

Hood River Valley Parks & Recreation District
Fiscal Year 2020-2021 Adopted Budget



This page is left intentionally blank

Fiscal Year 2020-2021 Budget Message

Dear Budget Committee Members,

Thank you for your volunteer service to the community. It is an honor to present you with the Hood River Valley Parks & Recreation District fiscal year (FY) 20/21 Budget.

A budget is a plan of how we will spend our resources based on goals of the governing body and relying on projections of future needs, future revenue, and financial outlook. In other words, it is a spending plan based on best guesses. This last part about projections (guesses) is particularly troublesome. We are in unprecedented times dealing with COVID-19. As I write this budget message, our pool has been closed for nearly two months. When we reopen, we have very little idea what our capacity will be and if people will use it. This makes projecting our second largest revenue source (the aquatic center) difficult.

It is impossible to predict exactly what will happen with pool this next fiscal year. Many factors are outside our control, and our understanding of the situation changes weekly. We have brainstormed various scenarios for reopening the pool, and we created revenue and expense models for what those scenarios might look like. However, to pick one of those for this budget would be silly because we will most likely need to adapt and do a budget adjustment later. Therefore, we have created a simple and conservative budget that will likely need to be amended as our situation changes.

General Approach: On March 5, 2020, the HRVPRD Board of Directors held a special meeting to discuss long term strategy and FY 20/21 goal setting, which is meant to inform the budget. At that meeting, we decided to move forward with a plan to ask the community to vote to dissolve the district and reform a new parks district at a higher rate in the November, 2020 election. The plans for a new district include increased operational funds and enough capacity to sell bonds for a new pool and community center. Shortly after the board set the direction to move forward with these new plans, COVID-19 was declared an epidemic and the Stay Home, Stay Safe measures were put in place. The board met again in April and made the decision to postpone plans to move forward with a new district.

The FY 20/21 Budget is influenced by several factors and is aligned with our mission to “...provide recreational opportunities to the citizens of the Parks District, with focus on the youth of our community. Facilities and programs will be developed and maintained to provide safe and economical recreational environments for all users.” In addition to our normal duties, the board also set goals to continue with planning parks and trails system expansion to keep up with population growth. Projects the board has included in this year’s workplan include: continuing with acquiring land for a community park on the West Side, developing the Indian Creek Trail South Side Connector Extension, and continuing to pursue developing a Dog Park.

District’s Assessed Value: The districts largest revenue source is levied property tax. The estimated assessed value for the district is \$2,442,050,908.

Personnel and Benefits Costs: Here are some additional quick facts about our personnel and benefit costs:

- We have 4 salaried employees and approximately 30 part-time and seasonal employees. Personnel costs make up 64% of our operating budget.

- The District 's health insurance premiums will increase by 18% upon plan renewal in July 2020. Stipends were increased to offset this increase at a \$9,577 increase to the district. When we received notice that health insurance was increasing by such a large margin, we asked our broker to give us three estimates on comparable plans, unfortunately none of the other plans were able to give us similar coverage for the value.
- Minimum wage is increasing 4.7% this year and over 6.5% in each of the next two years.

Revenue: For Aquatic Center Revenue, we are projecting about a 5% decrease in revenue. Last year, the Parks District implemented rate increases across the board – general admission, swim lessons, and user groups – but with the impact of COVID-19 being felt community-wide, we are recommending no increase in rates this year. In reality the aquatic center revenue will be even lower, but there is no way to tell what it will be. If revenue is lower, expenses will be too, and we will do budget adjustments later to adjust for these. We are projecting 2.7% increase in general tax revenue. Rising costs in utilities, staffing, and supplies continue to outpace rising revenue. We need to continue to look at new revenue sources.


Efficiencies: We are always striving for more efficiencies. Most of the low hanging fruit has been picked here, but staff continues to innovate. This year our deposit procedures have been streamlined, saving staff time. We also shifted custodial duties from aquatics to maintenance and are utilizing that staff to clean park restrooms, which will result in additional savings.

System Development Charges Fund: Last year the district increased SDC Charges for a single-family home by 20% to (\$4,220 for a single-family home). Following guidance from the May 2019 Board meeting, the strategy is to phase in an increase of 20% per year in order to raise rates to the maximum defensible rate (currently at \$6,442 in 20/21). The proposed rate for a single-family home in 20/21 is \$5,064. The SDC fund is projected to continue building this fiscal cycle with revenue outpacing spending.

Improvement Fund: The District has historically transferred general fund money to this reserve fund with the intention of building to an amount that will keep the Aquatics Center operational in the event of an aging facility breakdown. In 2020/21 we are contributing \$20,000.

Again, thank you for reviewing the 2020/2021 proposed budget. I welcome your feedback. If you have any questions or suggestions, please feel free to reach out to me directly.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Mark Hickok', written in a cursive style.

Mark Hickok, District Director

Improvement Fund

Fund Type - Reserve

Purpose

To set aside revenue for the purpose of improving/maintaining the District's infrastructure.

Intention

The District has historically transferred general fund money to this reserve fund with the intention of building to an amount that will keep the Aquatics Center operational in the event of an aging facility breakdown. We also use this fund to address capital asset replacement.

Budget

Transfers into this fund from General Fund have varied in the last ten years from \$6,000 to \$76,000. This budget transfers \$20,000 to the improvement fund. If the county assessed value comes in higher than projected, we will adjust the General Fund budget to send more funds to the improvement fund.

Attachments

Proposed Budget

Improvement Fund Resources

Resource Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2017-18	2018-19	2019-20	2020-21	2020-21	2020-21
Beginning Balance	356,676	418,027	458,027	413,000	413,000	413,000
Miscellaneous Revenue	0	8,763	0	0	0	0
Transfer from General Fund	12,900	0	0	20,000	20,000	20,000
Transfer from General Fund-Tent	48,451	60,000	21,000	0	0	0
Total Resources	418,027	486,790	479,027	433,000	433,000	433,000

Improvement Fund Requirements

Requirement Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2017-18	2018-19	2019-20	2020-21	2020-21	2020-21
Materials and Services	0	0	20,000	50,000	50,000	50,000
Transfer for Tent Replacement/Repair	0	0	0	0	0	0
Capital Projects	0	26993	216,000	139,973	139,973	139,973
Tent Replacement	0	0	243,027	243,027	243,027	243,027
Total Requirements	0	26,993	479,027	433,000	433,000	433,000

System Development Charges (SDC) Fund

Fund Type – Restricted Revenue

Purpose

System Development Charge (SDCs) are one-time fees assessed on new development to cover a portion of the costs of providing certain types of public capital facilities to address impact created by new development. Oregon law provides for establishment of SDC fees for transportation, water, wastewater (sewer), stormwater, and parks and recreation facilities.

Intention

Park SDCs help ensure the quality of life keeps pace with our growing and changing city by providing additional parks and recreation facilities needed to accommodate growth.

Budget

The SDC fund has \$235,000 allocated for this year for Dog Park, Southside Trail Connection, and Property Acquisition and Planning.

We solicited requests to use SDC's to our local partners and there were no requests this year.

We continue to budget \$400,000 in SDC funds as placeholder for the new pool, knowing there is going to be a major capital project associated with the pool because of its failing status. What that project looks like is yet to be determined.

The SDC fund is projected to continue building this fiscal cycle with revenue outpacing spending.

Attachments

- Transparent detail by activity inside and outside the Urban Growth Boundary.
- Proposed Budget

System Development Charge Fund Resources

Resource Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2017-18	2018-19				
Beginning Balance	984,212	612,183	750,000	993,133	993,133	993,133
SDC Fund Interest	6,538	13,047	10,000	11,000	11,000	11,000
Grants	0	36,747	0	0	0	0
License, Fees, Permits-Outside UGB	108,501	138,520	87,912	101,280	101,280	101,280
License, Fees, Permits-Inside UGB	162,047	154,831	140,659	131,664	131,664	131,664
Total Resources	1,261,298	955,328	988,571	1,237,077	1,237,077	1,237,077

System Development Charge Fund Requirements

Requirement Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2017-18	2018-19				
Materials and Services	54,932	102,329	55,600	50,300	50,300	50,300
Capital Projects	184,029	23,046	70,000	235,000	235,000	235,000
Capital Outlay -Future	0	0	462,971	551,777	551,777	551,777
Capital Outlay - Pool	0	0	400,000	400,000	400,000	400,000
Transfer Out	410,153	0	0	0	0	0
Total Requirements	649,114	125,375	988,571	1,237,077	1,237,077	1,237,077

Hood River Valley Parks and Recreation District Statement of Activity by Class

July 1, 2019 - March 20,2020						
	Inside UGB	Outside UGB	Total System Develop Charges Fund	Expect Year End	19/20 BUDGET	20/21 PROPOSED BUDGET
Revenue						
Beginning Balance	699,239	130,714	829,953	829,953	750,000	993,133
System Dev Charges - Inside UGB	137,067		137,067	158,167	140,659	131,664
System Dev Charges - Interest Earned	7,624	1,914	9,538	11,000	10,000	11,000
System Dev Charges - Outside UGB		37,728	37,728	50,388	<u>87,912</u>	<u>101,280</u>
Total Revenue	843,930	170,356	1,014,286	1,049,508	988,571	1,237,077
Expenditures						
Bank Charges		150	150	375	600	300
Development Projects		0	0	0	0	
Legal & Professional Fees	3,696	9,253	12,949	16,000	55,000	50,000
Total Expenditures	3,696	9,403	13,099	16,375	55,600	50,300
Other Expenditures						
Capital Projects				10,000	30,000	72,000
Capital Outlay					462,971	629,777
Dog Park					10,000	50,000
South Side Connector extention (Sieverkrop) planning/construction				30,000	30,000	35,000
Pool Building					400,000	400,000
Total Capital Projects	0	0	0	40,000	932,971	1,186,777
Total All Expenses	3,696	9,403	13,099	56,375	988,571	1,237,077
Net Revenue and Expenses	840,234	160,953	1,001,187	993,133	0	0
2019/20 Projects -	Inside UGB	Outside UGB				
Dog Park	10,000		this project is in progress			
Design South Side Connector Trail	30,000		planning is in progress			
Master Plan Development	30,000					
2020/21 Projects	Inside UGB	Outside UGB				
Dog Park	50,000					
Property Acquisition and Planning		150,000				
South Side Extention Trail construction		35,000				

General Fund

Fund Type – General Revenue

Purpose

This fund supports all revenue that is not restricted. Levied property tax collected lives in this fund, as do all operations revenue and expenses. This fund has the most flexibility of use.

Intention

To responsibly operate the District’s administration, recreation and balance capital projects. The General Fund is thought of and discussed with the natural activity separations of: Aquatics Center (the pool), Parks and Trails (maintenance) and, District Operations (admin & planning).

Budget

The “Aquatics Center” historically generates enough revenue to cover about half of the cost to operate the facility. With reduce revenue due to COVID 19 we will monitor this closely.

The “Parks and Trails” generate very little income at this point. The cost of maintaining these recreation opportunities are paid for with the property tax dollars.

The “District Operations” consist of the activities that are not specifically directed to the pool, parks and trails but administer them collectively. That includes the management staff, the Board of Directors and various other boards. There may be grant opportunities that assist with some of the projects the Board tackle otherwise this is mostly property tax funded.

Attachments

- Budget detail for Parks and Trails, Aquatics, & District Operations
- Proposed Budget

General Fund Resources

Resource Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2017-18	2018-19				
Beginning Balance	148,573	140,999	175,000	225,000	225,000	225,000
Property Tax	744,448	797,270	783,028	804,681	804,681	804,681
Pool Revenue	356,114	371,424	354,605	335,406	335,406	335,406
Interest on Investments	10,142	15,235	10,000	10,000	10,000	10,000
Grants and Donations	473,858	21,904	5,000	1,500	1,500	1,500
Miscellaneous	10,037	9,833	1,800	2,500	2,500	2,500
Transfer In	0	0	0	5,700	5,700	5,700
Transfer In - SDC Fund	410,153	0	0	0	0	0
Total Resources	2,153,324	1,356,667	1,329,433	1,384,787	1,384,787	1,384,787

General Fund Requirements

Requirement Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2017-18	2018-19				
Personnel Services	606,834	685,082	719,752	736,830	736,830	736,830
Materials and Services	353,879	378,216	380,339	412,257	412,257	412,257
Capital Outlay	982,703	0	0	5,000	5,000	5,000
Transfer Out-Improvement Fund	61,351	60,000	21,000	20,000	20,000	20,000
Contingency	0	0	33,342	35,700	35,700	35,700
Unappropriated	0	0	175,000	175,000	175,000	175,000
Total Requirements	2,004,767	1,123,297	1,329,433	1,384,787	1,384,787	1,384,787

General Fund - Parks and Trails - Worksheet

Total Parks and Trails			
	Actual YtD March 20	Current Budget	Proposed FY 20/21 Budget
Income			
Innovative/Other Income	1,906	200	1,000
Rentals	715	400	0
State Grant			
Transfer In			
Total Income	2,621	600	1,000
Expenses			
Chemicals, Gasses and Fuel	2,193	3,250	2,800
Furniture and Equipment	2,369		
Insurance - Wks Comp & Liability	2,070	2,000	2,300
Legal & Professional Fees	0		
Payroll Expenses	55,038	76,129	81,298
Promotional and Marketing	778	250	
Repair & Maintenance	11,840	22,000	25,000
Training and Travel	138	600	400
Uniforms/Safety Gear	576	750	750
Utilities	9,646	17,000	18,000
Total Expenses	84,648	121,979	130,548
Other Expenses			
Capital Projects			5,000
Total All Expenses	84,648	121,979	135,548

General Fund - Aquatics Center - Worksheet

	Aquatics Center		
	Actual YtD March 20	Current Budget	Proposed FY 20/21 Budget
Income			
General Admission	58,050	199,030	88,083
Swim Passes	61,948		99,909
Total General Admission	119,838	199,030	187,992
Innovative/Other Income	3,185		
Banner Advertising	3,620	10,905	9,000
Kayak General Admission	1,067	1,957	1,750
Life Guard Training	1,145	2,500	2,500
Total Innovative/Other Income	9,017	15,362	13,250
Lessons		43,226	0
School Lessons	577		17,182
Swim Lessons	18,395		26,514
Total Lessons	18,972	43,226	43,696
Merchandise Sales	14,945	28,794	21,274
Rentals	0	550	0
Events	44,156	62,846	64,274
Party Room	2,646	4,197	3,920
Total Rentals	46,802	67,593	68,194
Grants	1,000	5,000	1,500
Total Income	210,574	359,005	335,906
Expenses			
Chemicals, Gasses and Fuel	9,850	16,500	17,001
Credit card & processing fees	3,349	6,800	5,548
Dues, Licenses & Subscriptions	2,504	4,465	4,599
Furniture and Equipment	4,644	1,500	3,500
Insurance - Wks Comp & Liability	3,088	2,800	4,500
Legal & Professional Fees	456	1,500	1,000
Merchandise Purchases	7,666	16,000	12,688
Office Expenses	0	1,000	0
Payroll Expenses	267,318	444,424	428,878
Programming	0		2,000
Promotional and Marketing	702	1,750	1,700
Rent or Lease	2,536	2,500	2,500
Repair & Maintenance	37,771	50,000	65,391
Staff Wellness	143	1,750	1,200
Subcontractors	5,448	6,000	7,000
Supplies	7,886	17,000	16,000
Tools	10	1,500	1,000
Training and Travel	2,472	3,500	3,000
Uniforms/Safety Gear	534	3,710	3,500
Utilities	71,774	105,000	119,255
Total Expenses	428,151	687,699	700,260
Other Expenses			
Capital Projects	0		0
Total All Expenses	428,151	687,699	

General Fund - District Operations - Worksheet

	General Fund		
	Actual YtD March 20	Current Budget	Proposed FY 20/21 Budget
Income			
Beginning Balance	242,212	175,000	225,000
Interest Earned	15,893	10,000	10,000
Dividends/Credits/Refunds/Other	3,762	1,800	2,500
State Grant	0		
Current Year Property Tax	739,275	768,167	789,311
Prior Year Property Tax	16,319	14,500	15,000
Property Tax Interest Earnings	308	361	370
Total Tax Revenue	755,902	783,028	804,681
Transfer In	0		0
Total Income	1,017,769	969,828	1,042,181
Expenses			
Advertising	0	1,000	1,000
Bank Charges	394	750	600
Dues, Licenses & Subscriptions	5,586	4,500	7,500
Furniture and Equipment	0	0	0
Insurance - Wks Comp & Liability	15,720	14,464	16,025
Audit Services	11,600	11,500	11,600
Legal Services	6,298	4,000	4,000
Professional Fees	10,665	29,000	25,000
Meetings and Conferences	1,263	2,500	2,500
Office Expenses	6,248	5,000	5,000
Payroll Expenses	124,503	199,199	226,654
Programming	0	0	0
Promotional and Marketing	57	6,000	5,000
Repair & Maintenance	369	1,500	1,000
Staff Wellness	26	800	800
Stationery & Printing	1,230	0	1,200
Tools	348	500	500
Training and Travel	7,101	7,800	7,800
Uniforms/Safety Gear	0	600	600
Utilities	1,199	1,300	1,500
Total Expenses	192,607	290,413	318,279
Other Expenses			
Contingency		33,342	30,000
Transfer Out		21,000	20,000
Unappropriated Ending Balance		175,000	175,000
Total All Expenses	192,607	519,755	543,279

Debt Fund Resources

Resource Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2017-18	2018-19	2019-20	2020-21	2020-21	2020-21
Beginning Fund Balance	-6,063	5,699	0	5,700	5,700	5,700
Bond Taxes	199,684	0	0	0	0	0
Bond Interest Income	0	0	0	0	0	0
Pepaid Amortization	0	0	0	0	0	0
Total Resources	193,621	5,699	0	5,700	5,700	5,700

Debt Fund Requirements

Requirement Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2017-18	2018-19	2019-20	2020-21	2020-21	2020-21
Debt Service Principle	180,000	0	0	0	0	0
Debt Service Interest	1,958	0	0	0	0	0
Bond Amortization	5,964	0	0	0	0	0
Transfer to General Fund	0	0	0	5,700	5,700	5,700
Total Requirements	187,922	0	0	5,700	5,700	5,700