0%
Total Revenues	41,290,290	7,927,000	931,320	5,369,480	2,232,710	57,750,800	50,375,980	7,374,820	14.6%
Interfund transfers in	855,000	350,000	-	7,715,800	-	8,920,800	13,258,500	(4,337,700)	-32.7%
TOTAL RESOURCES	\$ 51,800,320	\$ 28,642,750	\$ 2,246,950	\$ 37,181,110	\$ 2,394,080	\$ 122,265,210	\$ 125,644,030	\$ (3,378,820)	-2.7%
REQUIREMENTS									
Expenditures									
By Category:									
Personnel services	\$ 28,597,630	\$ -	\$ 477,860	\$ -	\$ -	29,075,490	\$ 27,263,160	\$ 1,812,330	6.6%
Materials and services	10,080,920	100,000	100,300	268,370	-	10,549,590	9,914,240	635,350	6.4%
Capital outlay	-	9,397,710	50,000	10,340,570	-	19,788,280	32,572,230	(12,783,950)	-39.2%
Debt service	-	-	-	-	2,217,890	2,217,890	2,175,340	42,550	2.0%
Total Expenditures	38,678,550	9,497,710	628,160	10,608,940	2,217,890	61,631,250	71,924,970	(10,293,720)	-14.3%
Interfund transfers out	5,000,000	2,580,800	990,000	350,000	-	8,920,800	13,258,500	(4,337,700)	-32.7%
Contingency	-	2,000,000	100,000	1,250,000	-	3,350,000	1,153,300	2,196,700	190.5%
Reserves	6,419,620	14,564,240	528,790	24,972,170	176,190	46,661,010	37,690,770	8,970,240	23.8%
TOTAL APPROPRIATIONS	\$ 50,098,170	\$ 28,642,750	\$ 2,246,950	\$ 37,181,110	\$ 2,394,080	\$ 120,563,060	\$ 124,027,540	\$ (3,464,480)	-2.8%
Unappropriated Fund Balances	\$ 1,702,150	\$ -	\$ -	\$ -	\$ -	\$ 1,702,150	\$ 1,616,490	\$ 85,660	5.3%

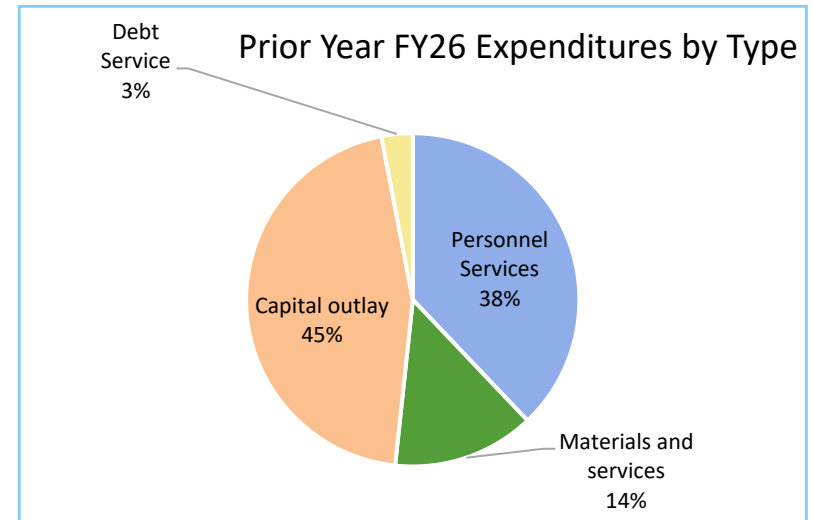
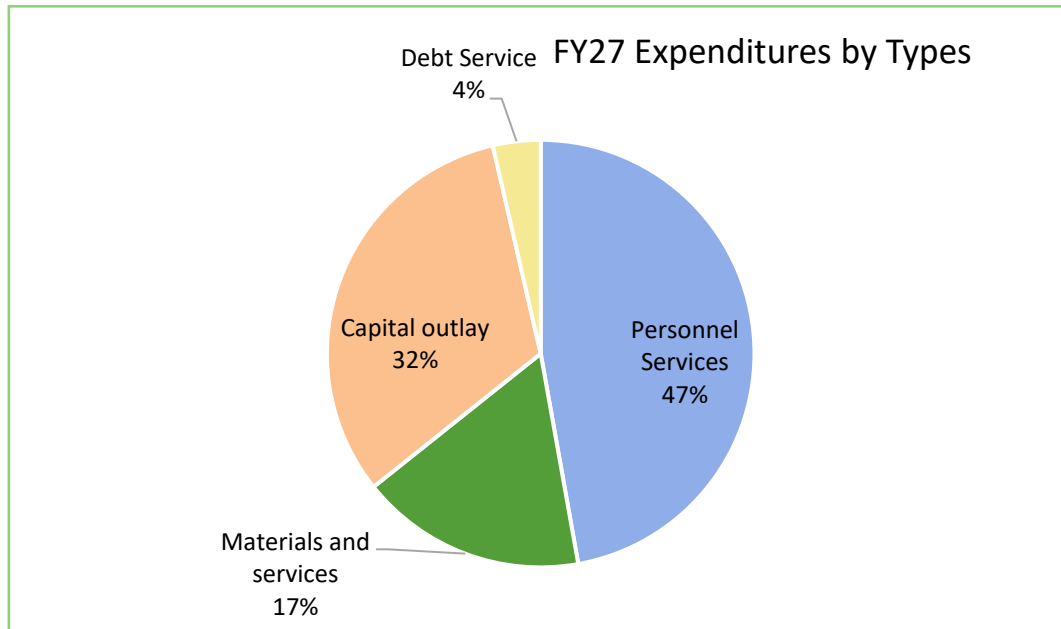
Where Does the Money Come From? -Revenues

The district’s revenue sources—property taxes, user fees, and System Development Charges (SDCs) are projected to increase by \$7.4 million (14.6 percent), driven by conservative prior-year property tax estimates and increased grant funding for capital projects and land acquisition. Below is the breakdown of the types of revenue and the comparison for the prior year’s budget.

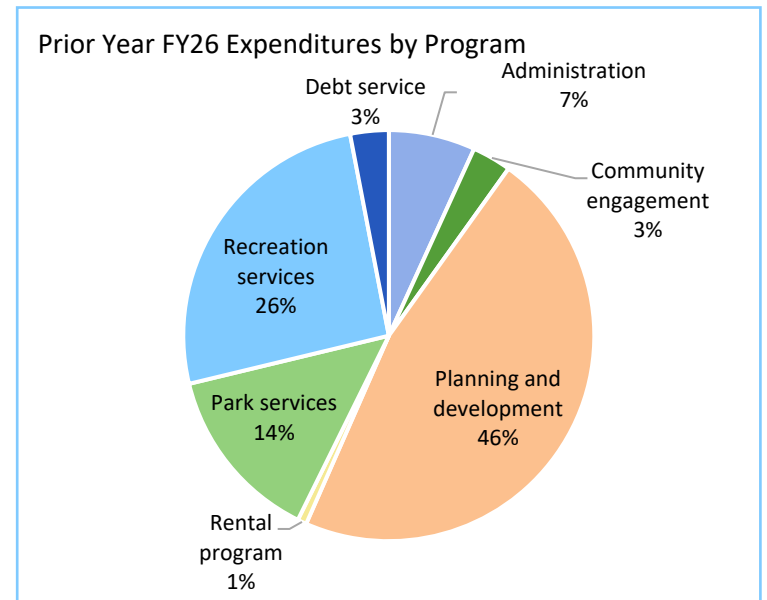
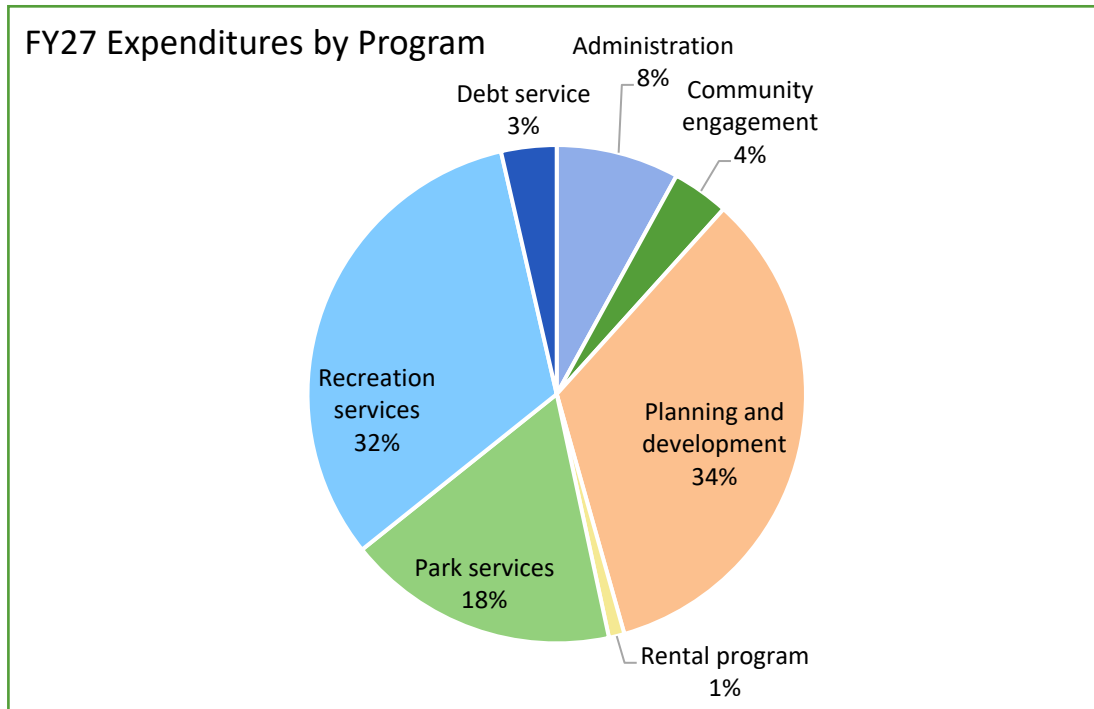


Where Does the Money Go? - Appropriations

Expenditures, often called “Appropriations,” are classified under one of four major categories: Personnel, Materials and Services, Capital and Debt Service. Labor costs remain a key consideration as the district implements recent compensation, classification, and pay equity adjustments. Overall FY 27 expenditures are projected to decrease by \$10.3 million (14.3 percent), primarily due to reduced capital spending following completion of several large projects in FY 26, including the Park Services Shop Complex and the Art Station. Despite the overall decrease, personnel and operating costs increased by a combined \$2.4 million, reflecting ongoing investment in staff, service delivery, and facility maintenance.



To look at expenditures another way, we can look at where the money is spent by program. We budget by activity: Administration, Community Engagement, Planning and Development, Park Services, Recreations Services and Debt Service. With all the large projects last year, Planning and Development is a smaller portion this year.



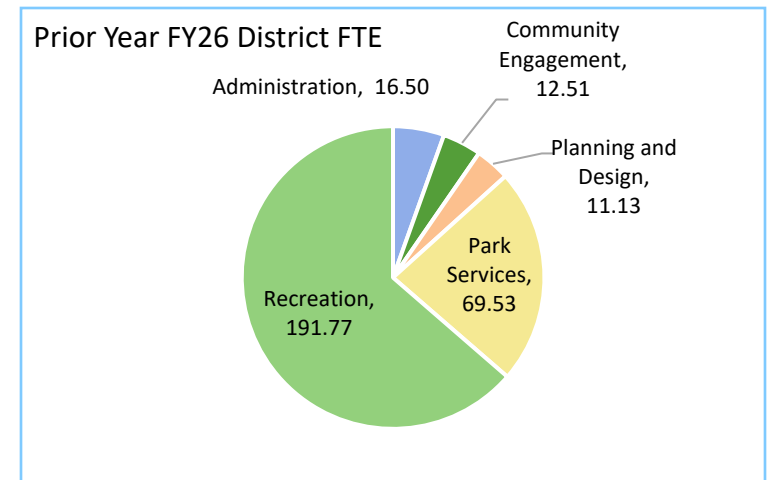
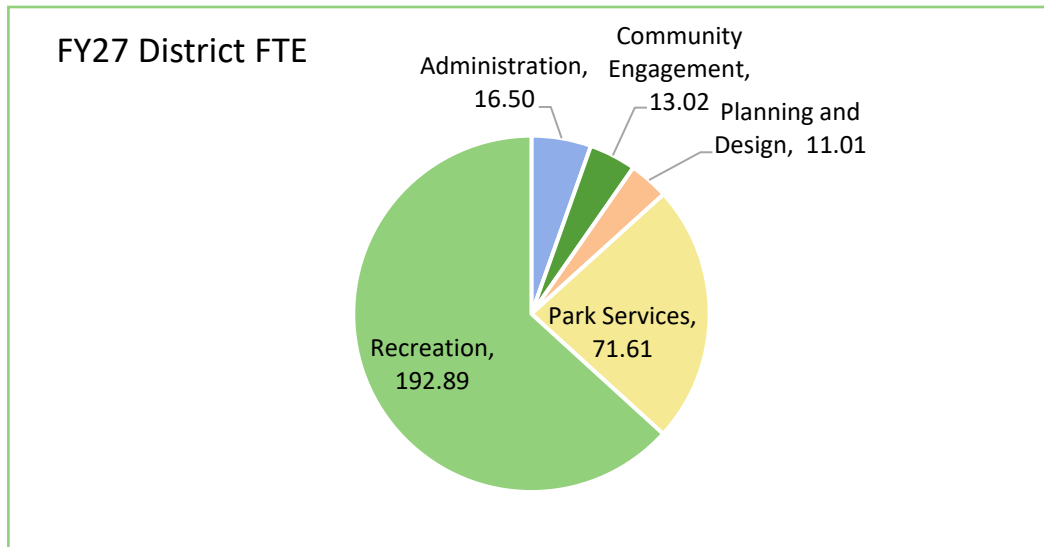
How Does the District Plan for the Future? - Fund Balance

Fund balance is critical for financial stability and flexibility. Reserves aid in governments being able to respond to events, buffer against economic downturns, and are a factor for bond ratings. Therefore, local governments establish a minimum fund balance. For the FY27 budget we reviewed GFOA’s best practice, and its referenced material, as well as GFOA case studies and examples of polices from other local governments. See Appendix B for the full analysis. We are recommending the following minimum reserves:

- **General Fund-** Minimum fund balance to be reserved should be 90 days of Recreation operating expenditures, because a large portion is covered by charges for services, and 30 days of operating expenditures for the rest of the district since these are covered by property tax revenue.
- **Reserve Funds-** At minimum these funds should have next year’s planned expenses covered.

Who Works for the District? - Staffing

We strive to maintain current service levels as we serve a growing community through a thoughtful and strategic approach to staffing. As new facilities come online and community use increases, targeted staffing adjustments are necessary to ensure safe, reliable, and high-quality services. The proposed budget includes 305.03 full-time equivalent (FTE) positions, representing a 1 percent increase from the prior year. Key adjustments include adding part-time custodial support to meet the operational needs of the Boyd Acres Complex and the Art Station, a new Landscape Technician in Park Services to support the growth of neighborhood parks, and the conversion of a seasonal and contracted model into a full-time Park Steward position to improve consistency and service delivery. Recreation staffing reflects continued program growth through increased non-benefited part-time hours, allowing the district to remain flexible while responding to community demand.



The district’s workforce is structured to balance stability, flexibility, and cost effectiveness through a mix of full-time, part-time benefited, and temporary part-time positions. Full-time staff provide continuity, institutional knowledge, and leadership across all service areas, while part-time benefited positions support year-round operations with reduced hour commitments. Temporary part-time staff, which make up the largest share of total headcount, allow the district to scale services seasonally and respond to program demand.

	2021-22 Amended	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	2026-27 Proposed	Budget Change
Administration							
Executive Directors Office							
Full-Time Positions	2.00	2.00	2.00	2.25	2.00	2.00	0%
	2.00	2.00	2.00	2.25	2.00	2.00	0%
Administrative Services							
Full-Time Positions	9.00	9.00	9.00	9.00	9.00	9.00	0%
Part-Time/Seasonal Positions	-	-	-	-	0.50	0.50	0%
	9.00	9.00	9.00	9.00	9.50	9.50	0%
Human Resources							
Full-Time Positions	4.00	4.00	4.00	4.00	5.00	5.00	0%
Part-Time Benefited	0.60	0.60	0.60	0.70	-	-	0%
	4.60	4.60	4.60	4.70	5.00	5.00	0%
Community Engagement							
Full-Time Positions	5.00	6.00	6.00	11.00	11.00	12.00	9%
Part-Time Benefited	-	-	-	-	-	-	0%
Part-Time/Seasonal Positions	-	-	-	1.01	1.51	1.02	-32%
	5.00	6.00	6.00	12.01	12.51	13.02	4%
Planning and Design							
Full-Time Positions	11.00	11.00	11.00	10.00	10.00	10.00	0%
Part-Time Benefited	0.75	0.75	0.75	0.75	0.75	0.63	-16%
Part-Time/Seasonal Positions	-	-	0.25	0.38	0.38	0.38	1%
	11.75	11.75	12.00	11.13	11.13	11.01	-1%
Park Services							
Full-Time Positions	56.80	56.60	58.60	57.14	58.14	59.14	2%
Part-Time Benefited	-	-	1.25	1.25	1.25	2.52	101%
Part-Time/Seasonal Positions	12.20	12.20	10.93	9.95	10.14	9.95	-2%
	69.00	68.80	70.78	68.34	69.53	71.61	3%
Recreation							
Full-Time Positions	44.10	56.40	58.40	61.86	61.86	61.86	0%
Part-Time Benefited	48.75	49.40	50.42	43.28	42.75	42.65	0%
Part-Time/Seasonal Positions	71.95	64.90	76.44	84.39	87.16	88.38	1%
	164.80	170.70	185.26	189.53	191.77	192.89	1%
Total Staffing							
Full-Time Positions	131.90	145.00	149.00	155.25	157.00	159.00	1%
Part-Time Benefited	50.10	50.75	53.02	45.99	44.75	45.80	2%
Part-Time/Seasonal Positions	84.15	77.10	87.62	95.72	99.69	100.23	1%
	266.15	272.85	289.64	296.96	301.44	305.03	1%

FUND SUMMARIES



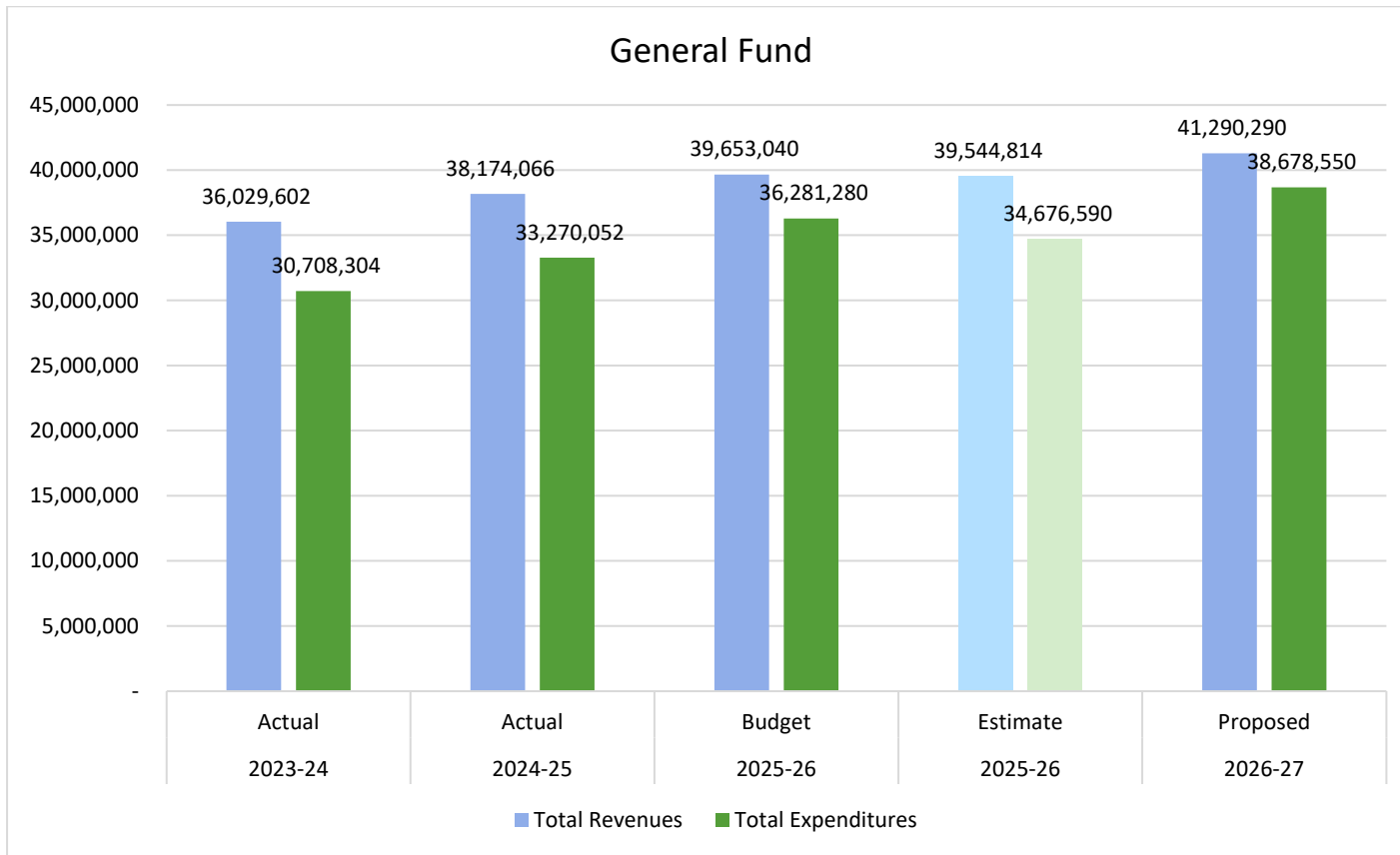
Fund Summaries

The purpose of fund summaries is to capture and detail the financial condition of each district fund. A fund summary provides information on revenues, expenditures and ending funds available. In addition, it functions as a planning mechanism, as it allows expenditures to be matched to available revenues and/or fund balance. Fund summaries also identify components of funds available and anticipated uses. It is important to note that sources and uses are always balanced because a fund's sources either are expended, become restricted, committed, assigned; or become unrestricted (unreserved or undesignated) funds available. Government funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The district only has governmental funds, which include the General fund, Special revenue funds, Debt Service fund and Capital Project funds. By maintaining separate funds, the district is able to comply with laws that require certain money to be spent for specific purposes.

<p>General Fund</p>	<ul style="list-style-type: none"> •The operating fund of the district and accounts for the Executive Director's office, administrative services, planning and design, park services, community engagement and recreation services.
<p>Rental Special Revenue Fund</p>	<ul style="list-style-type: none"> •Accounts 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.
<p>System Development Charges (SDC) Special Revenue Fund</p>	<ul style="list-style-type: none"> •Accounts for the acquisition and development of the community's park system. Funding is provided by a fee charged against developing residential properties. Expenditures are restricted by state law to capacity-enhancing and reimbursement projects for parks, trails and indoor recreation facilities.
<p>Facility Reserve Fund</p>	<ul style="list-style-type: none"> •Accounts for acquiring, constructing and re-developing parks, trails and buildings. Principal revenue sources are from transfers from the General Fund, investment income and grants and contributions.
<p>Equipment Reserve Fund</p>	<ul style="list-style-type: none"> •Accounts for new and replacement vehicles, furniture, fixtures, equipment and technology. Principal revenue sources are from transfers from the General Fund, investment income, and sale proceeds from surplus vehicles and equipment.
<p>General Obligation (GO) Debt Service Fund</p>	<ul style="list-style-type: none"> •Accounts for the accumulation of property taxes levied to pay principal and interest on the 2013 GO bond debt.

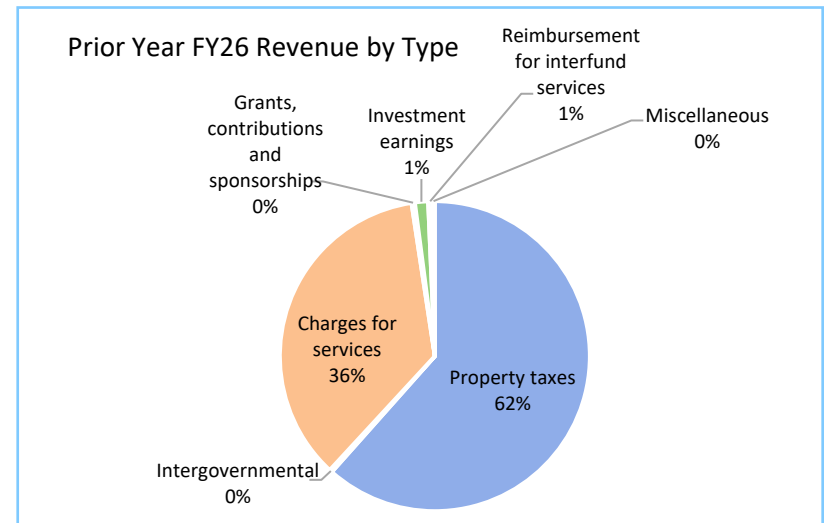
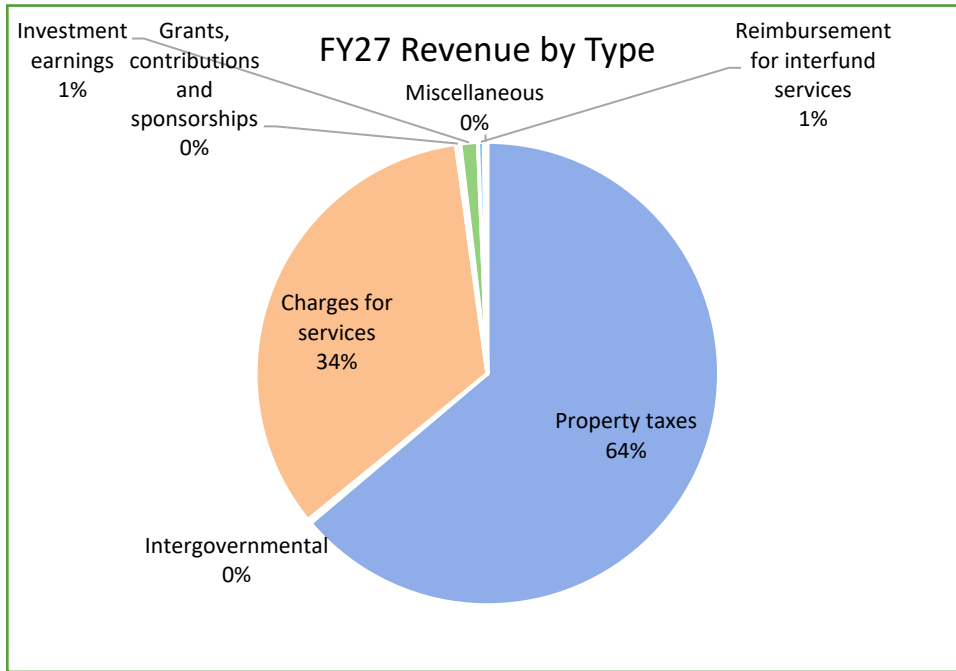
General Fund

The district's General Fund is the general operating fund of the district and accounts for the Executive Director's office, administrative services, planning and design, park services, community engagement 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. Below is the overall performance of revenue and expenditures for the General Fund that demonstrates we have stayed within our means.

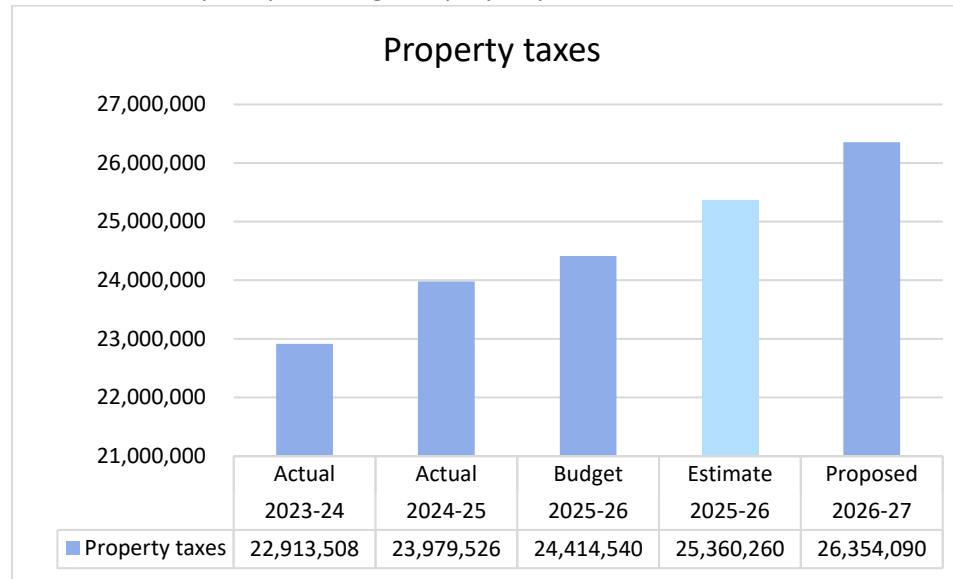


Revenue

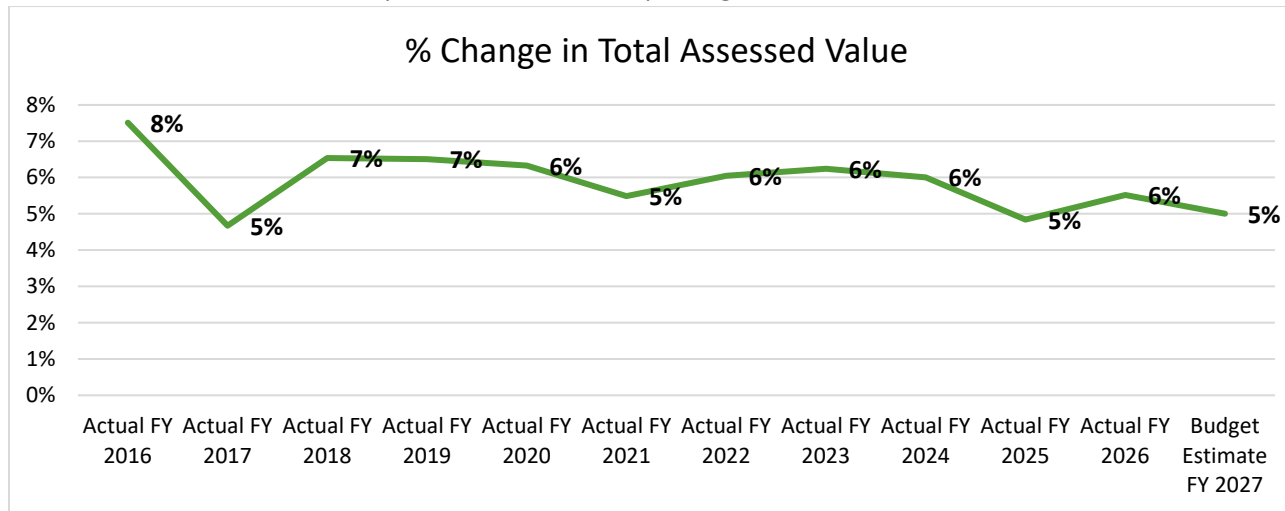
The two main revenue streams for the General fund are property taxes and charges for services and all other revenue sources are 2% or just over 2%.



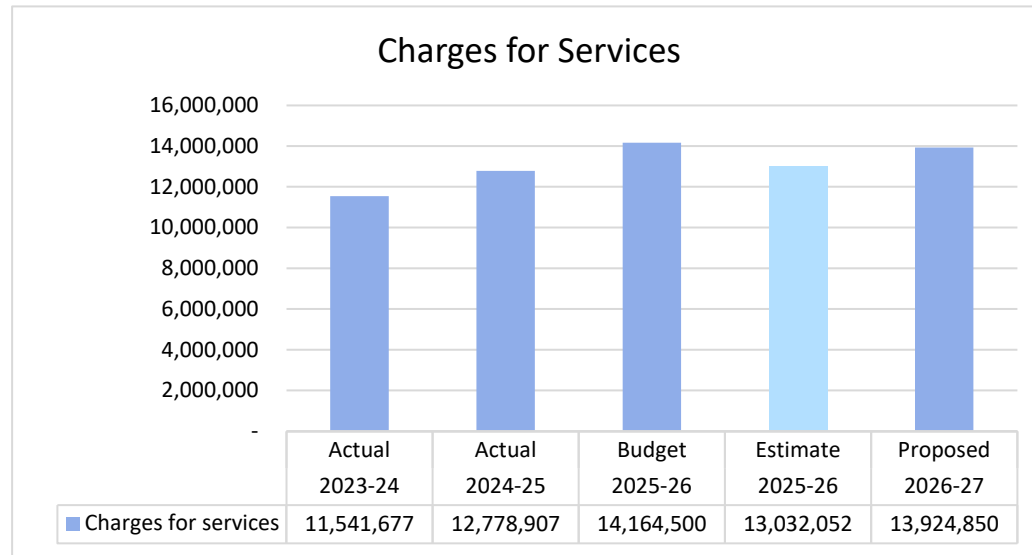
- Property taxes-** Taxes are based on assessment and the growth in property taxes is made up of the 3% of higher appraisal and new construction. We have seen our actual revenues in FY2025-26 to come in at 6%, higher than our 4% assumption in the FY26 budget, and for this upcoming year we are estimating a total increase of 7.9% of the prior year budget in property tax revenue.



We have seen our assessed values hold with steady increases and are expecting a 5% increase in assessed value demonstrated in the chart below:



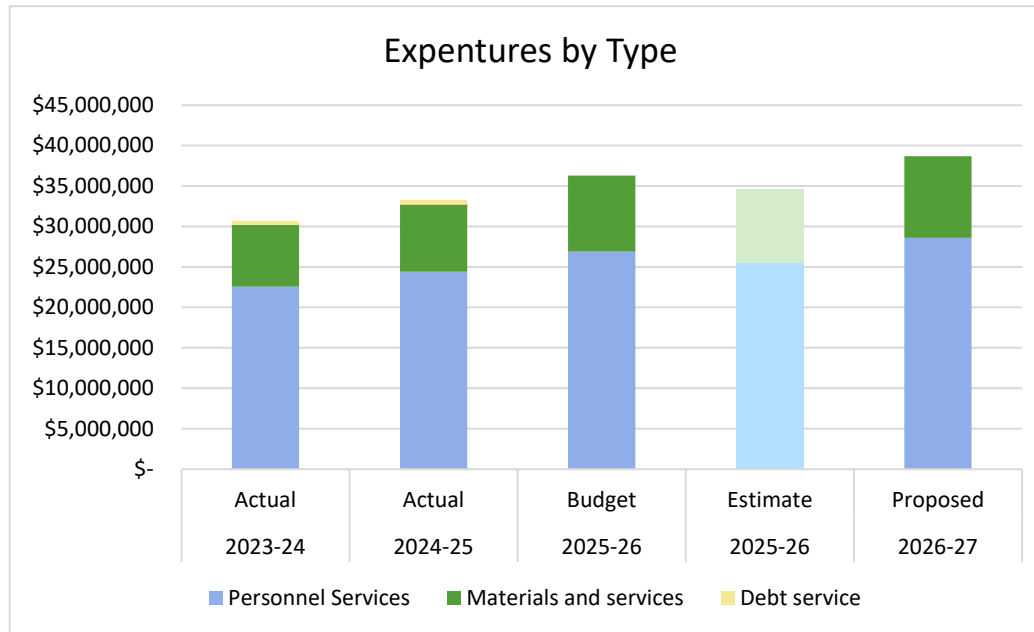
- Charges for services-** We have done some right-sizing of our revenue expectations. In addition, approximately \$160,000 in revenue generated from field rentals is now being reported in the Rental fund, rather than the General fund, to appropriately align revenues with the fund responsible for managing and operating rental facilities.



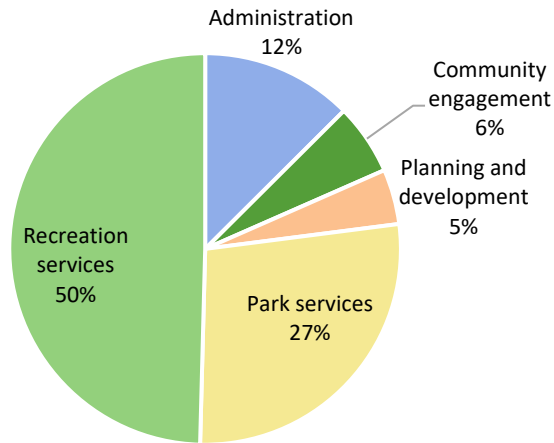
- Interfund Transfers-** The Rental Fund transfers approximately \$240,000 to the General Fund to support Park Services operational expenditures. These funds offset costs for staff supporting field preparation activities and operations at the Whitewater Park, ensuring expenses are appropriately shared across funds benefiting from these services.

Expenditures

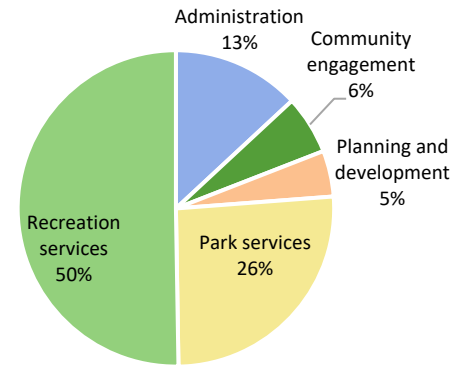
The largest expenditure for the General fund is personnel totaling \$28.6 million. Personnel costs increased an average of 6.3% this year or \$1.7 million, reflecting cost-of-living and merit increases, compensation and pay equity adjustments, healthcare benefits, PERS, and Paid Leave Oregon. The FY 27 budget includes just two new full-time positions, three benefitted part-time positions, and limited additional part-time hours. This deliberate approach ensures staffing levels align with service needs while maintaining long-term financial sustainability. Materials and services saw an increase of \$694,770, or 7.4% due to inflation, and the growth of our park system and offerings. In addition, we are moving to a leasing model for vehicles increasing materials services.



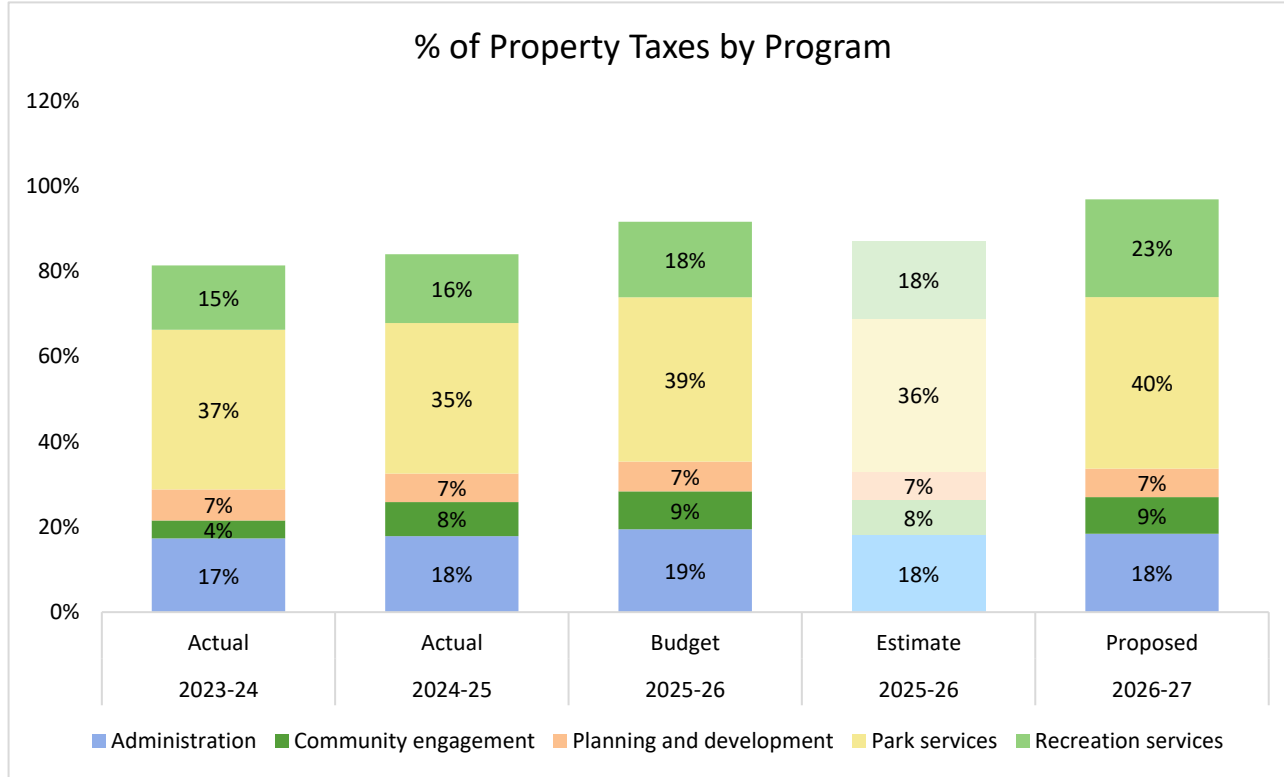
FY27 Expenditures by Program



Prior Year FY26 Expenditures by Program



Looking at expenditures by unit, or program, Recreation and Park Services are the larger portions of the General Fund budget. See the department details section regarding specific budget details for each unit. Recreation manages its subsidy, which means taking its expenses against the revenue they bring in (charges for service), and the proposed budget has a \$4.9 million-dollar subsidy. Looking at each department’s funding based on property taxes is in the following chart.



Fund Balance

Reserves aid in governments being able to respond to events, buffer against economic downturns, and are a factor for bond ratings. The district policy is to conduct a risk analysis each year, see the analysis in Appendix B. Minimum fund balance to be reserved should be 90 days of Recreation operating expenditures because a large portion is covered by charges for services, and 30 days of the rest of the operating expenditures because these are covered by property tax revenue. This minimum is \$6,419,620, with \$1,702,150 of fund balance unappropriated as additional contingency resources.

General Fund Budget

	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
RESOURCES							
Beginning Working Capital	\$ 11,264,129	\$ 11,138,978	\$ 9,691,810	\$ 9,796,806	\$ 9,655,030	\$ (36,780)	-0.4%
Revenues							
Property taxes	22,913,508	23,979,526	24,414,540	25,360,260	26,354,090	1,939,550	7.9%
Intergovernmental	254,071	142,980	115,000	137,702	114,000	(1,000)	-0.9%
Charges for services	11,541,677	12,778,907	14,164,500	13,032,052	13,924,850	(239,650)	-1.7%
Grants, contributions and sponsorships	148,672	191,321	138,000	149,793	130,000	(8,000)	-5.8%
Investment earnings	934,684	842,454	543,000	595,398	500,000	(43,000)	-7.9%
Reimbursement for interfund services	66,761	48,781	170,000	155,000	170,000	-	0.0%
Miscellaneous	170,229	190,097	108,000	114,609	97,350	(10,650)	-9.9%
Total Revenues	36,029,602	38,174,066	39,653,040	39,544,814	41,290,290	1,637,250	4.1%
Interfund transfers in	303,551	253,814	615,000	490,000	855,000	240,000	39.0%
TOTAL RESOURCES	\$ 47,597,282	\$ 49,566,858	\$ 49,959,850	\$ 49,831,620	\$ 51,800,320	\$ 1,840,470	3.7%
REQUIREMENTS							
Expenditures							
By Program:							
Administration	\$ 3,964,439	\$ 4,279,206	\$ 4,750,900	\$ 4,581,861	4,851,400	\$ 100,500	2.1%
Community engagement	961,576	1,916,055	2,175,650	2,122,235	2,269,310	93,660	4.3%
Planning and development	1,671,922	1,601,637	1,705,000	1,669,273	1,758,860	53,860	3.2%
Park services	8,591,713	8,484,280	9,417,850	9,093,406	10,620,670	1,202,820	12.8%
Recreation services	15,011,504	16,483,999	18,231,880	17,209,815	19,178,310	946,430	5.2%
Debt Service	507,150	504,875	-	-	-	-	0.0%
Total Expenditures	30,708,304	33,270,052	36,281,280	34,676,590	38,678,550	2,397,270	6.6%
Interfund transfers out	5,750,000	6,500,000	6,000,000	5,500,000	5,000,000	(1,000,000)	-16.7%
Reserves	-	-	6,062,080	-	6,419,620	357,540	5.9%
Unassigned	-	-	1,616,490	-	1,702,150	85,660	5.3%
TOTAL APPROPRIATIONS	36,458,304	39,770,052	49,959,850	40,176,590	51,800,320	1,840,470	3.7%
Ending Fund Balance	11,138,978	9,796,806	-	9,655,030	-	-	0%
TOTAL REQUIREMENTS	\$ 47,597,282	\$ 49,566,858	\$ 49,959,850	\$ 49,831,620	\$ 51,800,320	\$ 1,840,470	3.7%

	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
REQUIREMENTS							
Expenditures							
By Category:							
Personnel services	\$ 22,562,326	\$ 24,392,965	\$ 26,895,130	\$ 25,545,907	\$ 28,597,630	\$ 1,702,500	6.3%
Materials and services	7,638,828	8,348,149	9,386,150	9,130,683	10,080,920	694,770	7.4%
Capital outlay	-	24,063	-	-	-	-	0.0%
Debt service	507,150	504,875	-	-	-	-	0.0%
Total Expenditures	\$ 30,708,304	\$ 33,270,052	\$ 36,281,280	\$ 34,676,590	\$ 38,678,550	\$ 2,397,270	6.6%

Rental Special Revenue Fund

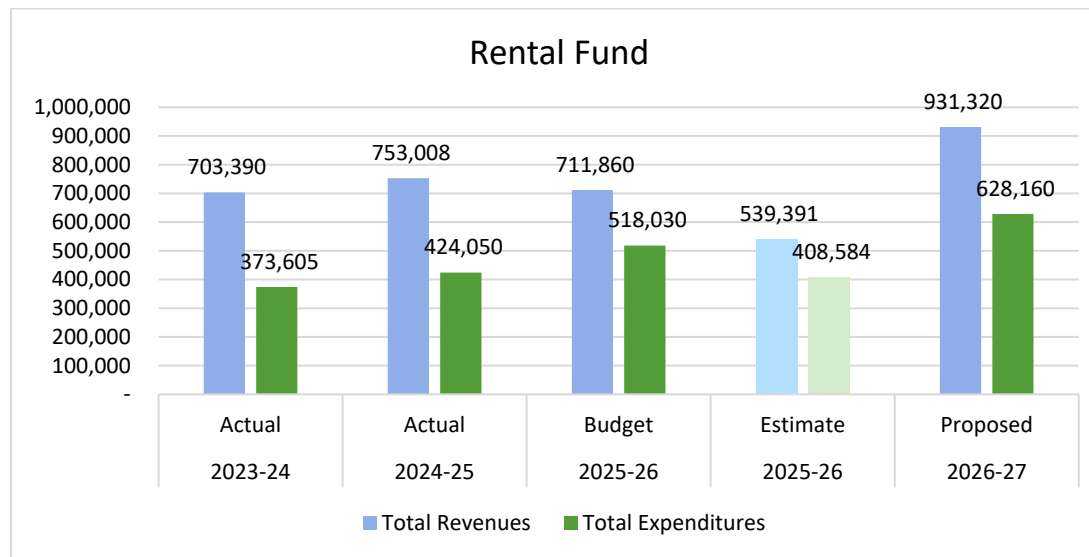
The Rental Fund (formally Facility Rental Fund) is used to account for the proceeds of district facility and park rental revenues (i.e. Aspen Hall, Hollinshead Barn, picnic shelters) and river rentals concession revenue. Primary expenditures are personnel, building utilities and maintenance and renovation costs.

Revenue

Rentals revenues are staying steady but are showing a large increase due to athletic field rentals in the amount of \$160,000, this revenue was previously shown in the General fund. The Facility Rental Fund includes several interfund transfers that align facility-related revenues with operational and capital needs.

Expenditures

With the increase in rentals, expenditures will again return to normal levels. In addition, there are capital expenses for repairs of the rental facilities. There is a 29.8% increase in personnel due to the same changes noted in the budget summary regarding all personnel costs and the larger increase due staff allocation for the field rentals referred to above.



Fund Balance

The fund balance is to cover any shortfall in operations along with maintenance and capital repairs for the rental facilities. The fund balance is healthy and can fund major repairs to rental facilities. To support districtwide operations, approximately \$240,000 is transferred from the Rental Fund to the General Fund to offset Park Services operational expenditures, including staffing costs for field preparation and maintenance of the Whitewater Park. In addition, a

lump sum of \$750,000 is transferred from the Facility Reserve fund to help offset expenditures associated with the future Juniper Swim & Fitness Center (JSFC) roof replacement project, supporting long-term asset preservation and capital planning.

Rental Fund Budget

	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
RESOURCES							
Beginning Working Capital	\$ 1,726,080	\$ 1,555,865	\$ 1,785,230	\$ 1,784,823	\$ 1,315,630	\$ (469,600)	-26.3%
Revenues							
Charges for services	601,075	663,343	656,400	464,320	871,320	214,920	32.7%
Investment earnings	102,315	89,665	55,460	75,071	60,000	4,540	8.2%
Total Revenues	703,390	753,008	711,860	539,391	931,320	219,460	30.8%
Interfund transfers in	-	-	-	-	-	-	0.0%
TOTAL RESOURCES	\$ 2,429,470	\$ 2,308,873	\$ 2,497,090	\$ 2,324,214	\$ 2,246,950	\$ (250,140)	-10.0%
REQUIREMENTS							
Expenditures							
By Category:							
Personnel services	\$ 287,920	\$ 317,108	\$ 368,030	\$ 356,056	\$ 477,860	\$ 109,830	29.8%
Materials and services	74,933	106,942	100,000	52,528	100,300	300	0.3%
Capital outlay	10,752	-	50,000	-	50,000	-	0.0%
Total Expenditures	373,605	424,050	518,030	408,584	628,160	110,130	21.3%
Interfund transfers out	500,000	100,000	600,000	600,000	990,000	390,000	65.0%
Contingency	-	-	100,000	-	100,000	-	0.0%
Reserves	-	-	1,279,060	-	528,790	(750,270)	-58.7%
TOTAL REQUIREMENTS	\$ 873,605	\$ 524,050	\$ 2,497,090	\$ 1,008,584	\$ 2,246,950	\$ (250,140)	-10.0%
Ending Fund Balance/Working Capital	\$ 1,555,865	\$ 1,784,823	\$ -	\$ 1,315,630	\$ -	\$ -	0.0%
REQUIREMENTS							
Expenditures							
By Program:							
Rental program	\$ 373,605	\$ -	\$ 518,030	\$ 408,584	\$ 628,160	\$ 110,130	21.3%
Recreation services	-	424,050	-	-	-	-	0.0%
Total Expenditures	\$ 373,605	\$ 424,050	\$ 518,030	\$ 408,584	\$ 628,160	\$ 110,130	21.3%

System Development Charges (SDC) Special Revenue Fund

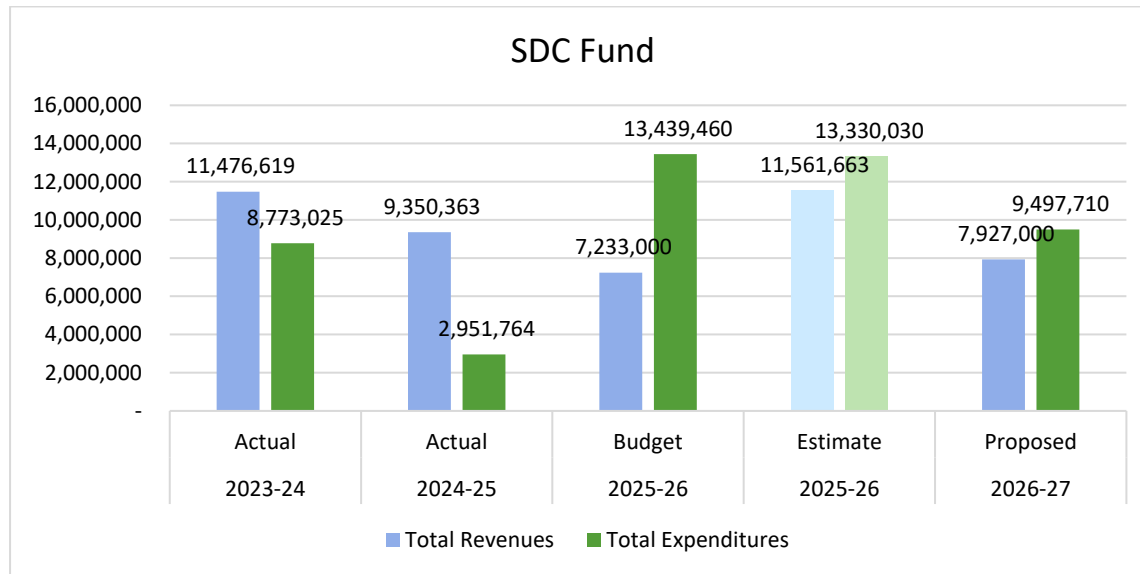
The SDC Fund is used to account for the acquisition and development of the community’s park system. Funding is provided by a fee charged for developing residential properties. Expenditures are restricted by state law to capacity-enhancing and reimbursement projects for parks, trails and indoor recreation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

Revenue

The demand for housing in Central Oregon is very high and is responsible for a large portion of the projected increase. There had been a predicted slowing in FY24-FY25, but in the current year we have already exceeded our estimates and are predicting to end the year higher than FY25. With the unpredictability of these funds, we stayed conservative in our estimates while remaining within range of the last five-year average.

Expenditures

The expenditures are based on the Capital Improvement Plan. These projects are often multi-year projects with construction season straddling our fiscal year. FY26 saw many projects in the construction phase while this upcoming budget year has more designs and acquisitions planned.



Fund Balance

The fund balance will grow during development years and are used for multimillion-dollar projects since these our expansion projects. This is again why the district follows best practices and has a five-year capital improvement plan.

SDC Fund Budget

	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
RESOURCES							
Beginning Working Capital	\$ 20,122,789	\$ 22,522,832	\$ 25,698,900	\$ 28,667,617	\$ 20,365,750	\$ (5,333,150)	-20.8%
Revenues							
System development fees	10,548,400	8,190,074	6,500,000	9,977,260	7,000,000	500,000	7.7%
Grants, contributions and sponsorships	-	-	-	348,277	-	-	0.0%
Investment earnings	891,096	1,136,550	733,000	1,236,126	927,000	194,000	26.5%
Miscellaneous	37,123	23,739	-	-	-	-	0.0%
Total Revenues	11,476,619	9,350,363	7,233,000	11,561,663	7,927,000	694,000	9.6%
Interfund transfers in	-	-	-	-	350,000	350,000	0.0%
TOTAL RESOURCES	\$ 31,599,408	\$ 31,873,195	\$ 32,931,900	\$ 40,229,280	\$ 28,642,750	\$ (4,289,150)	-13.0%
REQUIREMENTS							
Expenditures							
By Category:							
Materials and services	\$ 61,519	\$ 33,239	\$ 100,000	\$ 975	\$ 100,000	\$ -	0.0%
Capital outlay	8,711,506	2,918,525	13,339,460	13,329,055	9,397,710	(3,941,750)	-29.5%
Total Expenditures	8,773,025	2,951,764	13,439,460	13,330,030	9,497,710	(3,941,750)	-29.3%
Interfund transfers out	303,551	253,814	6,658,500	6,533,500	2,580,800	(4,077,700)	-61.2%
Contingency	-	-	-	-	2,000,000	2,000,000	0.0%
Reserves	-	-	12,833,940	-	14,564,240	1,730,300	13.5%
TOTAL REQUIREMENTS	\$ 9,076,576	\$ 3,205,578	\$ 32,931,900	\$ 19,863,530	\$ 28,642,750	\$ (4,289,150)	-13.0%
Ending Fund Balance/Working Capital	\$ 22,522,832	\$ 28,667,617	\$ -	\$ 20,365,750	\$ -	\$ -	0.0%

	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
REQUIREMENTS							
Expenditures							
By Program:							
Planning and development	\$ 8,773,025	\$ 2,951,764	\$ 13,439,460	\$ 13,330,030	\$ 9,497,710	\$ (3,941,750)	-29.3%
Total Expenditures	\$ 8,773,025	\$ 2,951,764	\$ 13,439,460	\$ 13,330,030	\$ 9,497,710	\$ (3,941,750)	-29.3%

Facility Reserve Fund

The Facility Reserve Fund is used to account for acquiring, constructing and re-developing parks, trails and buildings.

Revenue

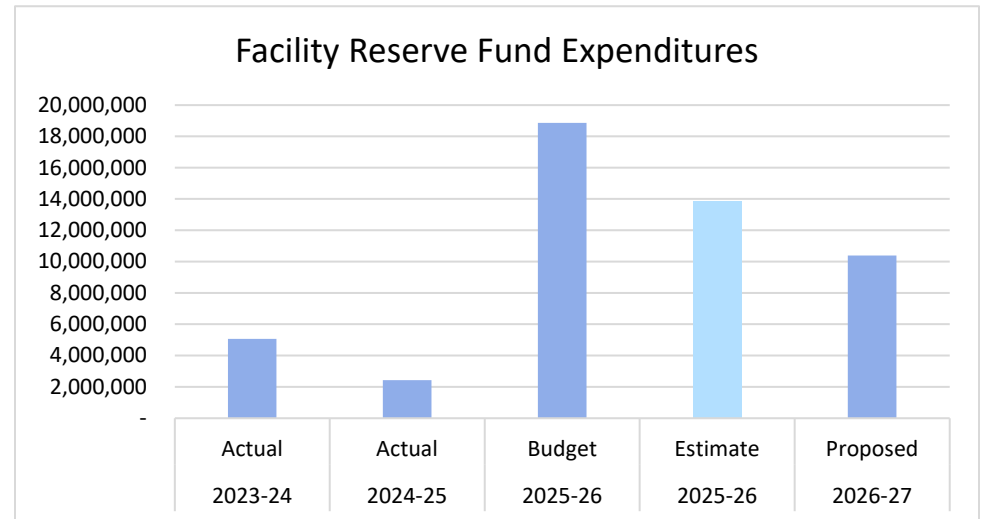
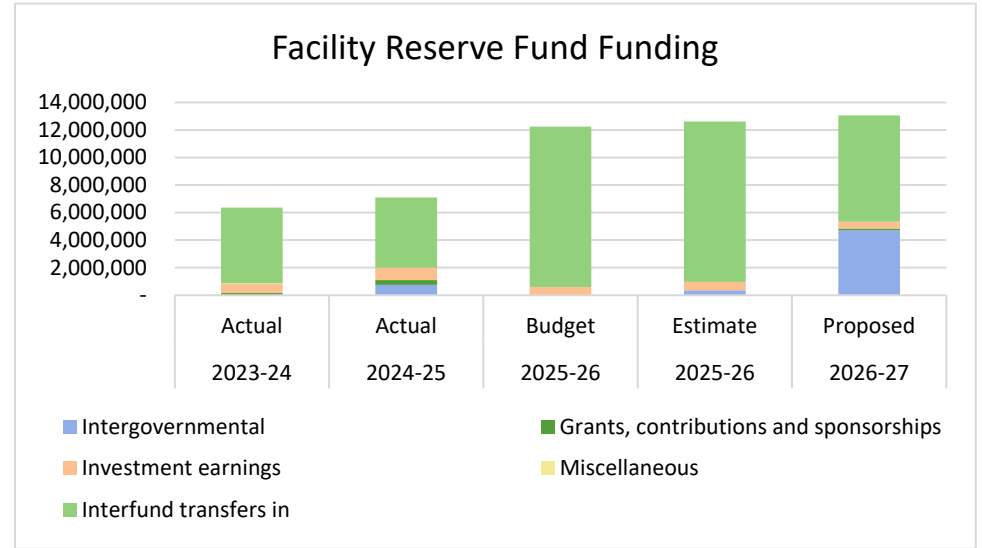
Principal revenue sources are from transfers from the General Fund, investment income, and grants and contributions.

Expenditures

The fund supports a variety of park and facility maintenance projects aimed at preserving existing assets and addressing aging infrastructure. Planning and early work also continued on the Juniper Swim and Fitness Center improvements, marking the initial phase of renovation project with replacing the roof and setting the stage for larger investments in upcoming years.

Fund Balance

The targeted fund balance for the Facility Reserve Fund is based on the district's five-year Capital Improvement Plan. As facilities age, ongoing investment is required to maintain assets and extend their useful life, and this fund is intended to reserve resources for that purpose in alignment with the CIP. The CIP includes more than \$24 million in Facility Reserve fund projects planned for FY28 through FY31, including a portion of the Bend Whitewater Park project, which is also expected to be supported through SDC reimbursements, and the Juniper Swim and Fitness Center Outdoor Pool Cover and renovation project. Recent transfers into the Facility Reserve fund strengthen the fund balance and may allow the district to minimize or eliminate the need for external borrowing to support the JSFC project.



Facility Reserve Fund Budget

	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
RESOURCES							
Beginning Working Capital	\$ 18,106,907	\$ 19,415,495	\$ 23,274,510	\$ 24,079,039	\$ 22,858,110	\$ (416,400)	-1.8%
Revenues							
Intergovernmental	16,326	750,649	-	351,781	4,711,980	4,711,980	0.0%
Grants, contributions and sponsorships	144,650	346,206	-	-	125,000	125,000	0.0%
Investment earnings	684,197	896,028	597,000	619,340	500,000	(97,000)	-16.2%
Miscellaneous	21,416	-	-	1,000	-	-	0.0%
Total Revenues	866,589	1,992,883	597,000	972,121	5,336,980	4,739,980	794.0%
Interfund transfers in	5,500,000	5,100,000	11,643,500	11,643,500	7,715,800	(3,927,700)	-33.7%
TOTAL RESOURCES	\$ 24,473,496	\$ 26,508,378	\$ 35,515,010	\$ 36,694,660	\$ 35,910,890	\$ 395,880	1.1%
REQUIREMENTS							
Expenditures							
By Category:							
Materials and services	\$ 236,606	\$ 126,053	\$ 226,590	\$ 191,590	\$ 199,570	\$ (27,020)	-11.9%
Capital outlay	4,821,395	2,303,286	18,631,200	13,644,960	10,190,570	(8,440,630)	-45.3%
Total Expenditures	5,058,001	2,429,339	18,857,790	13,836,550	10,390,140	(8,467,650)	-44.9%
Interfund transfers out	-	-	-	-	350,000	350,000	0.0%
Contingency	-	-	803,300	-	1,000,000	196,700	24.5%
Reserves	-	-	15,853,920	-	24,170,750	8,316,830	52.5%
TOTAL REQUIREMENTS	\$ 5,058,001	\$ 2,429,339	\$ 35,515,010	\$ 13,836,550	\$ 35,910,890	\$ 395,880	1.1%
Ending Fund Balance/Working Capital	\$ 19,415,495	\$ 24,079,039	\$ -	\$ 22,858,110	\$ -	\$ -	0.0%

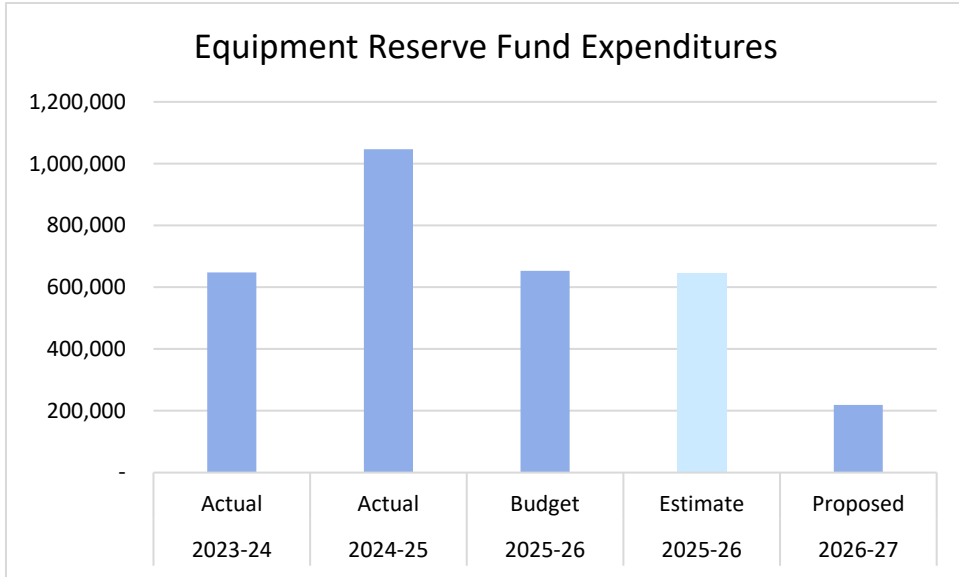
	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
REQUIREMENTS							
Expenditures							
By Program:							
Administration	\$ -	\$ -	\$ 155,000	\$ 148,000	\$ 40,000	\$ (115,000)	-74.2%
Planning and development	4,522,876	2,174,978	18,432,200	13,417,960	9,668,520	(8,763,680)	-47.5%
Park services	79,936	117,276	217,590	217,590	140,620	(76,970)	-35.4%
Recreation services	455,189	137,085	53,000	53,000	541,000	488,000	920.8%
Total Expenditures	\$ 5,058,001	\$ 2,429,339	\$ 18,857,790	\$ 13,836,550	\$ 10,390,140	\$ (8,467,650)	-44.9%

Equipment Reserve Fund

This fund sets aside funds, through transfers, for replacing equipment, furniture, fixtures and technology. The Board reviewed this fund in 2014 and decided to continue utilizing this reserve fund. The fund did replace and purchase new vehicles but the district is switching to a leasing model where all fleet costs will run out of the General fund. The principal revenue sources are from transfers from the General Fund and if there are any sale proceeds from surplus equipment.

Expenditures

The expenditures are based on equipment management. Spending varies by year depending on rotation schedules or expansion of the system or programs. Some of this year’s purchases include equipment and technology. Again, vehicles are now being leased and funded out of the General fund reducing the amount of expenditure we will see in this fund in the future.



DEPARTMENT	ASSET DESCRIPTION	BUDGET
100-Administration	Replace ESXI05 (1/2022)	22,000
100-Administration	New Plotter	9,000
220-Recreation	Copier JSFC Aquatics	8,500
220-Recreation	Copier Larkspur Aquatics	8,500
330-Parks	Copier Park services trailer replace and two new	25,500
220-Recreation	JSFC Free weights	10,500
220-Recreation	JSFC 50M lane lines	15,000
220-Recreation	Fuel tank Pavilion	6,800
220-Recreation	Scissor lift JSFC	10,000
220-Recreation	Pavillion shooting lanes	23,000
330-Parks	Boyd Acres IT FFE	80,000
		<u>218,800</u>

Fund Balance

As the district’s equipment age, we must maintain or replace them and this fund is intended to reserve funds for this purpose so a healthy fund balance that aligns with our equipment and asset tracking.

Equipment Reserve Fund Budget

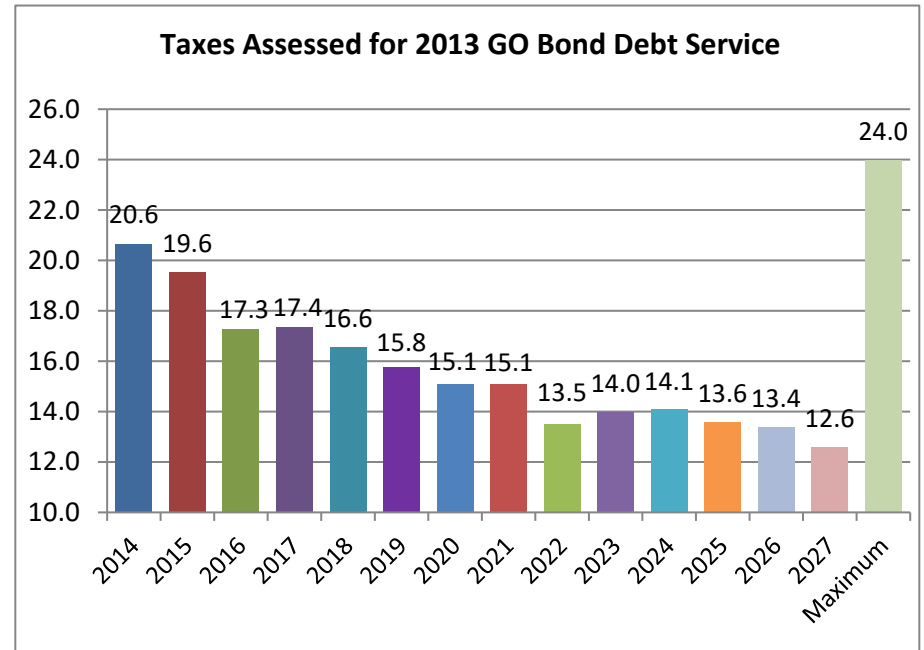
	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
RESOURCES							
Beginning Working Capital	\$ 606,294	\$ 774,937	\$ 1,386,050	\$ 1,325,044	\$ 1,237,720	\$ (148,330)	-10.7%
Revenues							
Grants, contributions and sponsorships	8,863	2,500	-	-	-	-	0.0%
Investment earnings	17,894	12,877	22,000	39,504	22,500	500	2.3%
Miscellaneous	39,642	81,167	10,000	17,555	10,000	-	0.0%
Total Revenues	66,399	96,544	32,000	57,059	32,500	500	1.6%
Interfund transfers in	750,000	1,500,000	1,000,000	500,000	-	(1,000,000)	-100.0%
TOTAL RESOURCES	\$ 1,422,693	\$ 2,371,481	\$ 2,418,050	\$ 1,882,103	\$ 1,270,220	\$ (1,147,830)	-47.5%
REQUIREMENTS							
Expenditures							
By Category:							
Materials and services	\$ 80,674	\$ 90,045	\$ 101,500	\$ 100,755	\$ 68,800	\$ (32,700)	-32.2%
Capital outlay	567,082	956,392	551,570	543,628	150,000	(401,570)	-72.8%
Total Expenditures	647,756	1,046,437	653,070	644,383	218,800	(434,270)	-66.5%
Contingency	-	-	250,000	-	250,000	-	0.0%
Reserves	-	-	1,514,980	-	801,420	(713,560)	-47.1%
TOTAL REQUIREMENTS	\$ 647,756	\$ 1,046,437	\$ 2,418,050	\$ 644,383	\$ 1,270,220	\$ (1,147,830)	-47.5%
Ending Fund Balance/Working Capital	\$ 774,937	\$ 1,325,044	\$ -	\$ 1,237,720	\$ -	\$ -	0.0%

	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
REQUIREMENTS							
Expenditures							
By Program:							
Administration	\$ 147,477	\$ 68,188	\$ -	\$ -	\$ 31,000	\$ 31,000	0.0%
Community engagement	-	-	40,000	39,963	-	(40,000)	-100.0%
Park services	350,914	728,800	385,170	377,980	105,500	(279,670)	-72.6%
Recreation services	149,365	249,449	227,900	226,440	82,300	(145,600)	-63.9%
Total Expenditures	\$ 647,756	\$ 1,046,437	\$ 653,070	\$ 644,383	\$ 218,800	\$ (434,270)	-66.5%

General Obligation (GO) Bond Debt Service Fund

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

Year Ending June 30	Principal	Interest	Payment
2027	1,725,000	492,881	2,217,881
2028	1,840,000	423,881	2,263,881
2029	1,960,000	350,281	2,310,281
2030	2,065,000	291,482	2,356,482
2031	2,175,000	226,950	2,401,950
2032	2,295,000	156,263	2,451,263
2033	2,420,000	81,675	2,501,675
	\$ 14,480,000	\$ 2,023,413	\$ 16,503,413



	Fiscal Year Ended June 30, 2025
Real Market Value	\$ 42,672,342,158
	2.5%
General obligation debt limit at 2.5% of real market value	1,066,808,554
Debt subject to limit per ORS 266.512 ⁽¹⁾ :	
General obligation bonds	16,090,000
Net debt subject to 2.5% limit	16,090,000
Legal debt margin	\$ 1,050,718,554
Debt capacity percent	98.5%

GO Bond Debt Service Fund Budget

	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
RESOURCES							
Beginning Working Capital	\$ 111,959	\$ 124,982	\$ 173,050	\$ 175,328	\$ 161,370	\$ (11,680)	-6.7%
Revenues							
Property taxes	2,053,599	2,137,105	2,116,080	2,117,852	2,196,710	80,630	3.8%
Investment earnings	51,555	48,973	33,000	43,530	36,000	3,000	9.1%
Total Revenues	2,105,154	2,186,078	2,149,080	2,161,382	2,232,710	83,630	3.9%
TOTAL RESOURCES	\$ 2,217,113	\$ 2,311,060	\$ 2,322,130	\$ 2,336,710	\$ 2,394,080	\$ 71,950	3.1%
REQUIREMENTS							
Expenditures							
Debt Service:							
Principal	\$ 1,410,000	\$ 1,510,000	\$ 1,610,000	\$ 1,610,000	\$ 1,725,000	\$ 115,000	7.1%
Interest	682,131	625,732	565,340	565,340	492,890	(72,450)	-12.8%
Total Expenditures	2,092,131	2,135,732	2,175,340	2,175,340	2,217,890	42,550	2.0%
Reserves	-	-	146,790	-	176,190	29,400	20.0%
TOTAL REQUIREMENTS	\$ 2,092,131	\$ 2,135,732	\$ 2,322,130	\$ 2,175,340	\$ 2,394,080	\$ 71,950	3.1%
Ending Fund Balance/Working Capital	\$ 124,982	\$ 175,328	\$ -	\$ 161,370	\$ -	\$ -	0.0%

	2023-24 Actual	2024-25 Actual	2025-26 Budget	2025-26 Estimate	2026-27 Proposed	Change in Budget \$	Change in Budget %
REQUIREMENTS							
Expenditures							
By Program:							
Debt service	\$ 2,092,131	\$ 2,135,732	\$ 2,175,340	2,175,340	\$ 2,217,890	\$ 42,550	2.0%
Total Expenditures	\$ 2,092,131	\$ 2,135,732	\$ 2,175,340	\$ 2,175,340	\$ 2,217,890	\$ 42,550	2.0%

DEPARTMENT DETAIL



Department Summaries

The district has 7 departments and they are funded as follows:

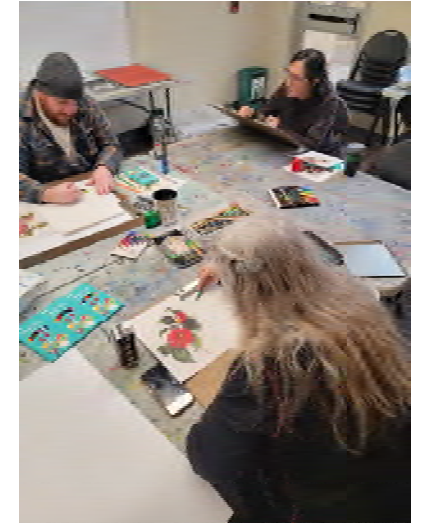
	General Fund	Rental Fund	SDC Fund	Facility Reserve Fund	Equipment Reserve Fund
Executive Directors Office	✓				
Administrative Services	✓			✓	✓
Human Resources	✓				
Community Engagement	✓				
Planning & Development	✓		✓	✓	
Park Services	✓			✓	✓
Recreation Services	✓	✓		✓	✓

Funding by program in the proposed budget is below:

REQUIREMENTS	General Fund	System Development Charges Fund	Rental Fund	Reserve Funds	GO Bond Debt Service Fund	2026-27 Proposed Budget	2025-26 Final Budget	Change in Budget \$	Change in Budget %
Expenditures									
By Program:									
Administration	\$ 4,851,400	\$ -	\$ -	\$ 71,000	\$ -	4,922,400	\$ 4,905,900	\$ 16,500	0.3%
Community engagement	2,269,310	-	-	-	-	2,269,310	2,215,650	53,660	2.4%
Planning and development	1,758,860	9,497,710	-	9,668,520	-	20,925,090	33,576,660	(12,651,570)	-37.7%
Rental program	-	-	628,160	-	-	628,160	518,030	110,130	21.3%
Park services	10,620,670	-	-	246,120	-	10,866,790	10,020,610	846,180	8.4%
Recreation services	19,178,310	-	-	623,300	-	19,801,610	18,512,780	1,288,830	7.0%
Debt service	-	-	-	-	2,217,890	2,217,890	2,175,340	42,550	2.0%
Total Expenditures	\$ 38,678,550	\$ 9,497,710	\$ 628,160	\$ 10,608,940	\$ 2,217,890	\$ 61,631,250	\$ 71,924,970	\$ (10,293,720)	-14.3%

The Strategic Plan action items for the current year are presented in the tables following the department details. The departments also call out specific Strategic Plan items supporting our *Team* 🧑, delivering effective *Service* ⚙️, and creating meaningful impact for our *Community* 🌳. District-wide performance measure results from the prior year follow the FY27 Strategic Plan action items.

Organizational Chart



Administration: Executive Director’s Office, Administrative Services and Human Resources

Executive Director- Delivers overall direction and management of the district through implementation of board policy and sound management practices. This budget includes the Executive Director’s office expenses along with the Board and staff committees’ expenses.

Administrative Services- Strategic leadership and support services that ensure efficient District operations. The department manages Information Technology, Finance, and Contracts and Risk Management, supporting sustainable financial planning and stewardship through services such as insurance, payroll, purchasing, accounts payable and receivable, contract administration, and risk management.

Human Resources- Supports the district’s mission by partnering with the board, staff, and leadership to foster inclusive and efficient operation of the district. Human Resources manages recruitment, employment, employee development, benefits, workers’ compensation, and training while promoting compliant and employee-focused employment practices.



Administration	
Executive Directors Office	
Full-Time Positions	2.00
Administrative Services	
Full-Time Positions	9.00
Part-Time/Seasonal Positions	0.50
Human Resources	
Full-Time Positions	5.00

Executive Director's Office

2025-26 Key Success

- Built and maintained strong, respectful working relationships with the Board, providing clear leadership and unified direction supported by high levels of trust and collaboration.
- Ensured board meetings and materials were well organized, efficient, and supported by thorough data to enable informed decision making.

2025-26 Key Challenges


- Balancing increasing budget realities, community priorities, and emerging issues such as land acquisition, wildfire preparedness, and partnership negotiations while maintaining service levels.
- Managing growing complexity in long-range financial planning and capital decision timing, including evaluation of future bond feasibility and operational impacts.

2026-27 Key Goals & Objectives

- Continue to strengthen strategic leadership by working with the board on long-range planning, policy direction, and community-wide outcomes rather than administrative detail.
- Enhance board education and engagement through continued access to clear financial data, training resources, and opportunities for site and program visits.

Administrative Services Department

2025-26 Key Success

- Designed and launched the Optimize Play continuous improvement program to help the **Strategic Plan goals** , training 199 staff and generating innovations that reduced staff time and material costs.
- Implemented a new general ledger structure, creating a standardized chart of accounts aligned with local government best practices and improving efficiency and consistency in financial reporting.

2025-26 Key Challenges

- Implementing a new general ledger while simultaneously closing the prior fiscal year in the legacy system and training staff district-wide on the new structure required careful coordination to maintain accuracy, continuity, and uninterrupted operations.
- IT resources were stretched while simultaneously maintaining all district software, core IT infrastructure, multiple vendors, and a wide range of technology needs spanning everything from business systems to cameras and audio-visual equipment.

2026-27 Key Goals & Objectives

- Continue utilizing interns created last year as part of the **Strategic Plan** 🌱 community efforts with local colleges, across all divisions to expand capacity of the small teams and meet district-wide operational needs in a cost-effective manner.
- Continue evaluating and refining District purchasing methods to improve efficiency, consistency, and cost effectiveness in alignment with the **Strategic Plan** ⚙️.

Human Resources Department

2025-26 Key Success

- Completed the Classification, Compensation, and Pay Equity Study to keep BPRD competitive as an employer supporting the Team 👥 priority of the **Strategic Plan**.
- Developed a standardized and automated approach to provisioning for new employees during onboarding again, supporting the Team 👥 priority of the **Strategic Plan**.

2025-26 Key Challenges

- Keeping up with increased demands from a growing workforce while managing rising personnel and benefit costs.
- Balancing the need for consistent, district-wide HR practices with the day-to-day realities of supporting a large workforce with changes in leadership teams.

2026-27 Key Goals & Objectives

- Implement the findings of the Classification, Compensation, and Pay Equity Study supporting the Team 👥 priority of the **Strategic Plan**.
- Rollout electronic training content for supervisor training series and create SharePoint site for training and development opportunities, again, supporting the Team 👥 priority of the **Strategic Plan**.

2026-27 Administration Major Budget Items

- Completing compensation and pay equity study this fiscal year.
- Major increases due to the 12% increase in liability insurance

REQUIREMENTS Expenditures	Administration					
	General Fund	Reserve Funds	2026-27 Proposed Budget	2025-26 Final Budget	Change in Budget \$	Change in Budget %
By Category:						
Personnel Services	\$ 2,856,810	\$ -	\$ 2,856,810	\$ 2,727,190	\$ 129,620	4.8%
Materials and services	1,994,590	9,000	2,003,590	2,023,710	(20,120)	-1.0%
Capital outlay	-	62,000	62,000	155,000	(93,000)	-60.0%
Total Expenditures by Category	\$ 4,851,400	\$ 71,000	\$ 4,922,400	\$ 4,905,900	\$ 16,500	0.3%

Community Engagement

This team is responsible for aspects of the district's community engagement efforts, including internal and external communications and marketing; park stewardship, volunteer coordination and the safety program. The department develops and establishes community engagement initiatives, directs strategies to strengthen the district's reputation, builds positive relationships with patrons/community, reinforces the district's brand identity and oversees the safety program.

Strategies include: communications, marketing, park stewardship, sponsorships, website and digital media, volunteer engagement, public relations, and safety training, awareness, engagement and compliance for the employees of the district. The department also provides administrative support for the Bend Park and Recreation Foundation.



Full-Time Positions	12.00
Part-Time/Seasonal Positions	1.02



2025-26 Key Success

- Communications efforts to internal and external audiences about updated Park Rules and Code of Conduct working towards the Team 🧑🏿 priority of the **Strategic Plan**, of a safe and inclusive work environment.
- Added public AEDs to sports complexes in coordination with first responder partners working towards Community: Goal 2: Partner effectively in the **Strategic Plan** 🌿.
- Created procedures for BPR Foundation involvement in grant opportunities, again, achieving the **Strategic Plan** goal of partnering efficiently 🌿.
- Introduce team spotlights for internal communications to highlight work success and collaboration working towards the **Strategic Plan** priority for Team 🧑🏿.

2025-26 Key Challenges

- Frequency and severity of requests for assistance from park stewards and contracted security.
- All areas continue to have high workload plans and requests for assistance.
- Materials and service costs escalation.
- Community expectations.

2026-27 Key Goals & Objectives

- Pilot a field mapping system to input park steward data and evaluate effectiveness for patrols and response, to further or efficiency goals under the Service ⚙️ priority of the **Strategic Plan**.
- Prepare BPRD for compliance with digital accessibility requirements that take effect in April 2028, including accessibility improvements for all public facing communication. This creating accessibility works towards our **Strategic Plan** Community goals 🌿.
- Support communications, safety and security needs for Art Station and Boyd Acres facility
- Continue partnering with the City of Bend to consider implementation of a process for Park Stewards to issue citations working towards Community: Goal 2: Partner effectively in the **Strategic Plan** 🌿.

2026-27 Major Budget Items

- New full-time steward position – 5.0 FTE total.
- Additional communications and marketing support for Art Station and programs.
- AED replacement units.
- Digital accessibility tools and services by web developer.

Community Engagement

REQUIREMENTS

Expenditures

By Category:

Personnel services

Materials and services

Capital outlay

Total Expenditures by Category

General Fund	2026-27 Proposed Budget	2025-26 Final Budget	Change in Budget \$	Change in Budget %
\$ 1,704,090	\$ 1,704,090	\$ 1,531,490	\$ 172,600	11.3%
565,220	565,220	644,160	(78,940)	-12.3%
-	-	40,000	(40,000)	-100.0%
\$ 2,269,310	\$ 2,269,310	\$ 2,215,650	\$ 53,660	2.4%

Planning and Development

Manages the district's comprehensive and strategic planning; Capital Improvement Plan (CIP); System Development Charge (SDC) program; and park, trail and recreation facility design and construction.

Primary responsibilities include interfacing with public agencies and private developers; planning, design and construction of capital projects; coordination of professional services and preparation of contract documents and specifications; monitoring land use applications; property entitlements; easements; grant writing; long-range planning studies, and coordination of community projects and public input processes.



Full-Time Positions	10.00
Part-Time Benefited	0.63
Part-Time/Seasonal Positions	0.38



2025-26 Key Success

- Ranked 1st place for a LWCF grant award to purchase a 40 +/- acre property along the Deschutes River Trail.
- Executing an agreement with the City of Bend to replace the Gilcrest Bridge with City of Bend Funding.
- Acquiring land along the North Unit Irrigation Canal for future trail connections.

2025-26 Key Challenges

- Availability and ever-increasing cost of land purchases.
- The timing required for permit review and process by other agencies.
- Department relocation planning to the new Boyd Shop.

2026-27 Key Goals & Objectives

- Successfully moving P&D and Park Services into the new Boyd Acres facility.
- Advance the planning effort related to the South UGB Trail Alignment.
- Completing a new District Climate Resiliency Plan.
- Updating the River Recreation Plan.

2026-27 Major Budget Items

- \$40,000 for miscellaneous contracting costs.

REQUIREMENTS	Planning and Development						
	General Fund	System Development Charges Fund	Reserve Funds	2026-27 Proposed Budget	2025-26 Final Budget	Change in Budget \$	Change in Budget %
Expenditures							
By Category:							
Personnel services	\$ 1,689,190	\$ -	\$ -	\$ 1,689,190	\$ 1,598,260	\$ 90,930	5.7%
Materials and services	69,670	100,000	40,000	209,670	206,740	2,930	1.4%
Capital outlay	-	9,397,710	9,628,520	19,026,230	31,771,660	(12,745,430)	-40.1%
Total Expenditures by Category	\$ 1,758,860	\$ 9,497,710	\$ 9,668,520	\$ 20,925,090	\$ 33,576,660	\$ (12,651,570)	-37.7%

Park Services

To care for places where people play, learn and grow, and to protect our natural and cultural resources for the enjoyment of community residents.

The department provides maintenance operations of parks, trails and facilities, and supports community residents by providing the best facilities for all services. Responsibilities also include management of park and trail use, asset replacement and ADA transition plan implementation, trails and facility users, district-wide fleet and equipment services, and support for special events and recreation programs.



Full-Time Positions	59.14
Part-Time Benefited	2.52
Part-Time/Seasonal Positions	9.95



2025-26 Key Success

- Implemented a district-wide fuel card lock system enabling drivers to access fuel at multiple stations across Bend.
- Upgraded the district-wide key and door access program, transitioning larger facilities from keyed entry to a more secure electronic access control system.
- Trail crew constructed 1.4 miles of new soft surface trail.
- Completed the 2025 Habitat Inventory, re-surveying all district properties along the Deschutes River. The survey tracked changes over the past 5 years, monitored restoration work, and identify mitigation needs.

2025-26 Key Challenges

- Increased utilities and fuel costs.
- Performing wildfire fuel reduction projects within city limits; current vegetation codes are outdated and conflict with modern fuel reduction requirements.
- Vandalism and graffiti that consume significant staff time and budget, delaying other necessary work.

2026-27 Key Goals & Objectives

- Relocate employees, equipment, and materials to the Boyd Acres facility within the identified timeline.
- Track current and proposed Geographic Information System (GIS) licenses to right-size software for employee needs to help further the **Strategic Plan** priority of Service ⚙️.
- Implement and evaluate the new Fleet Leasing Program through Enterprise, finding efficiency and good asset stewardship as part of the **Strategic Plan** priority of Service ⚙️.
- Document all district irrigation assets in GIS to create a centralized, easily updatable system that provides detailed mapping.

2026-27 Major Budget Items

- Create a Neighborhood Parks Technician position to support the landscape supervisor with project leadership and high-level technical work; includes a vehicle.
- Create two new part-time benefited custodial positions for the Boyd Acres facility.
- Expand data collection by purchasing 14 new GIS Field Maps licenses for Stewards and Park Services staff.
- Increase the Park Services Administration budget to cover moving costs to the Boyd Acres facility, not included in the project budget.

Park Services

REQUIREMENTS Expenditures	General Fund		Reserve Funds		2026-27 Proposed Budget	2025-26 Final Budget	Change in Budget \$	Change in Budget %
By Category:								
Personnel services	\$ 7,405,990	\$ -	\$ 7,405,990	\$ 6,842,580	\$ 563,410	8.2%		
Materials and services	3,214,680	89,070	3,303,750	2,777,460	526,290	18.9%		
Capital outlay	-	157,050	157,050	400,570	(243,520)	-60.8%		
Total Expenditures by Category	\$ 10,620,670	\$ 246,120	\$ 10,866,790	\$ 10,020,610	\$ 846,180	8.4%		

Recreation Services

To enhance the health and well-being of the community, families, and individuals by providing exceptional recreation facilities, programs, and services accessible to all.




The department is responsible for managing the district's three recreation facilities and developing and implementing a diverse array of recreation, sport and enrichment activities for people of all ages and abilities. The department also manages customer service operations and rentals and events.



Full-Time Positions	61.86
Part-Time Benefited	42.65
Part-Time/Seasonal Positions	88.38





2025-26 Key Success

- Onboarding of a new Recreation Services Director, Aquatic Supervisor III, and Events & Athletics Manager.
- Modification of inclusion services and outreach programs to support ongoing district initiatives, including financial sustainability and expansion of community partnerships. Aligning with **Strategic Plan**'s goals steward fiscal resources  and expand and leverage collaborations .
- Completion of the **Strategic Plan** action item a feasibility study for a future recreation facility .
- Updated the fitness center at JSFC, including new flooring, fitness equipment, and paint.

2025-26 Key Challenges

- Staffing for Kids Inc sites was difficult, specifically during the early months of the school year. Youth recreation has modified their projections to account for this moving forward.
- Many recreation programs saw less growth in participation this year compared to previous years, creating slower revenue growth than expected.
- A warm and dry winter made it difficult to operate the pavilion, but staff did a tremendous job navigating all weather challenges.
- Balancing affordability of programs with financial sustainability as operational costs continue to escalate.

2026-27 Key Goals & Objectives

- Scholarship modifications to maintain financial sustainability as part of the **Strategic Plan** action item .
- Reimagining Busy Buddies and Child Care programming at JSFC to support the **Strategic Plan** goal of Support the recreational needs of an evolving community .
- Expand opportunities for internal inclusion trainings to continue work towards the Strategic Plan goal to support the well-being and safety of all district employees.
- Rollout of the new Art Station to the community.

2026-27 Major Budget Items




- Rightsizing both revenue and expenditures for the Recreation Division budget. Revenues and expenditures were both budgeted higher than necessary in FY26.
- Interfund transfer for facility rentals. Approximately \$160,000 in revenue is moving from the general fund to the Rental fund (field rentals), and \$240,000 is going to be transferred from the Rental fund to support park services operational expenditures (staff supporting field preparation and the whitewater park). In addition, a lump sum of \$750,000 is being transferred out of the Rental fund to help offset expenditures for the future JSFC roof project.
- \$23,000 in the equipment reserve fund for new hockey shooting lanes at the pavilion, allowing for year-round community access to hockey lanes. This will be utilized by rentals, birthday parties, and drop in users, creating additional passive revenue.

- Addition of one part time custodial position to support Art Station. Reclassification of 2 full-time positions to support district growth and workload capacities. Reclassification of 2 part time positions to support Kids Inc staffing challenges, including training, day of substitutes, and curriculum development.

Recreation Services Including Rental Program

REQUIREMENTS				2026-27 Proposed Budget	2025-26 Final Budget	Change in Budget \$	Change in Budget %
Expenditures	General Fund	Rental Fund	Reserve Funds				
By Category:							
Personnel services	\$ 14,941,550	\$ 477,860	\$ -	\$ 15,419,410	\$ 14,563,640	\$ 855,770	5.9%
Materials and services	4,236,760	100,300	130,300	4,467,360	4,262,170	205,190	4.8%
Capital outlay	-	50,000	493,000	543,000	205,000	338,000	164.9%
Total Expenditures by Category	\$ 19,178,310	\$ 628,160	\$ 623,300	\$ 20,429,770	\$ 19,030,810	\$ 1,398,960	7.4%

Strategic Plan FY27 Action Items:

The Strategic Plan’s capstone, pillars, and foundation are designed to strengthen District operations and management practices, enhance community relationships, and support employees and workplace culture. Together, these elements guide how we invest in our **Team** , deliver effective **Service** , and create meaningful impact for our **Community** .

The Board adopted the 2024–2029 Bend Park and Recreation District Strategic Plan in October 2024. Building on that direction, departments have identified and aligned actions planned for the upcoming fiscal year to advance the District’s strategic priorities.

TEAM
Goal 1: Attract and retain qualified employees at staffing levels that support desired service levels
Strategy a. Align recruitment, on-boarding and retention practices with the desired needs, work experiences and work practices of employees
<i>FY27 Actions:</i>
Create a standardized new-hire onboarding process with clear I-9 compliance steps
Track and review turnover data for the different job categories and review with applicable divisions in the district.
Strategy b. Build staffing plans to maintain the desired level of service
<i>FY27 Actions:</i>
Continuation: Implement a position tracking system in Paylocity (AKA Positioning management of position control) to help with tracking the number and type of positions, and monitoring positions and their budgets
Develop a Speciality Instructor Academy for Fitness Instructors as underfills to fill recruitment and sub gaps
Strategy c. Be competitive with other employers' wages and benefits
<i>FY27 Actions:</i>
Implement findings from the Compensation and Classification Study and Pay Equity Analysis project.
Goal 2: Foster a workforce that is heard, informed, involved and valued.
Strategy a. Continue to develop a collaborative and welcoming work culture across departments and between all levels of the organization.
<i>FY27 Actions:</i>
Implement DEI training plan.
Support a process for committee information sharing and responsibility.
Strategy b. Offer diverse recognition and appreciation programs
<i>FY27 Actions:</i>

TEAM	
Goal 3: Invest in the growth and development of all district employees	
Strategy a. Support a culture of learning and growing by providing support for staff to access training	
<i>FY27 Actions:</i>	
Finish electronic content for the SDI series to support the in-person training.	
Inclusion Trainings for FSL's, CSR's, Swim Lessons to come.	
Strategy b. Provide opportunities for employees to contribute to areas beyond their daily activities, and advance in the organization.	
<i>FY27 Actions:</i>	
Standardize Emergency Response debriefs and employee support following critical incidents.	
Digitize Community Center Operations Manuals and Procedures for easy access in the field with search options and easy updates for current content.	
Goal 4: Support the well-being and safety of all district employees	
Strategy a. Keep up with changing workforce needs and adapt how the district works to enhance employee experiences	
<i>FY27 Actions:</i>	
Enhance training for staff and volunteers using technology systems to gain efficiencies and on-demand recall	
Strategy b. Identify opportunities to enhance welcoming, safe and inclusive work environment	
<i>FY27 Actions:</i>	
Inclusion Trainings with TR and Verbal Judo Trainings with Park Stewards for Recreation Center Staff.	
Update the district's welcome video for new employee onboarding.	

SERVICE	
Goal 1: Maintain quality, clean and safe parks, trails and facilities.	
Strategy a. Take care of what we have by prioritizing investment in existing areas	
<i>FY27 Actions:</i>	
Implement and evaluate fleet leasing program	
Establish a new process for using Maintenance Management System (MMS) to track staff time on specific work being done in the field.	
Continuation: Launch standardized, on-demand financial reporting tools	
Plan and implement moving Park Services, Stewards, and Planning and Development to Boyd Shop	
Strategy b. Develop and use data and best practices to increase work efficiency, and use benchmarks to track progress over time	
<i>FY27 Actions:</i>	
Evaluate effectiveness of the additional Field Map licenses purchased FY 26-27 for the Stewards and Landscape/NR and Trails	
Evaluate employee time spent driving vs. working to maximize efficiencies.	
Evaluate Optimize Play initiative and determine next steps	

SERVICE

Goal 2: Support the recreational needs of an evolving community through programming, parks, trails and facilities.

Strategy a. Maintain adopted level of service targets for parks, trails and facilities

FY27 Actions:

Strategy b. Monitor and adapt programming to meet community needs

FY27 Actions:

Reimagining Busy Buddies and Child Care programming at JSFC; Patron Survey, Research working with staff to redesign schedule and services.

Goal 3: Steward fiscal resources, and further environment and social sustainability

Strategy a. Use financial modeling and other planning tools to holistically evaluate, plan and forecast necessary expenditures for system expansion, operations and maintenance

FY27 Actions:

Launch Expenditure Reimbursement module in Paylocity

Launch on demand financial reporting tool

Reduce utility cost at Boyd Shop by changing out lighting to LED, installing occupancy sensors on lights, and smart thermostats

Work with ETO to replace Juniper 25 meter lighting including tie off points for replacing upper lights

Reconvene facility walk throughs for sustainability goals and improvements

Assess and recommend the most effective purchasing methods that make sound business sense while saving time and potential tax dollars, specifically cooperative contracts for basic supplies that are applied across the district and streamlining the Purchasing card programs

Strategy b. Continue efforts to be responsible stewards of the natural environment and evaluate and identify opportunities to respond to changing environmental

FY27 Actions:

Complete update of the river plan

Continuation: Develop Climate Resilience Plan "adaptation plan"

Create public awareness campaign about forest health and fuels management to demonstrate BPRD's expertise and adherence to responsible management of natural spaces.

Strategy c. Provide opportunities for building community connections and foster belonging

FY27 Actions:

Continuation: Integrate broader cultural components in community celebrations

Expanding Senior Social programs and opportunities-learn to play social games and adding special events sock hops (monthly); out to lunch bunch day trips; Yesterday Tunes

COMMUNITY

Goal 1: Deliver positive patron and community experiences by offering services that are accessible, responsive to patron feedback, and welcoming to all

Strategy a. Develop and redevelop parks, trails and facilities to ensure they are welcoming and inclusive

FY27 Actions:

Launch and introduce Art station to community

Work with community partners, (ODOT) and Natural Resources to plan a potential trail connection from the COHCT to Coulter Grove Park

Strategy b. Plan and create welcoming, inclusive, safe and accessible opportunities and programs that address barriers to participation

FY27 Actions:

Prepare BPRD for compliance with digital accessibility requirements that take effect in April 2027, including accessibility improvements for all public facing communication including website, documents and other forms.

Expansion of Virtual Fitness Classes

Sensory Swim opportunities at Larkspur

Everybody Moves Fitness collaboration with OSU Cascades

Fitness Classes in Spanish

Goal 2: Expand and leverage collaborations to increase impact

Strategy a. Dedicate resources to seek grant and alternative funding opportunities to support priorities.

FY27 Actions:

Continuation: Implement and market enhanced Donation option in registration process

Continuation: Roll out grant policy and tools. Identify staff responsible for seeking and managing grants

Strategy b. Strategically align with partners to enhance the district's efforts

FY27 Actions:

Continuation: Partner with City of Bend to consider implementation of a process for Park Stewards to issue citations.

Continuation: Convene parking discussions with Old Mill and neighbors.

Continuation: Present/Table at 1 annual conference or trainings for other groups that allow district staff to seek or develop a new partnership.

Performance Measures

Performance Measures provide a clear, consistent way to track how effectively Bend Park and Recreation District is delivering on its Strategic Plan, stewarding public resources, and meeting the needs of our community. The measures presented in this section span organizational health, service delivery, financial stewardship, and community outcomes, linking day to day operations to long term goals. Together, these indicators help the Board and public understand progress over time, identify areas for improvement, and ensure accountability for results, while balancing service quality, employee well being, and fiscal sustainability.

Performance measures support the Strategic Plan in the following ways:

- *Team Goals 1–4* are measured through workforce stability, engagement, and development indicators that ensure the organization has the capacity and capability to deliver services.
- *Service Goal 1* is measured through operational efficiency, asset management, and continuous improvement indicators that protect public investments and enhance service reliability.
- *Service Goal 2* is measured through service levels, participation, and satisfaction indicators that reflect access to parks, trails, facilities, and programs.
- *Service Goal 3* is measured through fiscal stewardship, sustainability, and long-range plan implementation indicators that support long-term organizational resilience.
- *Community Goals 1–2* are measured through perception, access, and partnership indicators that reflect community experience and expanded impact.



Together, these performance measures provide a clear line of sight between the Strategic Plan, annual budget decisions, and community outcomes. These performance measures apply across all departments, recognizing that every team contributes to shared outcomes and plays a role in achieving the district's key performance indicators.

Key Performance Areas (KPA)	Key Performance Indicator (KPI)	Definition	Target / Benchmark	Results																								
Team Goals 1-4	Employee Retention rates by employee type	The percentage of employees retained over a specific period, segmented by employee type (e.g., full-time, benefitted part-time)	Full time turnover rate- Less than 15% a year. We met this measure in 2025 and 2024 over 50% of the turnover was due to retirements	<table border="1"> <thead> <tr> <th rowspan="2">Calendar Year</th> <th colspan="2">Full Time Average</th> </tr> <tr> <th>headcount</th> <th>Turn over rate</th> </tr> </thead> <tbody> <tr> <td>2023</td> <td>137.6</td> <td>15.3%</td> </tr> <tr> <td>2024</td> <td>146.6</td> <td>19.8%</td> </tr> <tr> <td>2025</td> <td>152.7</td> <td>7.2%</td> </tr> </tbody> </table>	Calendar Year	Full Time Average		headcount	Turn over rate	2023	137.6	15.3%	2024	146.6	19.8%	2025	152.7	7.2%										
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	Employee Engagement/Sentiment	A measure of employees' emotional commitment, satisfaction, and motivation at work, derived from responses to an Employee Engagement Survey. This KPI reflects overall workforce sentiment and helps identify areas for improvement in workplace culture, leadership, and communication.	Overall Engagement is 50% and inline or better than other local government benchmarks. 2025 met the target and improved from 2022	<p>Engagement Levels</p> <table border="1"> <thead> <tr> <th>Benchmark</th> <th>Fully Engaged</th> <th>Somewhat Engaged</th> <th>Not Engaged</th> </tr> </thead> <tbody> <tr> <td>Private Sector Benchmark</td> <td>46</td> <td>24</td> <td>20</td> </tr> <tr> <td>Government Benchmark</td> <td>40</td> <td>40</td> <td>20</td> </tr> <tr> <td>Local Government Benchmark</td> <td>35</td> <td>38</td> <td>27</td> </tr> <tr> <td>Bend Park & Recreation District - 2022</td> <td>46</td> <td>46</td> <td>10</td> </tr> <tr> <td>Bend Park & Recreation District - 2025</td> <td>50</td> <td>15</td> <td>7</td> </tr> </tbody> </table>	Benchmark	Fully Engaged	Somewhat Engaged	Not Engaged	Private Sector Benchmark	46	24	20	Government Benchmark	40	40	20	Local Government Benchmark	35	38	27	Bend Park & Recreation District - 2022	46	46	10	Bend Park & Recreation District - 2025	50	15	7
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Service Goal 1: Maintain quality, clean and safety parks, trails and facilities	Optimize Play Impacts on District time and costs	Measures how effectively BPRD is identifying inefficiencies, reducing waste, and improving service delivery and track progress towards continuous improvement.	Year 1 (starting): 10–15% of priority processes improved Year 2–3 (building): 20–30% improved	Year one is FY2026- Future Measure																								
	Department Performance Measurement	Each department has its measurements of performance and look at them cumulatively for a total of benchmarks and targets met.	75% of benchmarks and target met	Creating and gathering future benchmarks for this measurement across the district																								

Key Performance Areas (KPA)	Key Performance Indicator (KPI)	Definition	Target / Benchmark	Results																
Service Goal 2: Support the recreational needs of an evolving community through programming, parks, trails and facilities	Total Developed Park Acreage	Level of service defined by the comprehensive plan.	Neighborhood and Community Parks 7.85 acres/1,000 people and 10acres/100 people for Regional Parks	<table border="1"> <thead> <tr> <th>Category</th> <th>Target Per 1,000 Persons</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Regional Parks</td> <td>10.00 ac</td> <td>10.71</td> <td>10.42</td> </tr> <tr> <td>Neighborhood & Community Parks</td> <td>7.85 ac</td> <td>7.64</td> <td>7.46</td> </tr> <tr> <td>Trails</td> <td>1.00 mi</td> <td>0.94</td> <td>0.92</td> </tr> </tbody> </table>	Category	Target Per 1,000 Persons	2024	2025	Regional Parks	10.00 ac	10.71	10.42	Neighborhood & Community Parks	7.85 ac	7.64	7.46	Trails	1.00 mi	0.94	0.92
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Trail Miles / Per 1,000 people	Level of service defined by the comprehensive plan.	1 mile of trail per 1,000 people																		
Public satisfaction of offerings	This indicator reflects resident perceptions of service delivery using the perception survey.	Have 75% satisfaction on the perception survey. Most Recent survey we reached 89%	<table border="1"> <caption>Satisfaction Levels</caption> <thead> <tr> <th>Satisfaction Level</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Very satisfied</td> <td>40.6%</td> </tr> <tr> <td>Somewhat satisfied</td> <td>47.9%</td> </tr> <tr> <td>Not at all satisfied</td> <td>7.0%</td> </tr> <tr> <td>Not too satisfied</td> <td>2.5%</td> </tr> <tr> <td>Satisfied (Total)</td> <td>88.5%</td> </tr> <tr> <td>Unsatisfied (Total)</td> <td>9.5%</td> </tr> <tr> <td>Unsure</td> <td>2.0%</td> </tr> </tbody> </table>	Satisfaction Level	Percentage	Very satisfied	40.6%	Somewhat satisfied	47.9%	Not at all satisfied	7.0%	Not too satisfied	2.5%	Satisfied (Total)	88.5%	Unsatisfied (Total)	9.5%	Unsure	2.0%	
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Service Goal 3: Steward fiscal resources, and further environmental and social sustainability	Overall General Fund cost recovery	Overall General Fund Cost Recovery measures the percentage of total operating expenses that are offset by revenue generated from fees, charges, and other non-tax sources, rather than being funded by the General Fund (i.e., taxpayer dollars).	Many agencies aim for 20–40% overall cost recovery for general parks and recreation services. We have remained on the high-end of this but rising costs have made it lower.	<table border="1"> <caption>Overall General Fund Cost Recovery</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>FY24 Actual</td> <td>44%</td> </tr> <tr> <td>FY25 Actual</td> <td>43%</td> </tr> <tr> <td>FY26 Estimated</td> <td>42%</td> </tr> <tr> <td>FY27 Budget</td> <td>41%</td> </tr> </tbody> </table>	Year	Percentage	FY24 Actual	44%	FY25 Actual	43%	FY26 Estimated	42%	FY27 Budget	41%						
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Key Performance Areas (KPA)	Key Performance Indicator (KPI)	Definition	Target / Benchmark	Results
Community Goal 1: Deliver positive patron and community experiences by offering services that are accessible, responsive to patron feedback, and welcoming to all	Whether the community perceives the district as welcoming and responsive.	This indicator reflects resident perceptions of welcoming using the perception survey.	75% of survey respondents who agree: "BPRD is welcoming to all". Most Recent survey we reached 92%	<p>92.3% 73.0% 19.3%</p> <p>5.5% 2.0% 3.5%</p> <p>2.3%</p> <p>Agree Disagree Unsure</p> <ul style="list-style-type: none"> Strongly agree Somewhat agree Strongly disagree Somewhat disagree
Community Goal 2: Expand and leverage collaborations to increase impact	Outreach partnerships to help reduce subsidy impact	Number of application for alternative funding and amounts received.	Determining our goals-since this varies with projects	<p>Intergovernmental, Grants, Contributions and Sponsorships</p> <p>6,000,000 5,000,000 4,000,000 3,000,000 2,000,000 1,000,000</p> <p>FY24 Actual FY25 Actual FY26 Estimated FY27 Budget</p>

CAPITAL IMPROVEMENT PLAN SUMMARY



Capital Summary

The Capital Summary outlines the district's planned investment in parks, trails, and facilities over the five-year period covered by the Capital Improvement Plan for fiscal years ending 2027 through 2031. The CIP provides a forward-looking framework for prioritizing infrastructure investments that support adopted service levels, strategic goals, and long-term financial capacity. Projects are evaluated using multiple inputs, including adopted planning documents, community feedback, level of service targets, asset condition, and available funding, ensuring capital decisions are both intentional and sustainable.

Together, these investments balance taking care of existing assets with making targeted improvements to serve a growing and evolving community. The adopted CIP document includes detailed project information, including funding sources and projected operating and maintenance impacts, and is available at www.bendparksandrec.org/CIP.

FY 27 is the first year of the CIP and the only year fully incorporated into the adopted budget. Projects scheduled for this year reflect near-term commitments and available resources, while the remaining years provide planning and forecasting guidance. The FY 27 CIP continues to emphasize asset sustainability, with a focus on capital maintenance and replacements that extend the useful life of existing facilities and infrastructure. In an environment of rising construction costs and constrained resources, the plan prioritizes disciplined project timing, flexible funding strategies, and scenario-based planning to manage risk while advancing priority projects.

Operating impacts are considered as part of both project evaluation and long-term financial planning. Many FY 27 projects involve replacement or rehabilitation of existing assets and are not expected to result in significant new ongoing operating costs. When projects do introduce future operating or maintenance impacts, these costs are incorporated into the five-year financial forecast and evaluated alongside existing operational demands. Overall, the FY 27 CIP is structured to remain manageable within current operating resources while avoiding the creation of unfunded ongoing obligations.

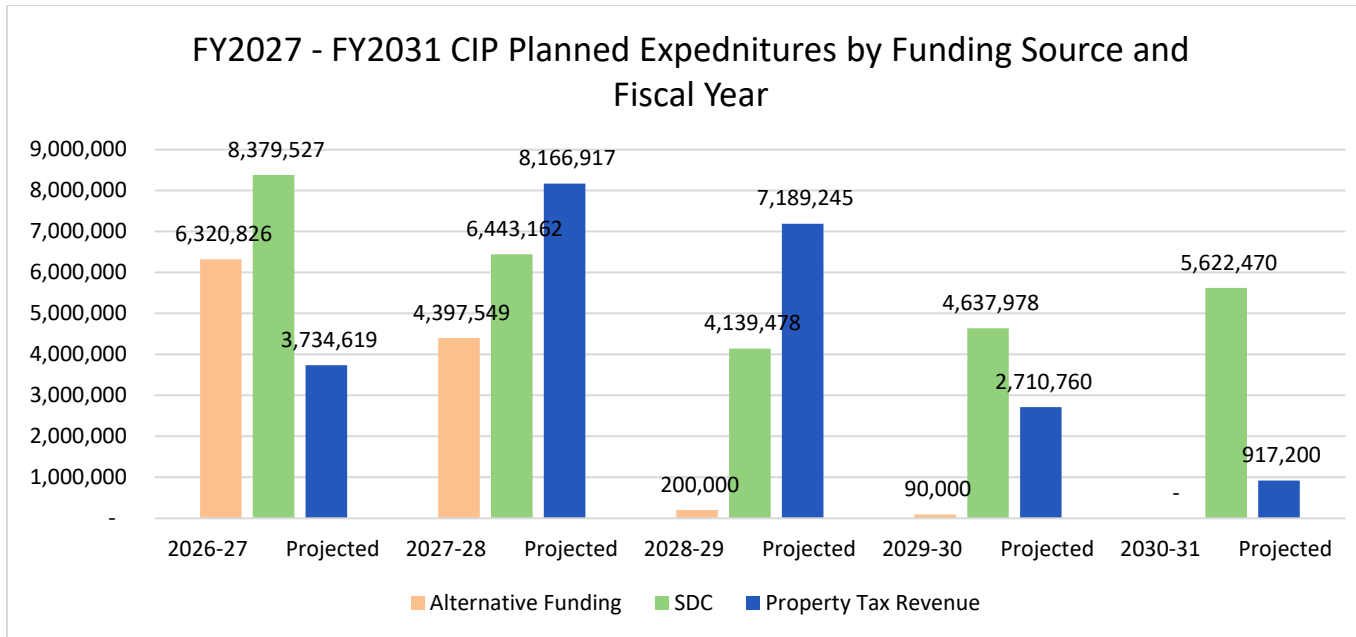
2025-26 Key Success

- Opening of a new neighborhood park in NW Bend, Manzanita Ridge Park
- Executing 3 Purchase and Sale agreements for new park land within the district
- Opening the new access areas at Millers Landing Park

2026-27 Key Goals & Objectives

- Opening the new Art Station at Larkspur Park

- Complete the phase 5 buildout of Pine Nursery Park
- Substantially complete the Columbia Park River Frontage work and Gilcrest Bridge replacement



Project Type	Funding Allocation							
	Approved Funding Allocation	Prior and Current Fiscal Years	Total FY 27-31	FY 26-27 Total	FY 27-28 Total	FY 28-29 Total	FY 29-30 Total	FY30-31 Total
Community Parks								
Pine Nursery Park Ph. 4 (Pending Partnership)	78,504	27,927	50,577	-	50,577	-	-	-
Pine Nursery Park Ph. 5	8,750,000	7,581,000	1,169,000	1,169,000	-	-	-	-
Sawyer Park	3,337,754	366,627	2,971,127	1,900,000	1,071,127	-	-	-
Total Community Parks	12,166,258	7,975,554	4,190,704	3,069,000	1,121,704	-	-	-
Neighborhood Parks								
Land Acquisitions	9,500,000	-	9,500,000	2,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Park Search Area 5 (Talline)	1,767,500	-	1,767,500	300,000	250,000	1,217,500	-	-
Park Search Area 11 (Discovery West Park/TH)	2,923,050	829,955	2,093,095	-	750,000	-	90,000	1,253,095
Park Search Area 14 (Parkside Place)(Bear Creek)	2,096,400	-	2,096,400	890,000	-	-	250,000	956,400
Park Search Area 24 (Stevens Ranch)	1,684,178	-	1,684,178	-	380,000	280,000	1,024,178	-
Park Search Area 27 (Constellation Crest)	1,175,000	-	1,175,000	-	-	-	825,000	350,000
Park Search Area 28 (Easton) (SE Area Plan)	2,128,763	270,625	1,858,138	216,000	1,587,138	55,000	-	-
Coulter Grove Park (Park Search Area 18)	2,000,000	253,081	1,746,919	998,460	748,459	-	-	-
Park Search Area 20 (Pinebrook Property)	1,500,000	315,820	1,184,180	200,000	550,000	434,180	-	-
Park Search Area 41 (Ponderosa Pines)	580,000	-	580,000	-	-	-	-	580,000
UGB Expansion Area (Caldera Ranch)	470,000	-	470,000	-	-	-	250,000	220,000
Total Neighborhood Parks	25,824,891	1,669,481	24,155,410	5,304,460	5,965,597	3,686,680	4,139,178	5,059,495
Trails								
DRT Galveston to Millers Landing	514,068	157,343	356,725	356,725	-	-	-	-
Riley Ranch Nature Reserve Bridge	25,000	-	25,000	-	-	-	-	25,000
DRT Putnam to Riley Ranch	155,000	440	154,560	-	-	40,000	114,560	-
DRT Kirkaldy to Putnam	63,100	3,662	59,438	-	-	9,438	50,000	-
Deschutes River Trail North Trailhead	320,000	-	320,000	-	20,000	280,000	20,000	-
Miscellaneous Trails	500,000	-	500,000	100,000	200,000	100,000	50,000	50,000
North Unit Irrigation Canal Trail (NUID)	512,000	390,061	121,939	121,939	-	-	-	-
COHCT Reed Mkt To Hansen Park	425,175	-	425,175	-	-	-	200,000	225,175
South UGB Access & Connections	300,000	70,000	230,000	230,000	-	-	-	-
Big Sky Trail (Hwy 20 Undercrossing 5)	50,000	-	50,000	50,000	-	-	-	-
Total Trails	2,864,343	621,506	2,242,837	858,664	220,000	429,438	434,560	300,175
Regional / Community Wide								
Art Station	5,525,000	3,625,144	1,899,856	1,899,856	-	-	-	-
Columbia Park Access Project	2,568,350	479,127	2,089,223	2,089,223	-	-	-	-
Natural Area Land Acquisition	1,700,000	11,040	1,688,960	1,688,960	-	-	-	-
Bend Whitewater Park Mani. & McKay River Access Project	15,300,000	339,395	14,960,605	1,401,407	-	10,559,198	3,000,000	-
SE Bend Regional Park Site (Rose Property)	4,650,000	4,254,282	395,718	395,718	-	-	-	-
Total Regional / Community Wide	29,743,350	8,708,988	21,034,362	7,475,164	-	10,559,198	3,000,000	-

Project Type	Funding Allocation							
	Approved Funding Allocation	Prior and Current Fiscal Years	Total FY 27-31	FY 26-27 Total	FY 27-28 Total	FY 28-29 Total	FY 29-30 Total	FY30-31 Total
Asset Management Projects								
Accessibility Improvements	625,000	-	625,000	125,000	125,000	125,000	125,000	125,000
Asset Management Projects (\$5,000-\$50,000)	890,000	-	890,000	250,000	250,000	160,000	130,000	100,000
Boyd Acres Shop - Park Services Complex	11,150,000	10,833,729	316,271	316,271	-	-	-	-
Skyline Field Renovation	445,688	305,688	140,000	140,000	-	-	-	-
Hollinshead Park ADA & Preferred Design	2,500,000	331,719	2,168,281	1,134,140	1,034,141	-	-	-
Ponderosa Park (North)	1,200,000	-	1,200,000	-	-	80,000	220,000	900,000
Pavilion Flooring Replacement	202,000	22,270	179,730	179,730	-	-	-	-
JSFC Outdoor Pool Cover Replacement and Renovation Project	10,591,941	100,755	10,491,186	300,000	10,191,186	-	-	-
Sylvan Playground Replacement	600,000	515,087	84,913	84,913	-	-	-	-
Providence Park Renovation	500,000	-	500,000	-	25,000	475,000	-	-
Larkspur Park Playground Renovation	500,000	50,000	450,000	450,000	-	-	-	-
Stover Park Renovation	1,200,000	-	1,200,000	-	100,000	300,000	800,000	-
Old Bend Gym - Wall Renovation	154,335	114,335	40,000	40,000	-	-	-	-
Columbia Park Playground Surfacing Replacement	75,000	-	75,000	-	75,000	-	-	-
Larkspur Center - Exterior Painting (Old Building)	53,000	-	53,000	53,000	-	-	-	-
Boyd Acres Shop - Replace Bldg. A HVAC Package Units	112,000	-	112,000	-	-	112,000	-	-
Larkspur Center - Replace AC #8	55,000	-	55,000	-	-	-	-	55,000
JSFC South Wing Roof Replacement	250,000	-	250,000	250,000	-	-	-	-
Total Asset Management Projects	31,103,964	12,273,583	18,830,381	3,323,054	11,800,327	1,252,000	1,275,000	1,180,000
Total CIP Funding Allocations	101,702,806	31,249,112	70,453,694	20,030,342	19,107,628	15,927,316	8,848,738	6,539,670



Bend Park & Recreation
DISTRICT

APPENDICES

Appendix A- Financial Forecast 2027-2031

**Appendix B- Fund Balance Analysis-
minimum fund balance setting**

Appendix C- Financial and Budget Policies

Appendix D- Glossary of Terms

**Appendix E- All Required Legal Postings and
Resolutions**



Appendix A- Financial Forecast FY2027 – FY2031

Presented to the Board at their Workshop 01/23/2026 (this just includes summary portions find the full report on our website)

Based on national, state and local economic indicators, our outlook is stable but cautious. While Deschutes County continues to outperform much of Oregon, the broader economic environment is less robust than in past decades, so the district should plan steady, not rapid, growth in participation and revenues. As we prepare the FY2026-27 budget (FY27), we are forecasting the district's financial health over the next five years at a high level, considering numerous factors and estimates along with key decision points that will guide how we conduct business and determine what projects to pursue, when and how.

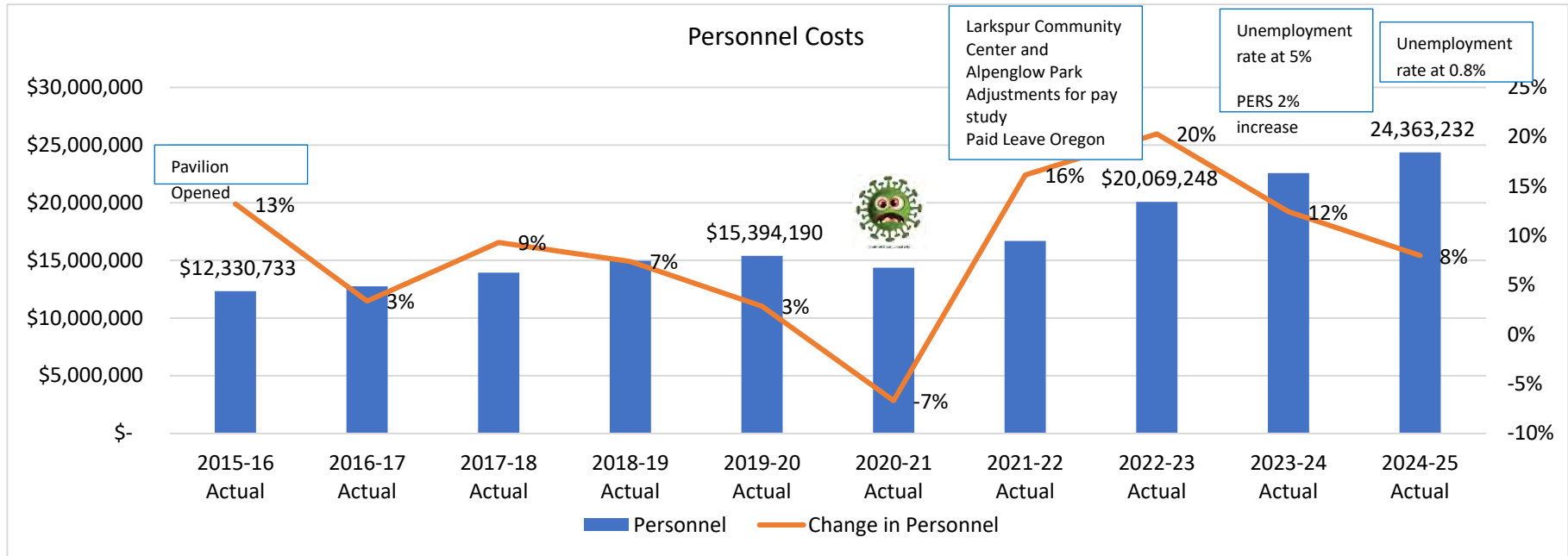
Fund balances play a crucial role and how we balance costs. A strong fund balance is essential because it provides the financial stability Here is what is ahead in the financial forecast: We begin by outlining the Beyond Budget scenario, which illustrates the gap between our aspirations and what current resources can support. This scenario assumes we will continue operating as-is without adjustments over the next five years. Next, we review major cost drivers including personnel, trends in cost recovery and scholarship demand, materials and services, and the Capital Improvement Plan. Finally, we present three practical scenarios: Alternative Pathways, Integrated Play and Transitional Plan, each offering different approaches to funding priorities, managing capital projects, and maintaining fiscal sustainability.

Personnel Costs

Personnel costs represent the largest and most dynamic component of the district budget, reflecting our commitment to attracting, developing and retaining a talented and dedicated workforce. Employees are our greatest asset and supporting them is central to our mission of delivering high quality parks, recreation programs and community services. Over the past several years, the district's workforce has grown significantly to meet rising service demands and community expectations. Staffing levels have increased, with a diverse mix of full-time, part-time, seasonal and temporary employees. This growth, combined with ongoing efforts to remain competitive in the labor market, has resulted in substantial increases in personnel costs.

The graphs on the next page show that district personnel costs are increasing at a faster rate than property tax revenues, creating ongoing budget pressure. Factors such as higher wages, benefit costs, turnover and the need for specialized skills all play a role. High turnover rates, especially among part-time and seasonal staff due to the nature of the district's operations, plus recent retirements, add to recruitment and

training expenses. Overall, the local labor market is cooling, making the environment less competitive than in recent years. We should continue to focus on being competitive with the market but the need to lead the market to draw talent is less of an issue than it was immediately post-pandemic.



	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
COLA	2.3%	1.1%	2.6%	2.8%	2.5%	Comp and Pay equity adjustments and 1.2% for employees present for COVID		8.1%	5.0%	4.0%	2.50%
Merit	0-3%	0-3%	0-3%	0-3%	0-3%			0%	0-3%	0-3%	0-3%

The district has started work on the Compensation Study and Oregon Pay Equity Analysis. The methodology for the compensation study portion of the project includes looking at similar positions at comparable agencies to measure the competitiveness of the district’s pay and benefits. The district has reached out to agencies in Oregon, Washing, Idaho, California and Colorado to gain insight into pay and benefit

practices. In addition to these agencies, the district is using two compensation aggregator tools, CompAnalyst and Economic Research Institute (ERI), to provide aggregate compensation data from local government agencies with similar demographics to ours.

For all financial forecast scenarios, we have based personnel cost assumptions (shown below) on minimal staff increases necessary to accommodate the district’s population growth.

	FY26	2026-27	2027-28	2028-29	2029-30	2030-31
Payroll Factors	Budget	Projected	Projected	Projected	Projected	Projected
Performance	3.00%	3%	3%	3%	3%	3%
COLA – FY27 pay study impact	2.50%	6%	3%	3%	3%	3%
Health Insurance	7.50%	12%	12%	12%	12%	12%
PERS increase	2.00%	0%	2%	0%	2%	0%
Dental/vision	2.30%	3%	3%	3%	3%	3%
Workers comp	3.00%	2%	2%	2%	2%	2%
PFMLA	1.00%	1%	1%	1%	1%	1%
Unemployment	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%

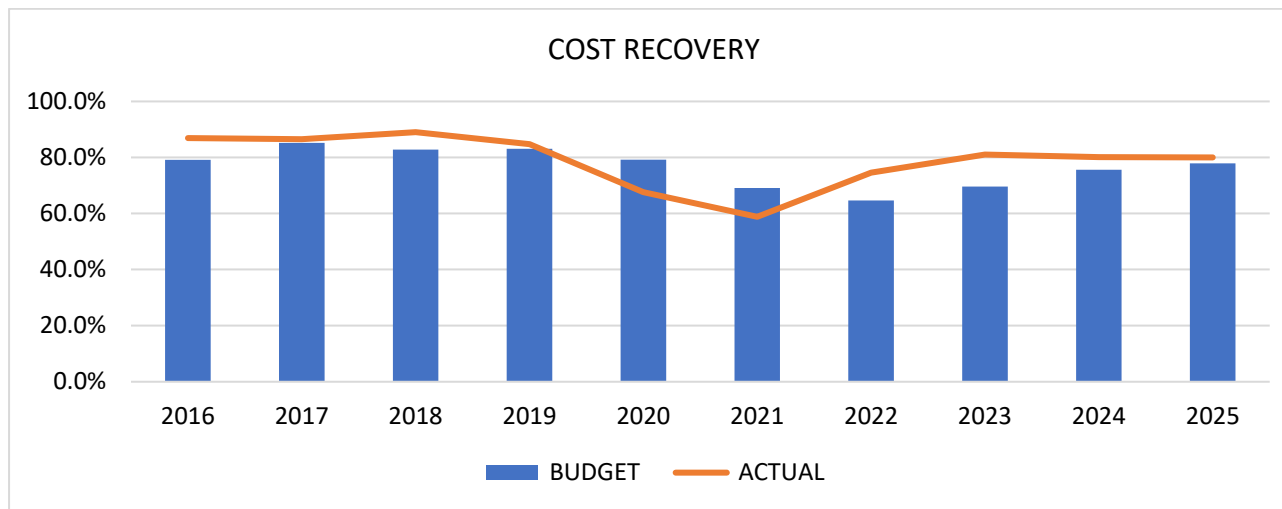
Looking ahead, careful workforce planning and ongoing evaluation of staffing needs will be critical. The district will continue to balance service expectations, fiscal responsibility and the realities of the labor market. Strategic investments in our people will remain a priority but must be managed within the context of available resources and long-term sustainability.

Cost Recovery

Cost recovery is a foundational principle for the district, guiding how we balance user fees and tax support to deliver accessible, high-quality recreation services. Our board-approved policy establishes clear expectations for how much each program’s cost should be offset by fees, with the remainder supported by tax subsidy. This approach ensures that services with broad community benefit remain affordable, while those with more individual benefit are primarily funded by participants. All programs fall into one of the following: Core, Complimentary, Specialized, Private Benefit.

Cost recovery development involves a broad range of financial factors, including personnel expenses, administrative support, facility costs, scholarship allocations, and materials and supplies. These elements collectively inform us of the fees we set for our programs. As a result, changes such as fee adjustments or shifts in personnel costs can significantly impact cost recovery calculations.

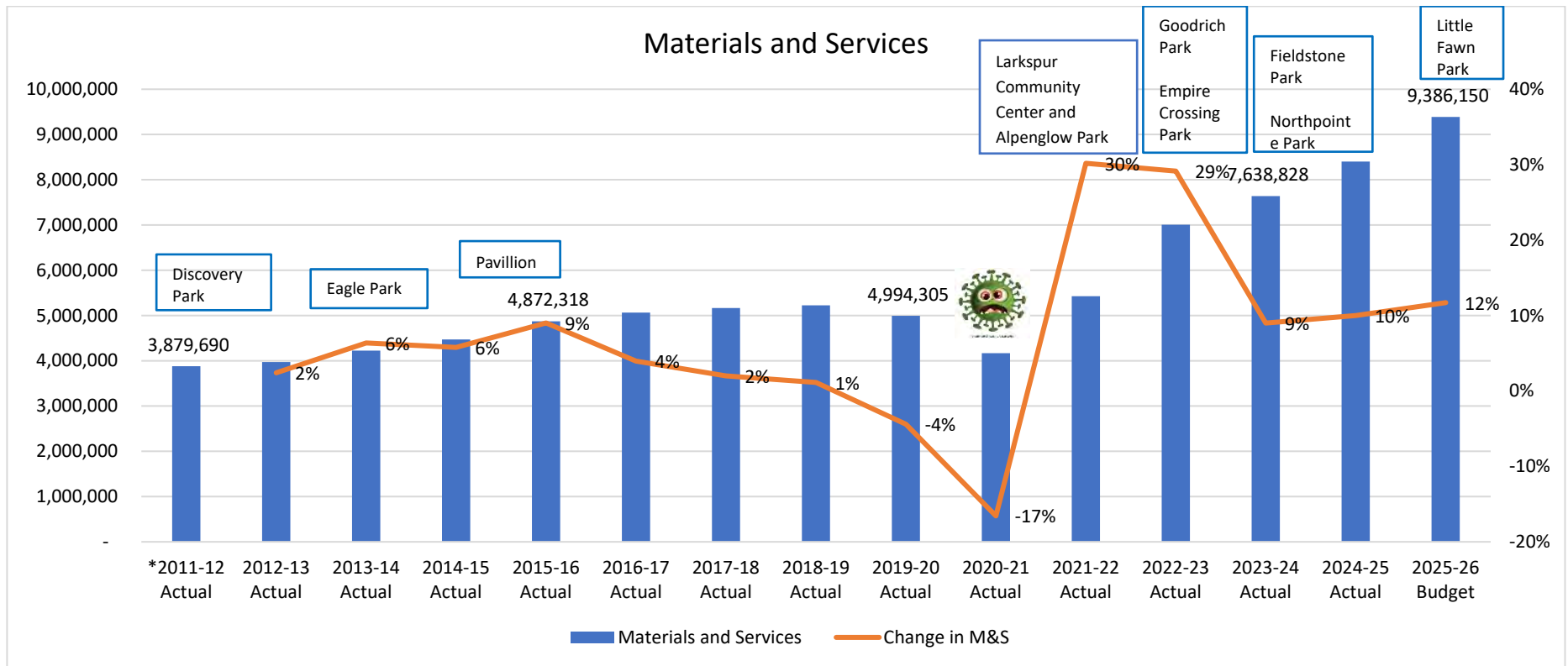
Historically, the district has maintained cost recovery levels near 80 percent (see graph on the following page). However, the rising cost of doing business, especially increased personnel expenses and growing demand for scholarships and inclusion services, means it is unlikely we can sustain this level. There is a limit to how high we can raise fees, as excessive increases may make the programs too costly for people to afford. Additionally, the current scholarship program now accounts for six percent of revenues and has quadrupled in cost since the pandemic, while inclusion-support hours have nearly doubled, further increasing the need for more tax support.



Our cost recovery model determines the level of subsidy required for Recreation. With the addition of the Larkspur Community Center, the district’s subsidy increased. While we have exceeded budget projections, several factors have driven additional subsidy needs, most notably increased scholarship funding and expanded service hours in Therapeutic Recreation and Inclusion programs.

Materials and Services Costs

As we prepare for the upcoming fiscal year, rising costs for materials and contracted services are another driver of budget pressure, compounded by noncontrollable expenses such as utilities and general liability insurance. These increases, along with inflationary trends across all sectors, present significant challenges to maintaining cost stability. Every department will feel the impact as procurement and service costs continue to climb, requiring thoughtful planning and disciplined execution.



The district has experienced significant growth in facilities, land acquisitions, trails and park development. While this progress benefits our community, it also drives up material and service costs, compounded by overall inflation. Certain expenses such as **utilities and insurance** are beyond our control and have seen substantial increases, as shown in the next two graphs. For example, liability insurance is projected to rise

another 12%, even after we raised our deductible last year to keep the increase just under 17%. Over the past 10 years, our liability costs have more than doubled, even with our consistently stable and positive claim experience.

Capital Improvement Plan

Capital planning is at the heart of our district’s ability to maintain quality services, address growth and capacity, and ensure our infrastructure keeps pace with community needs. The coming years present a complex landscape: large projects such as the JSFC Pool Cover, Whitewater Park, Old Bend Gym, and Boyd Acres Park Services shop are competing for limited resources, while ongoing capital maintenance and equipment needs continue to grow as our assets age. The cost of doing business is outpacing available resources, which limits and, in some scenarios, may eliminate our capacity to fund essential capital maintenance projects. We must also consider the timing and sequencing of projects, balancing immediate needs with long-term sustainability.

Scenario planning is central to our approach this year. Each scenario is designed to highlight tradeoffs, whether it is sustaining transfers to the Facility Reserve, leveraging SDC reimbursement, or pursuing new funding sources.

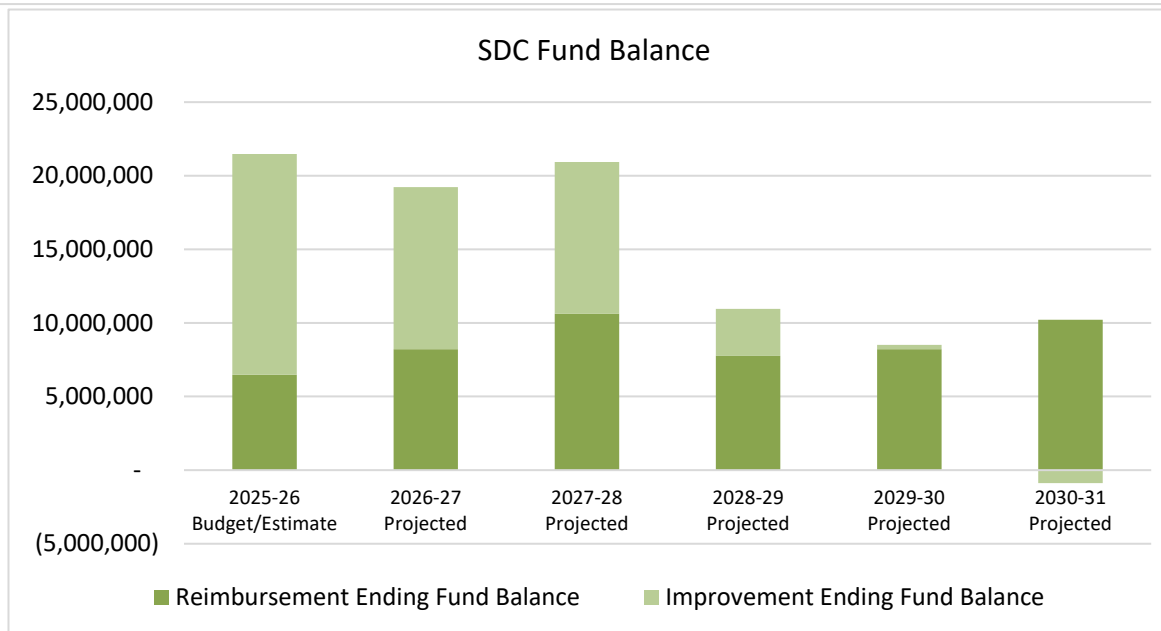
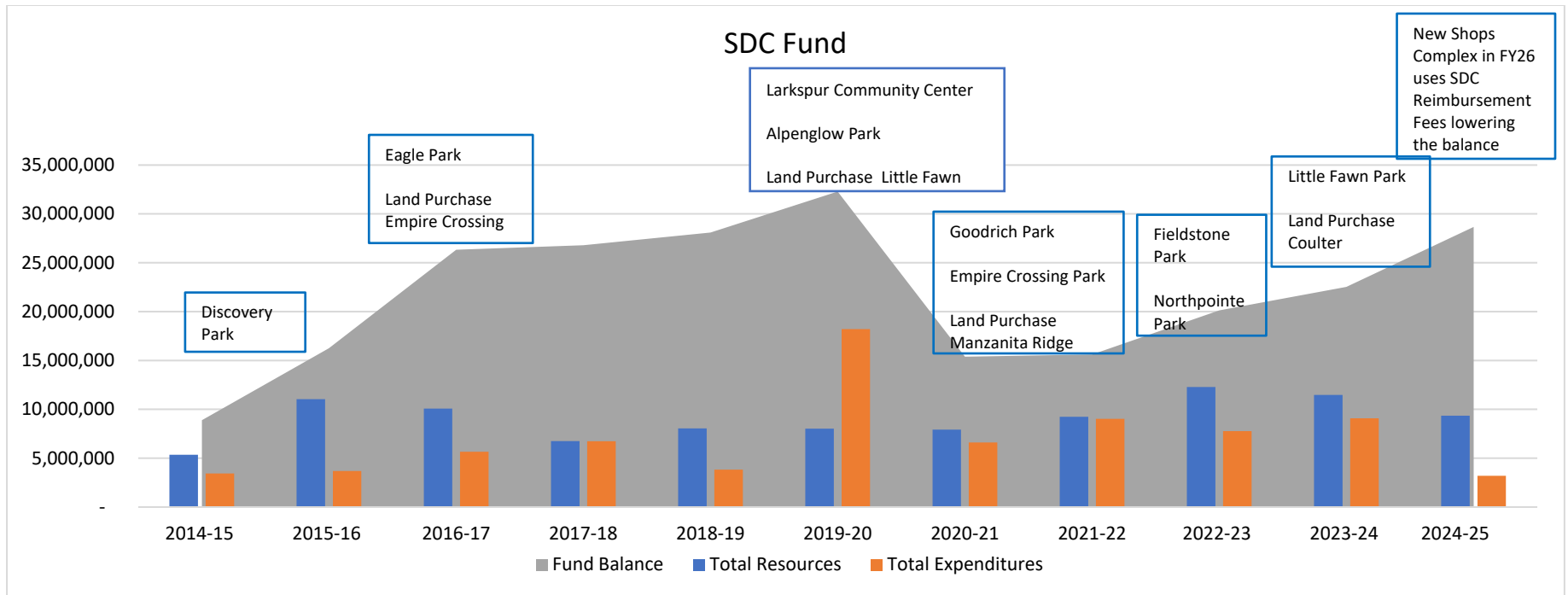
SDC

The SDC Fund supports the acquisition and development of our community’s park system, with funding generated from fees on new residential development. Because SDC revenue can fluctuate significantly, we use an average of historical changes and closely monitor downturns and recoveries to inform our forecasts. We also regularly review the development pipeline and consider potential adjustments to future plans. Recent updates to our SDC methodology now allow a greater portion of SDC funds to be classified as reimbursement funds, which offer more flexibility and can be used for a broader range of projects.

Except for the “Beyond Budget” scenario, the other CIP scenarios show a shift in project timing with SDC funded projects spaced out over more time. Reflecting a more accurate representation of the historic pace of projects. This adjustment to timing also:

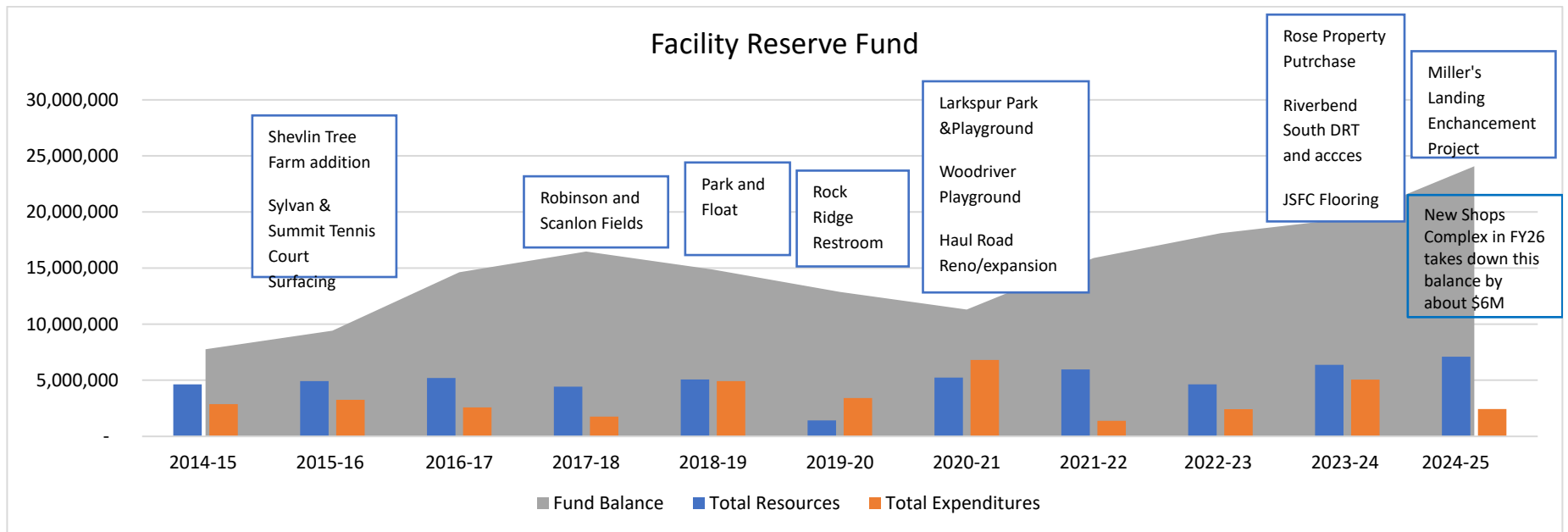
1. Aligns workload with staff capacity in Planning & Development.
2. Moderates the addition of new assets, allowing Park Services to better estimate the timing and costs for new staffing, equipment and materials, which are funded by the general fund.

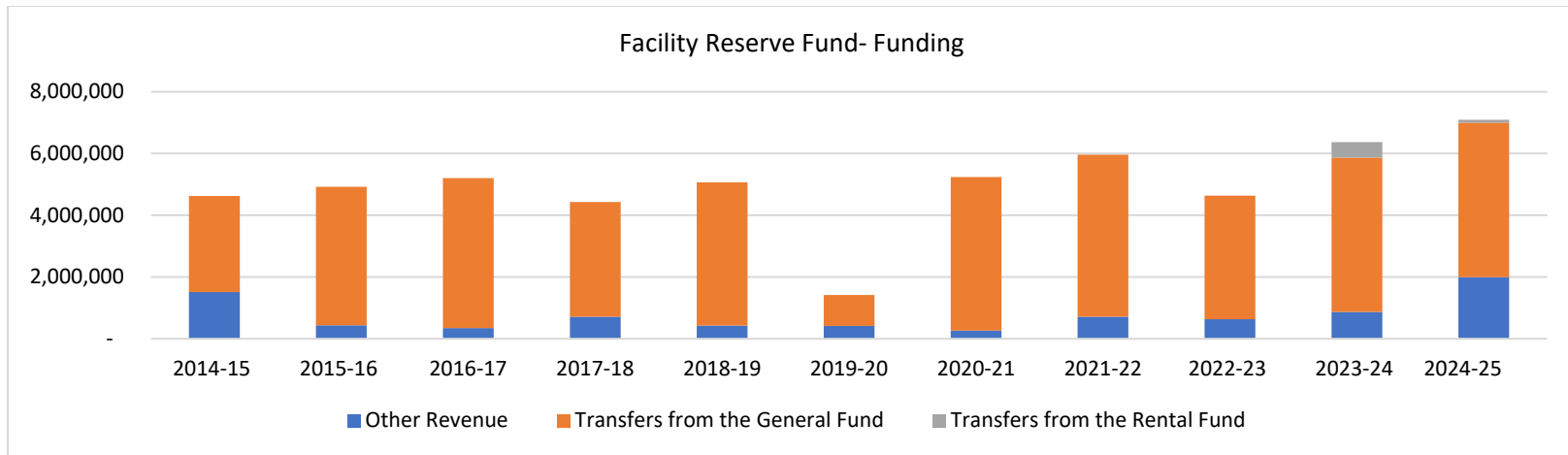
Other key differences to the CIP are modest reduction in funding for land acquisition and miscellaneous trials. While the scenarios maintain funding for these CIP line items, a more realistic value has been assigned throughout the CIP horizon based on historic usage.



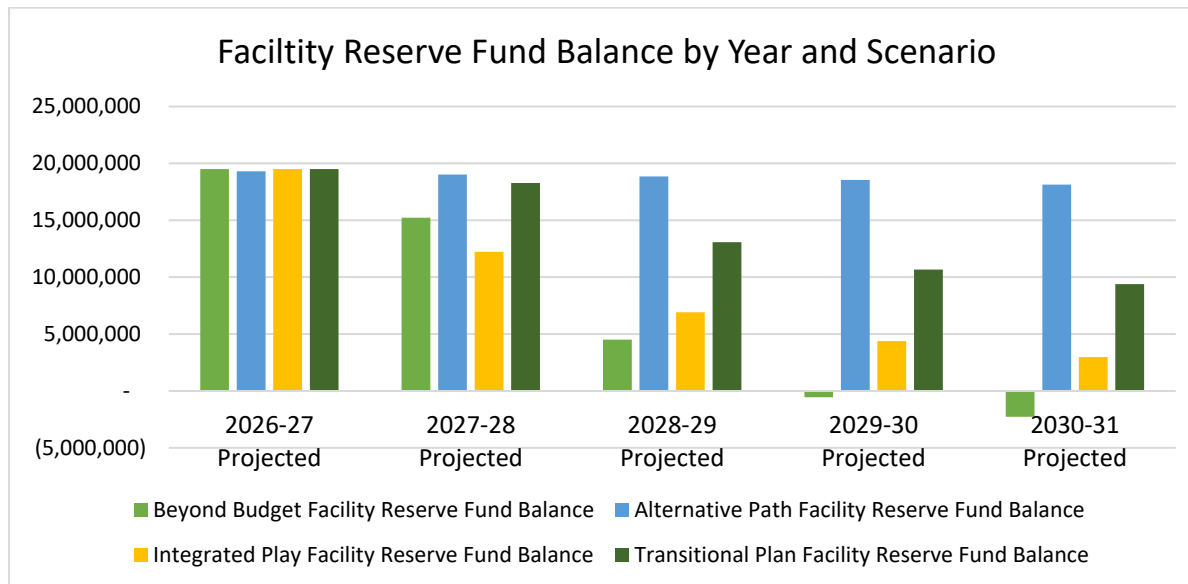
Facility Reserve

The Facility Reserve Fund is dedicated to maintaining and redeveloping the district’s existing parks, trails, and buildings. Its principal revenue source is transfers from the General Fund, supplemented by investment income, grants, and contributions. Most expenditures from this fund support facility projects and asset management, all guided by the district’s five-year Capital Improvement Plan. This fund is highly dependent on general fund dollars, which are becoming increasingly limited as the cost of doing business rises. Many essential maintenance projects do not qualify for grant funding and only for some SDC reimbursement funds, making it more challenging to keep up with the needs of our aging infrastructure. Careful planning and prioritization are critical to ensure our facilities remain safe, functional, and responsive to community needs.





The different scenarios have different impacts on this fund’s ability to address repair, replacement and major maintenance projects and in some scenarios, it is hard to make debt payments. This means that the General fund would have to make up the difference with cuts to operational costs.



Scenarios in detail

The scenario section of this forecast presents options for moving the district forward, using consistent assumptions for employee costs and materials and services. Each scenario is designed to provide a fair comparison and highlight the key decisions facing the board and community. The Beyond Budget scenario provided at the beginning includes full funding for compensation and classification, scholarships at six percent of revenues, and all major capital projects advancing at the traditional pace. However, the financial requirements of this scenario far exceed available and projected resources, making it an unrealistic option. For this reason, the details of the Beyond Budget scenario are not included in this section.

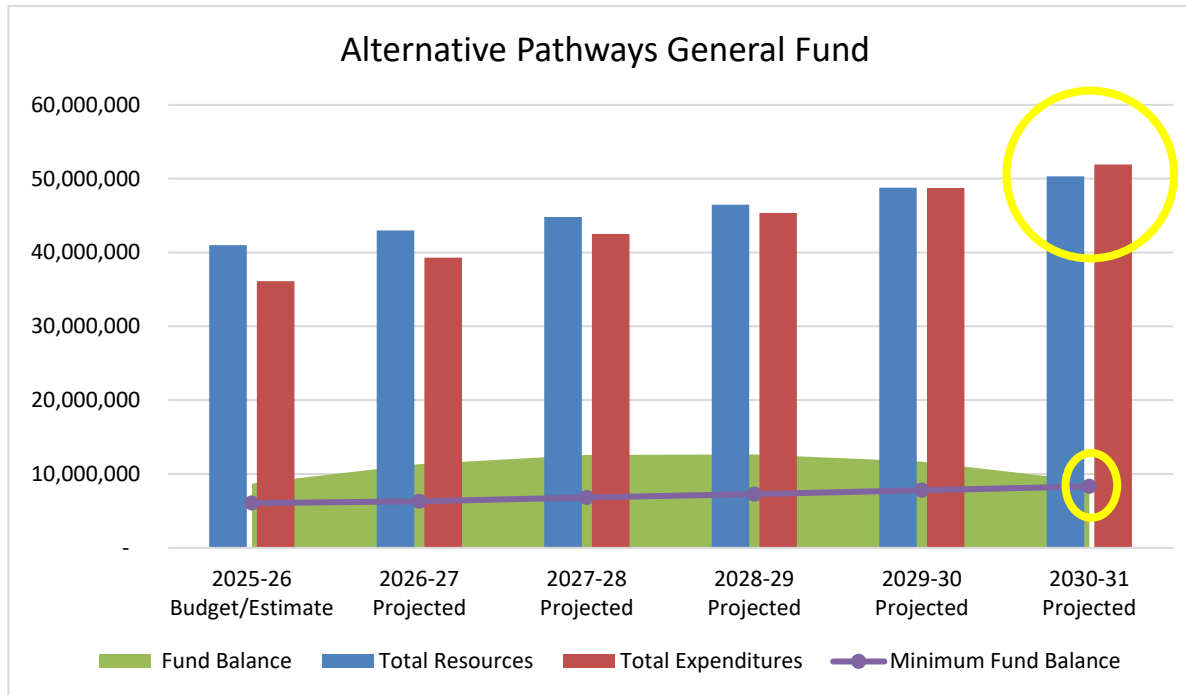
Attention is focused on three viable paths: **Alternative Pathways, Integrated Play and Transitional Plan**. All scenarios maintain scholarships at approximately \$700,000, a reduction of inclusion support hours, and utilize a mix of funding sources to support major projects such as the Bend Whitewater Park project, Old Bend Gym and JSFC renovation. The Alternative Pathways scenario depends on voter approval for new bond funding, which may be challenging given the current economic conditions. The Integrated Play scenario employs SDC reimbursement funds and a smaller loan for JSFC, requiring careful management of future capital maintenance funding. The Transitional Plan scenario replaces the JSFC pool cover with the least expensive temporary solution, reducing immediate financial pressure but will require future investment for a permanent solution within the next five to ten years.

All scenarios assume the same personnel levels and material and service costs. Each includes minimal staff growth to accommodate overall growth. By year five, in every scenario we are unable to transfer funds to the Facility Reserve, expenditure exceeds available resources, and we fall below the minimum fund balance requirement. This highlights the need to continue identifying cost savings and explore delaying staff expansion through improved work efficiency and moderating system growth. All scenarios also assume a more controlled scholarship policy, capping the amount at approximately \$700,000. The primary differences between scenarios lie in the funding allocated for capital maintenance projects.

Alternative Pathways Scenario - Ambitious plan — delivers most priorities, contingent on voter-approved bond funding.

The Alternative Pathways scenario outlines a bold approach that delivers most of our district's priorities but relies on the successful passage of new voter-approved bond funding. This plan includes every major project and initiative under consideration, from compensation and scholarship commitments to capital improvements like the Bend Whitewater Park project, Old Bend Gym and JSFC Renovation. However, the feasibility of this scenario is entirely dependent on community support at the ballot box.

Securing voter approval for additional funding presents challenges with an existing bond levy in place until 2033, taxpayers would be responsible for overlapping payments from 2029 through 2033. This overlap could make it more difficult to gain the necessary support for new funding, as residents weigh the impact on their household budgets. We **DO NOT have a plan for specific projects yet**, but we know some of our immediate project needs. For purposes of discussion, we are looking at a hypothetical bond totaling \$50 million.



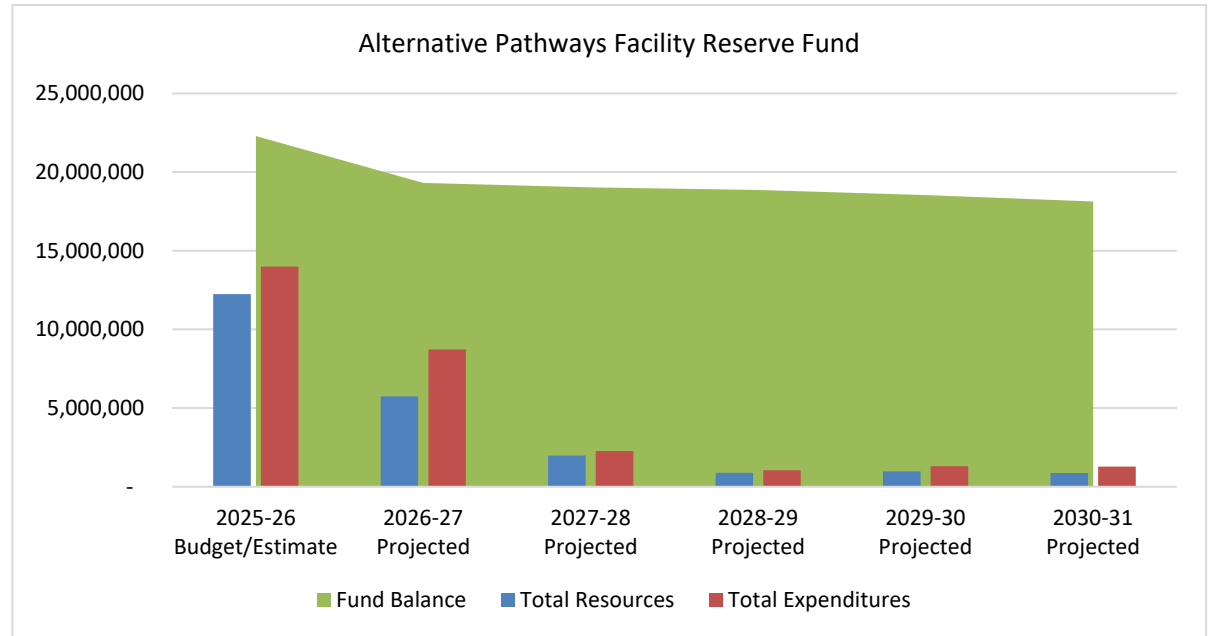
Alternative Pathways	
General Fund Assumptions	
Personnel	Staffing grows and room for additional funding to address pay study
Scholarship	Steady around \$700k
JSFC Funding Approach	\$11.4 million option 1 funded with a bond
Whitewater Park Funding Approach	Full funding with Bond
Other	Othe projects can be funded with bonds

Under the Alternative Pathways Scenario, the general fund continues to experience the effects of rising costs of doing business; however, the impact is less pronounced than in the Beyond Scenario. This improvement is driven primarily by a reduced subsidy requirement for Recreation services, supported by maintaining steady scholarship caps and lowering inclusion funding levels. While cost pressures remain, these adjustments collectively lessen the draw on the general fund compared to the more resource-intensive Beyond budget scenario.

Under the Alternative Pathways scenario, the General Fund continues to maintain its required minimum balance until year five. Unlike the Beyond Budget scenario, where it must backfill deficits, the district benefits from additional Facility Reserve Fund balance generated through outside capital funding and project pacing.

Because the Facility Reserve Fund remains healthier in this scenario, it can support the General Fund on a one-time basis for needs such as capital repairs, reducing pressure on operating resources. This extra reserve capacity strengthens overall financial flexibility and helps preserve long-term stability by supplementing the General Fund, for one-time expenditures, rather than draining it.

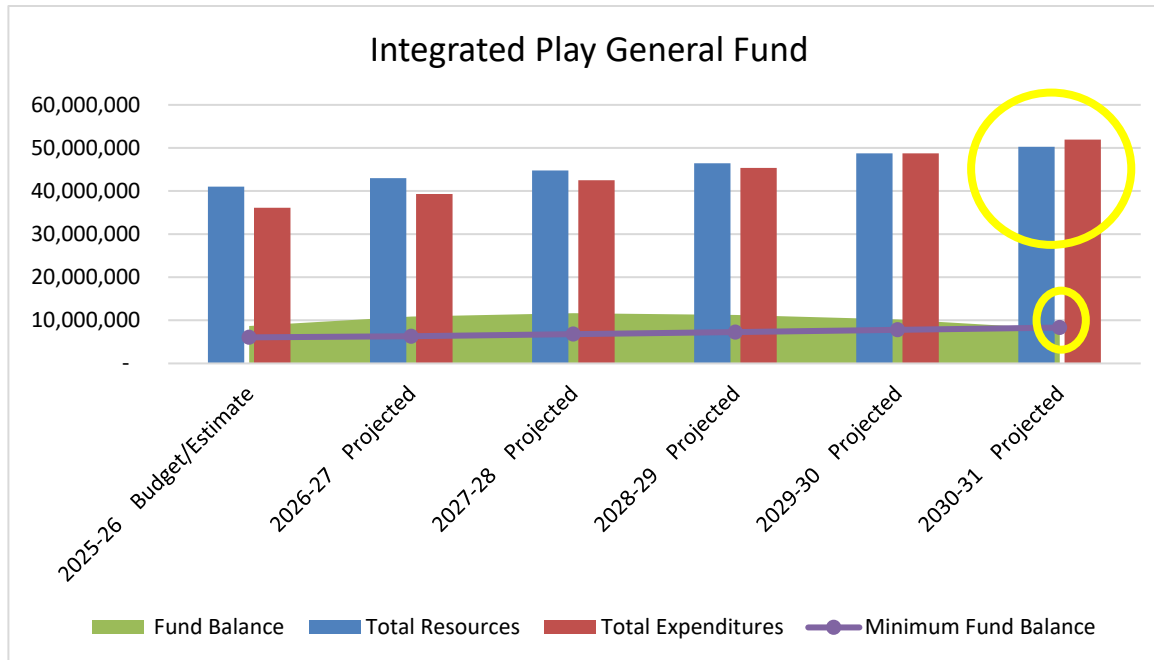
While the Alternative Pathways scenario allows us to pursue an ambitious vision for the district, it also highlights the importance of strategic communication and community engagement. We will need to be transparent about the tradeoffs, clearly articulate the benefits, and work collaboratively to build trust and understanding with our voters. Only with broad community backing can we move forward with this level of investment in our facilities, programs and services.



Integrated Pathway Scenario - Practical approach — meets core needs through diversified and sustainable funding options.

The Integrated Pathway scenario offers a balanced and realistic strategy for meeting our district’s core needs. This approach combines multiple funding mechanisms to support essential projects, including the pay plan, Bend Whitewater Park project and JSFC renovation. This scenario will show both options of the full Juniper pool cover structure project (\$11.4 million) and the modern fabric structure (\$9.2 million). By utilizing SDC reimbursement funds and securing a smaller loan, we can move forward with these priorities while maintaining a focus on long-term sustainability.

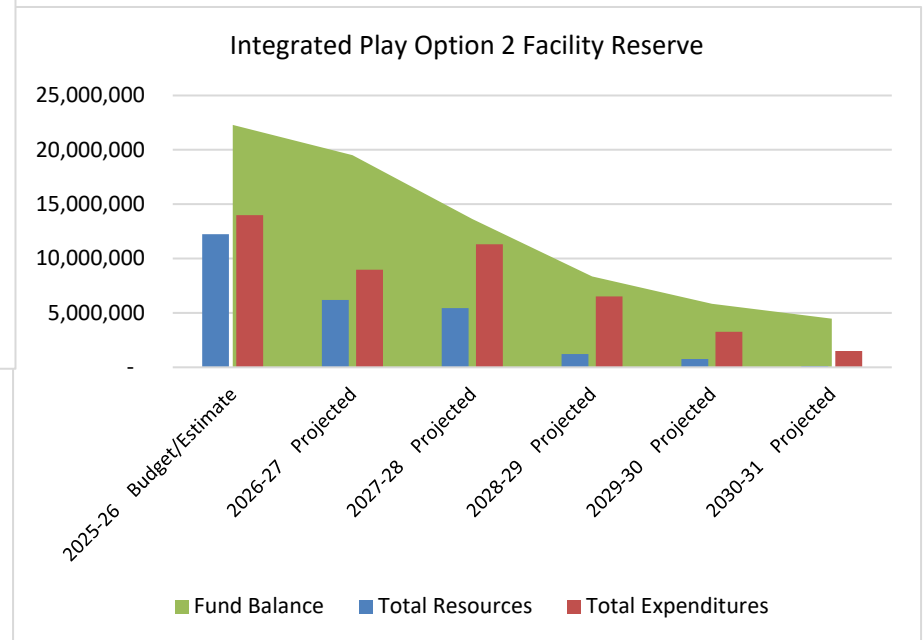
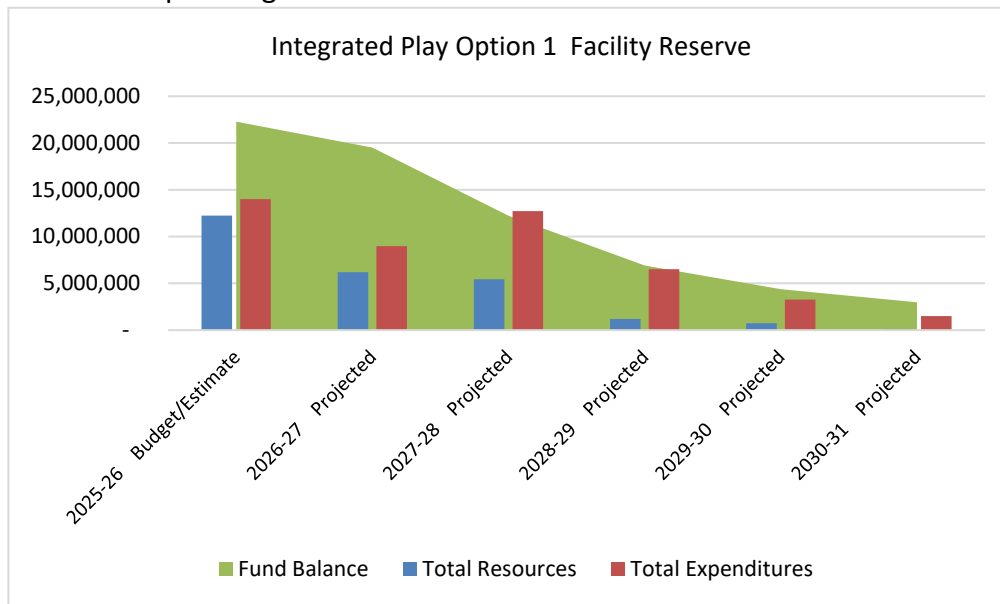
This scenario recognizes the importance of diversified funding and careful resource management. While the smaller loan will require us to dedicate some future capital maintenance funding to debt service, it allows us to address immediate needs without overextending our financial commitments. The result is a practical plan that delivers our most critical objectives and preserves flexibility for future investments.



	Integrated Play
General Fund Assumptions	
Personnel	Staffing grows and room for additional funding to address pay study
Scholarship	Steady around \$700k
JSFC Funding Approach	\$11.4 M option 1 and \$9.2M Option 2 both funded with Facility
Whitewater Park Funding Approach	Half facility reserve fund and half SDC Reimbursement funds

Under the Integrated Play Scenario, the general fund experiences the same rising costs of doing business, yet the impact is moderated compared to the Beyond Scenario. This is due to the reduced recreation subsidy achieved by holding scholarship caps steady and lowering inclusion funding. While cost pressures persist, these adjustments similarly ease the general fund burden relative to the more resource-intensive Beyond Budget scenario.

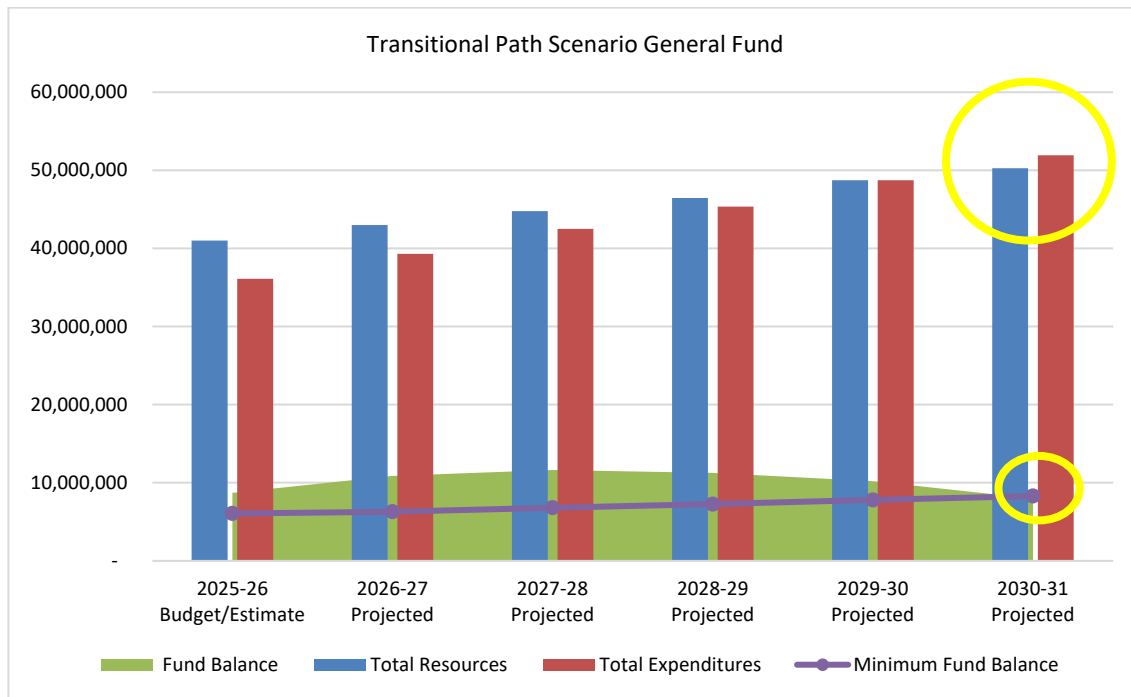
Option 1 preserves some fund balance for future loan payments and targeted improvements, while Option 2 provides an additional \$1.4 million for upcoming maintenance needs.



This integrated approach allows us to support growth, maintain service quality, and invest in essential infrastructure, all while keeping our financial foundation strong. Continued collaboration and ongoing evaluation will be critical as we implement this scenario and adapt to evolving needs and opportunities.

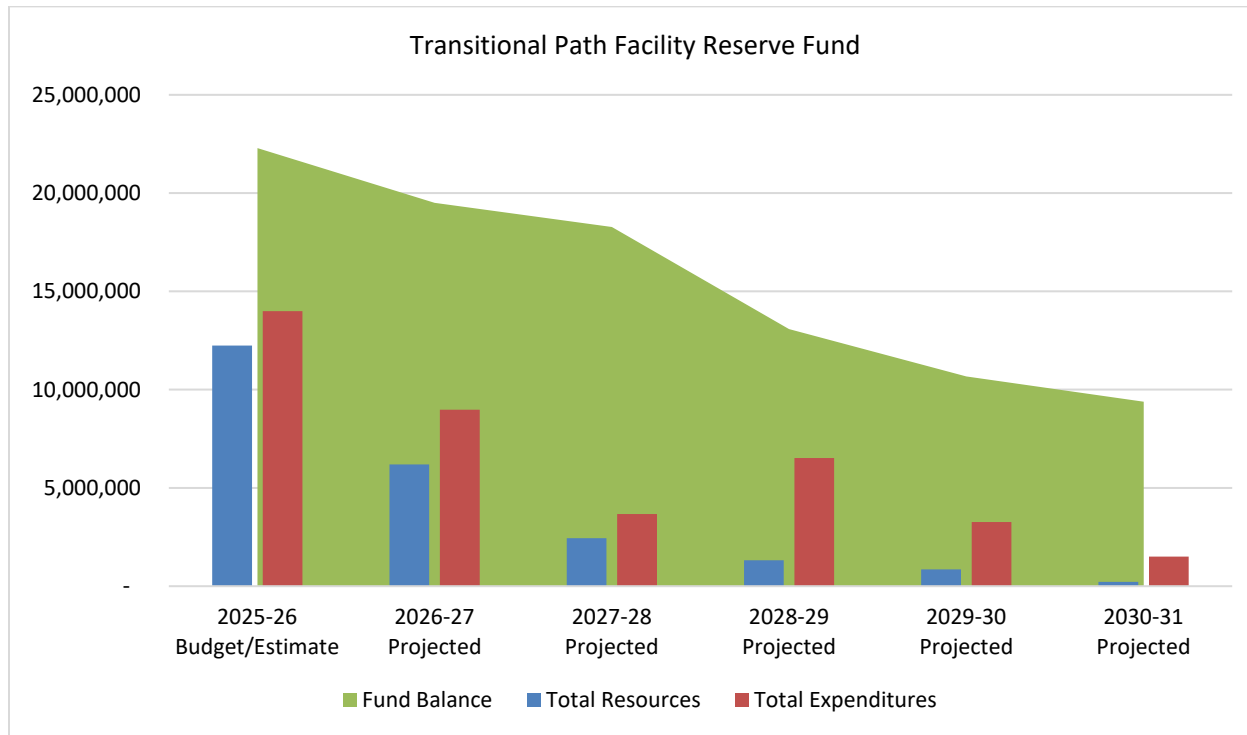
Transitional Plan Scenario- transitional approach until a long-term solution is feasible.

The Transitional Plan Scenario represents a transitional approach that addresses immediate needs while deferring a full-scale investment until a long-term solution becomes feasible. This scenario includes the same baseline assumptions for employee costs and materials and services as other options and maintains scholarships at approximately \$700,000. Major projects such as the Bend Whitewater Park project remain in scope, but the JSFC pool cover is replaced with a lower-cost temporary option rather than full renovation.



	Transitional Plan
General Fund Assumptions	
Personnel	Staffing grows and room for additional funding to address pay study
Scholarship	Steady around \$700k
JSFC Funding Approach	\$1.6M to restore fabric and other projects from facility reserve fund
Whitewater Park Funding Approach	Half facility reserve fund and half SDC Reimbursement funds

The Transitional Plan scenario, the general fund experiences the same rising costs of doing business, yet the impact is moderated compared to the Beyond Budget Scenario. This is due to the reduced recreation subsidy achieved by holding scholarship caps steady and lowering inclusion funding. While cost pressures persist, these adjustments similarly ease the general fund burden relative to the more resource-intensive Beyond Budget scenario.



This strategy reduces upfront financial pressure and preserves flexibility for future planning, while still supporting core service levels and community priorities. The tradeoff is that the temporary solution will require additional investment later, making this scenario a short-term fix rather than a permanent resolution and delaying the expense for five to ten years (possibly in line with the expiration of our current bond in 2033).

Comparison

Below is an overview of the four budget scenarios under consideration, each reflecting different strategies for balancing operational needs, capital priorities, and long-term financial stability.

Scenario	Summary	Advantages, Opportunities and Value-adds	Disadvantages, Challenges and Trade-offs
Beyond Budget	GF-Growth staffing, Pay study, and 6% Scholarship. JSFC Project funded with FR fund and \$6M loan. Whitewater FR fund Funding.	Funding scholarships as our revenue grows and funds major projects.	NOT AFFORDABLE - General fund operations need to be cut lowering the level of service in areas.
Alternative Pathways	GF-Growth staffing, Pay study, and 700k scholarship. Major projects funded with bond.	Leaves room to adjust in the general fund without major changes. Major projects are funded through a bond leaving a sizeable balance in the FR fund for future repair and maintenance needs.	Must be voter approved; we need a backup plan if a bond were to fail.
Integrated Play	GF-Growth staffing, Pay study, and 700k scholarship. JSFC Project funded with FR fund and \$3M loan. Whitewater FR/SDC reimbursement split.	Leaves room to adjust in the general fund without major changes. Gets major projects funded and leaves enough for some maintenance (more with Option 2 than Option 1). Option 2 has less time shut down than Option 1.	Takes up a lot of the FR funds savings and the amount that we can transfer from the GF is getting smaller with the rise in operational costs.
Transitional Plan	GF-Growth staffing, Pay study, and 700k Scholarship. JSFC Project is just an update of fabric. Whitewater FR/SDC reimbursement split.	Leaves room to adjust in the general fund without major changes. Whitewater Park funded and Juniper Pool cover delayed potentially until a bond aligned with the 2033 expiration of the current bond levy. Less impact on operations.	The Pool cover will need to be addressed again within 10 years. Uncertainty of existing structure, but hopefully with ongoing repairs it remains.

Appendix B- Fund Balance Analysis

Background

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

The Board adopted Resolution 2023-04 on May 2, 2023, setting the fund balance policy. The policy requires a risk analysis to be done each budget year to set the minimum fund balance.

For the FY25 budget we reviewed GFOA’s best practice, and its referenced material, as well as GFOA case studies and examples of polices from other local governments. We performed analysis to determine factors for the appropriate level. When looking at our reserve, we followed GFOA’s methodology. Keeping in mind that the analysis is based more on cities and counties than special districts. We are recommending again the following minimum reserve:

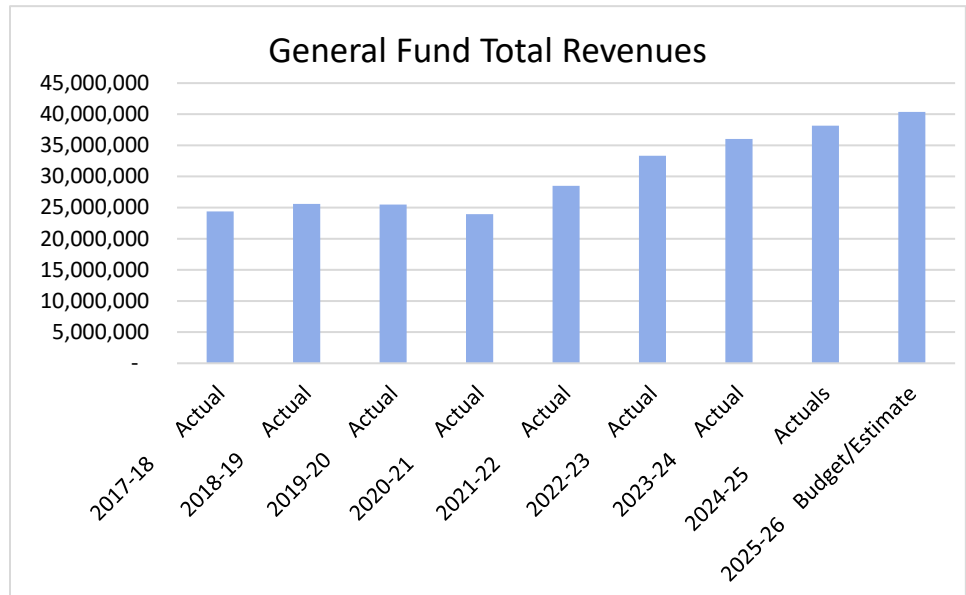
General Fund: Minimum fund balance to be reserved should be 90 days of Recreation operating expenditures since a large portion is covered by charges for services and 30 days of the rest of the operating expenditures since these are covered by property tax revenue.

Analysis – General Fund

Using GFOA’s best practice and their own analysis, we examined the district’s risk factors in regards to the General fund and reviewed are capital plans five-year forecasts. We reviewed revenue volatility, infrastructure upkeep, Vulnerability to Extreme Events and Public Safety Concerns, Expenditure Volatility and Growth of the Community. With the recent pandemic and growth of the district have emphasized the importance of fund balances for our district in our General fund and capital funds.

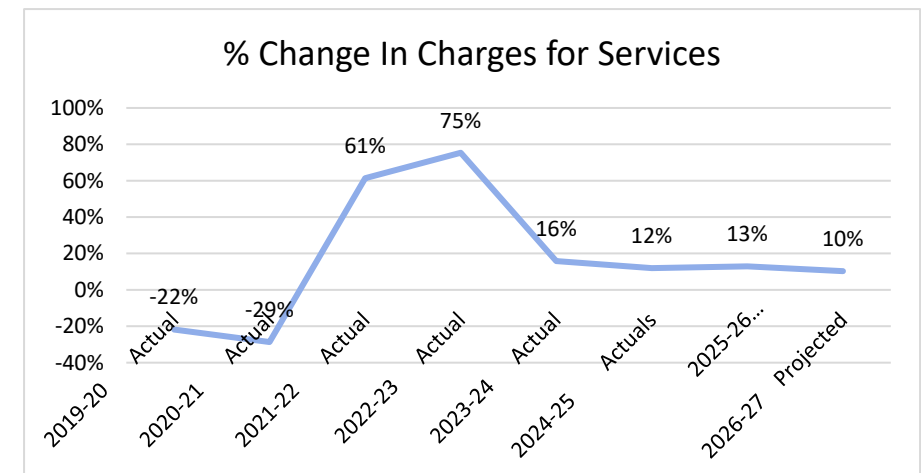
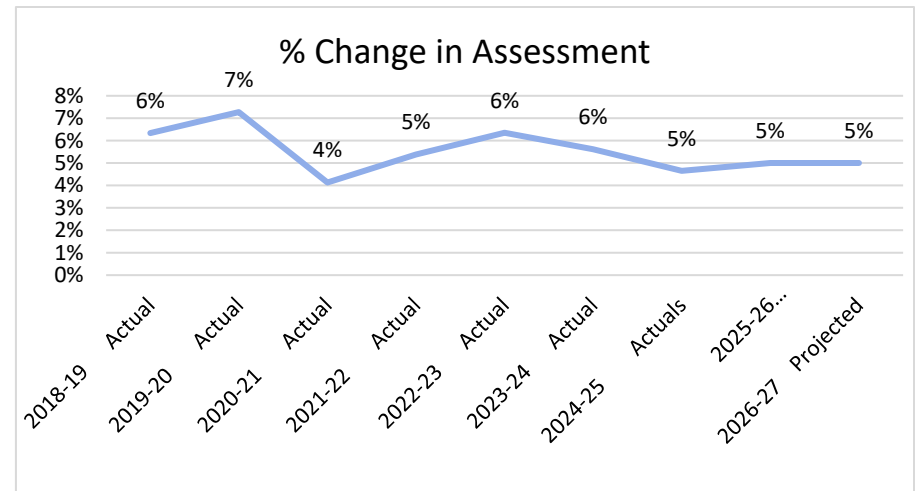
Risk Factors Revenue Volatility

The more volatile a government’s revenue sources the higher a risk for fast changes and the need to respond to down turns. This type of risk requires higher reserve to be in place to be able to respond to revenue drops instead of suddenly reducing service levels. The district’s General fund revenues are mainly from two sources: property taxes and charges for services. Other financing sources are typically for debt issuance and grants so it does not need to be included in the analysis.



Property taxes- Property taxes make up about 53-56% of the General fund's revenues. Traditionally property taxes are not as volatile as others taxes are, such as sales tax. See the % change in property values:

Charges for Services - Charges for services has shown volatility. We have seen volatility with COVID-19. The one thing of note is charges for services relate directly to recreation staff. Reducing staff during the pandemic offset in the drop of revenue reducing the financial impact on the district. This is the area of higher risk when the economy shifts down or in an event such as a pandemic.



Infrastructure Upkeep

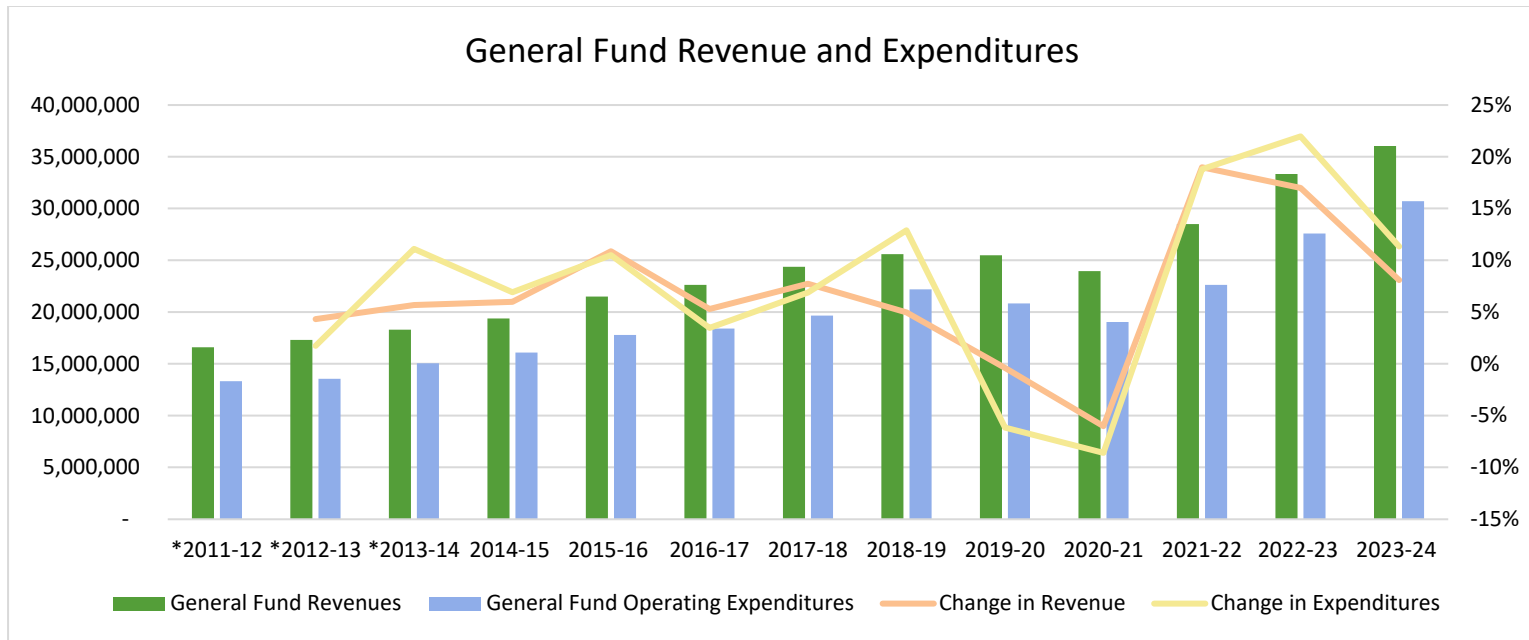
Worn infrastructure holds a potential risk of failure and General fund reserves along with our capital reserve funds may be needed to repair and replace unexpected failures of assets. This area is a risk and is also a reason to have more than minimum to easily utilized funds in emergency infrastructure events. Our recreation centers were expanded and updated recently along with many repairs to our oldest Juniper Swim and Fitness Center that have been completed or in the five-year CIP. New parks and their infrastructure and structures have been added growing our park infrastructure and structure inventory to maintain.

Vulnerability to Extreme Events and Public Safety Concerns

Extreme events require public safety programs that must continue to be funded while waiting for any state and federal aid. For example, reimbursement from the Federal Emergency Management Agency (FEMA) does not always occur right away, so it is important to have reserves to absorb the cost in the meantime, and FEMA does not necessarily reimburse 100 percent of the cost of responding to an event. Most FEMA is also run through State and counties as well. The district does not hold the same obligations or purpose as other local governments these concerns are not a huge risk factor for the district and is fully insured.

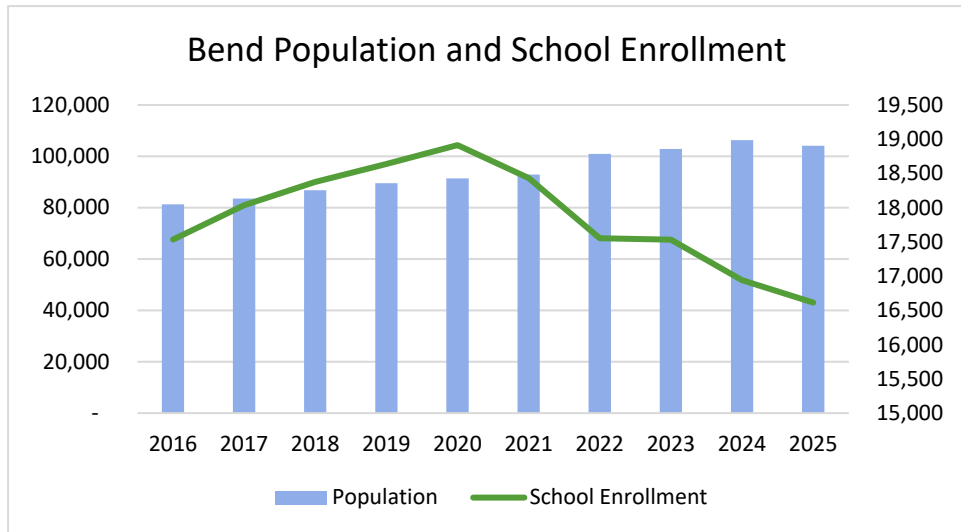
Expenditure Volatility

Operating expenditures have grown over time with a dip during the pandemic. Unexpected expenditures or non-reoccurring expenditures are often funded by reserves, unlike re-occurring that should be funded by reoccurring revenues and not reserves. Reoccurring should be part of the operating budget and the risk of non-reoccurring can be planned for in the reserve. The major expenditure is personnel but the personnel budget is below our property tax income.



Growth of the Community

Rapid growth of the community could call for larger levels of reserves, lest service requirements expand beyond the local government’s ability to continue services in the face of revenue interruption. For instance, property tax revenues may not be received until a couple of years after development occurs, yet the government will still need to provide for the public safety, health and welfare of these members of the community in the meantime.” Our district has averaged 3.2% increase in population over the last 5 years per Portland State University Population Research Center’s Certified Population Estimates.



Appendix C- Financial and Budget Policies

For a complete listing of Board Financial Policies see our website the one included here help shape the budget

Financial Planning Policy

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

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

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

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

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

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

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

FINANCIAL FORECAST

The five-year financial forecast shall be prepared at least annually prior to the start of the annual budget and capital improvement prioritization processes. The forecast shall be based on current service levels and funding sources, as well as anticipated changes to service levels and funding. If appropriate, the forecast shall identify additional resources necessary to continue the provision of current service levels or projected changes in service levels.

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

Operating Budget Policy

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

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

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

BUDGET PRIORITIZATION AND PREPARATION

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

The Executive Director shall develop and present an Operating Budget to the Board of Directors for consideration and adoption. The Operating Budget shall identify significant financial and service issues, identify funding requirements and sources of funds, provide supplemental information on programs and service areas, include budget and performance details for all district departments, and relate recommendations to the district's vision and goals.

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

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

BUDGET MONITORING

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

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

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

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

OPERATING POLICIES

1. **Balanced Budget** - Each district fund budget must identify ongoing resources that match expected ongoing requirements. One-time cash transfers and non-recurring ending balances may either be applied to contingencies or used to fund one-time expenditures; they shall not be used to fund ongoing programs, except as provided in section 2 below.
2. **One-time Funds** - One-time funds are resources that should be used for one-time programs and projects with a defined end date. Future year funding may not be committed in excess of the one-time funds projected to be available in the Five-Year Financial Forecast.
3. **General Fund Ending Fund Balance** - The General Fund beginning fund balance that exceeds budgeted beginning balance shall be added to the General Fund contingency as a set aside. The General Fund contingency should be used for future Capital Improvement Plan funding, mitigating overhead revenue shortfalls in future years, paying down existing debt as advised by the Executive Director, or other unanticipated needs or emergencies, as prioritized through future budgeting processes and, ultimately, adopted by the Board of Directors.
4. **Surplus Revenue** - The district shall budget only the amount of revenue that is needed to fund projected expenditures within the current fiscal year. Anticipated resources not needed to fund current fiscal year spending or unforeseen contingencies shall be budgeted as an unappropriated balance or reserves.

5. Fund Balances - The district shall budget loans and transfers when possible and as appropriate to cover negative fund and/or cash balances at fiscal year-end. Fund balances shall be classified appropriately for reporting purposes in accordance with GASB-required classification categories.
6. Efficiency and Effectiveness - The district shall optimize the efficiency and effectiveness of its services to reduce costs and improve service quality. The district shall coordinate its service delivery with other applicable public and private service providers in a manner to optimize the benefit to the district and its residents.
7. Contingencies - The district shall budget a contingency account for each operating fund adequate to address reasonable but unforeseen requirements within the current fiscal year.

Revenue Policy

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

RESOURCES

The district will obtain resources according to the following principles:

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

PROPERTY TAX REVENUE

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

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

FEES, CHARGES AND COST RECOVERY

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

The Cost Recovery and Subsidy Allocation models are included in the User Fees and Charges Policy, which is periodically reviewed and approved by the Board of Directors no less than every four years. The model is the method by which the district's funding philosophy is operationalized into a clear strategy for allocation of district resources

and for fee setting. Through this review and approval process, the Board of Directors approves the level of tax support to be provided to different categories of services and defines what portion of the cost of providing the services should be recovered through user fees.

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

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

SYSTEM DEVELOPMENT CHARGES

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

ONE-TIME REVENUES

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

GRANTS

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

PARTNERSHIPS, SPONSORSHIPS AND CONTRIBUTIONS

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

Partnerships are a cooperative venture between two or more parties with a common goal that combines complementary resources to develop a mutually beneficial project or achieve a mutually beneficial outcome. In the truest sense, partners have a stake in each other's success. District partnerships as defined here are not deemed to be

“partnerships” in the legal definition. The district may partner with various other types of organizations, creating partnerships that are public/public, public/non-profit, or public/private.

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

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

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

ESTIMATES AND PROJECTIONS

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

Fund Balance and Reserves Policy

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

DEFINITIONS

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

FUND TYPES

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

5. Permanent Funds - Used to account for resources restricted to the extent that only earnings, and not principal, may be used for purposes that support the district's purposes.

FUND BALANCE CLASSIFICATIONS

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

GENERAL FUND MINIMUM FUND BALANCE

The general-purpose fund will maintain unrestricted budgetary fund balance as the minimum fund balance for each budget year based on the following:

1. The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);
2. Its perceived exposure to significant one-time outlays (e.g., disasters, immediate capital needs, state budget cuts);
3. The potential drain upon general fund resources from other funds, as well as, the availability of resources in other funds;
4. The potential impact on the entity's bond ratings and the corresponding increased cost of borrowed funds;
5. Commitments and assignments (i.e., governments may wish to maintain higher levels of unrestricted fund balance to compensate for any portion of unrestricted fund balance already committed or assigned by the government for a specific purpose). Governments may deem it appropriate to exclude from consideration resources that have been committed or assigned to some other purpose and focus on unassigned fund balance, rather than on unrestricted fund balance.
6. Fund balance of the reserve funds, since these funds are funded by the General fund and can be relied on as a source for the General fund.

Fund balance will meet this minimum determined unless it has been used as described below.

1. Use and Replenishment Available fund balances shall not be used for ongoing operating expenditures, unless a determination has been made that available balances are more than required guidelines and that plans have been established to address any future operating budget shortfalls. Emphasis shall be placed on one-time uses that achieve future operating cost reductions.
2. Uses that would cause going below the minimum should be limited to:
 - a. Unanticipated expenditures of a non-reoccurring nature.
 - b. Meet unexpected increases in service delivery costs replenishment plan should be established when dropping below the minimum and should be replenished at a maximum of three years.

OTHER FUND RESERVES

The District shall maintain sufficient reserves to provide stable funding for major repairs, replacements and renovations of District parks, facilities, vehicles and equipment. The minimum reserve balances should be evaluated and adjusted on an annual basis. The target balance is intended to be evaluated over the future five-year period, and not just for a single fiscal year. The balance will fluctuate annually and may drop below the minimum target during any specific fiscal year.

- The Facility Reserve Fund shall be the fund where reserves for asset management repairs and replacements are maintained, the district's target for the minimum reserve balance should be based on the average renovation and replacement needs over the coming five years. Analysis with the capital plan update shall be performed for each budget year.
- Equipment Reserve Fund shall be the fund where reserves for vehicles and equipment replacements are maintained. The district's target for the minimum reserve balance shall be the average replacement needs over the coming five years based on the five-year plan for the fund.

PRIORITIZATION OF FUND BALANCE USE

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

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

AUTHORITY TO COMMIT OR ASSIGN FUND BALANCES

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

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

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

Accounting, Auditing and Financial Reporting Policy

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

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

ACCOUNTING PRACTICES

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

1. The district shall use fund accounting procedures and practices for accounting, financial reporting, and budgeting. The district shall use a fund-based accounting and general ledger system, with all necessary additional modules and/or applications. The district shall use the modified accrual basis of accounting.
2. A system of internal controls and procedures will be maintained to provide reasonable assurance of the safeguarding of assets and proper recording of financial transactions and compliance with applicable laws and regulations.
3. All revenues will be recorded by the Finance Department and be audited annually.
4. Full disclosure of all significant events and financial and related matters will be provided in the financial statements and bond representations. Significant events include delinquencies and defaults related to the district's bonds, adverse tax opinions or events affecting the tax-exempt status of bonds, and other events having a significant impact on the district's finances and outstanding bonds. The Administrative Services Director will notify all the Municipal Securities Rulemaking Board of these significant events.
5. Monthly financial reports summarizing financial activity by fund will be provided to each department (and the Board of Directors if requested) for assisting with informed decisions.
6. The district defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Typical examples are land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and various intangible assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

FINANCIAL REPORTING

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

Capital Improvement Policy

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

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

THE CAPITAL IMPROVEMENT PLAN

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

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

PRIORITIZATION

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

Debt Management Policy

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

It is the objective of this policy that:

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

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

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

Appendix D- Glossary of Terms

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Mission. A statement of an organization’s overall purpose.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Strategic Plan. The Strategic Plan establishes a five-year future direction for the district. It creates direction for strengthening connections with community, the future allocation of resources, financial stability, internal support, and communication, refining organizational culture, and the capacity for learning and growth.

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

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

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

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

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

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

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

Appendix E- All Required Postings and Resolutions

- (a) A copy of the notice(s) of the budget committee meeting showing the dates published, or an affidavit of publication, accompanying a copy of the actual publications
- (b) A copy of the notice of budget hearing showing the date published, or an affidavit of publication, accompanying a copy of the actual publications;
- (d) A copy of the resolution statement or ordinance that adopt the budget, and make appropriations;
- (e) If the district is imposing ad valorem taxes or other taxes on property, a copy of the resolution statement or ordinance that imposes the tax;