

Hood River Valley Parks & Recreation District

Fiscal Year 2021-2022 Adopted Budget



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Fiscal Year 2021-2022 Budget Message

Dear Budget Committee Members,

Thank you for your volunteer service to the community. I am proud to present you with the Hood River Valley Parks & Recreation District fiscal year (FY) 21/22 Budget.

The COVID 19 Health emergency has thrown every local government a curve ball this last year. It has changed the way that we operate drastically and will state regulations and guidelines changing constantly, we have had to be nimble and make many adjustments throughout the year. From a budgetary perspective, there have been some noticeable changes. Although revenue has been lower due to mandatory closures, expenses have also been lower. When we were closed for 12 weeks, we saved money because usually we subsidize the operation of the pool. In other words, when we are closed, we spend a lot less. Furthermore, we cut expenses this year due to not traveling for trainings, tightening our belt because of the uncertainties, and some expenses being reimbursed by the cares act. All of this combined with a healthy beginning fund balance roll over from FY 19/20 means that we have set ourselves up well going into this fiscal year.

General Approach: This year we will continue to be careful with spending although it seems we have weathered this storm well so far. The direction for the next fiscal year from the HRVPRD board of directors at our February and March 2021 goal setting discussions was to “focus on the future” and think long term. We finished our Multi-Jurisdictional Parks Master Plan last summer and it was adopted by partner agencies. This document gives us a roadmap for acquisition and development for parks and trails. Goals for the coming years are to work with our partners and continue to pursue opportunities for land and trail acquisition. Furthermore, our board has decided to move forward with a ballot initiative to reform the parks district at a new rate in May of 2022 to address operational shortages and create a revenue source to bond against for capital projects such as rebuilding the aquatic center. In the first quarter of the fiscal year, we will be working on the scope of the package. We have provided funds in the budget for legal and consulting to guide us through this process.

Property Tax: The districts largest revenue source is levied property tax. Last year the city waived the tax collection for all three urban renewal districts which increased our collection amount. This was a one year pause as allowed by law. With that pause over, combined with property value increases in district valuation, we are projecting a 4% increase from prior year's budget.

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 67% of our operating budget.
- The District 's health insurance premiums will increase by 20% upon plan renewal in July 2021. This is a significant increase for the second year in a row. We reached out to all the local special districts to see what they are doing, and they are all in the same boat and sticking with our

current carrier. The Port district shared a document with their research on competitive rates and concluded that they should stick with our current carrier. This increased expense is offset slightly by one of our four FTEs electing not to participate in our insurance program. Of course, if during open enrollment this employee elected to enroll, the district would bear this cost.

- Minimum wage is increasing 6.25% this year.

Revenue: For Aquatic Center Revenue, we are projecting an 8% increase. Last year, the Parks District chose to freeze user fees, this year due to increased expenses with rising minimum wage, increased costs of utilities, chemicals, and inflation, we have budgeted for increases to general admission, swim passes, swim lessons, and user groups. The aquatic center is supported by property tax dollars at 50% and user fees covering 50%. While that has been consistent the last three years, rising costs in operations do outpace revenue. We need to continue to look at new revenue sources.

Efficiencies: This year we have focused on efficiencies in the way we manage parks maintenance. We implemented a software program (Microsoft To Do) assigning, tracking, and organizing tasks. Our new parks maintenance supervisor has also done a full inventory and organization of tools and equipment and created a system where we have spare parts in stock and labeled for items that take regular servicing (filters, impellers, etc.) these improvements have reduced down time and streamlined the way we operate.

We have also been leveraging federal grants targeted at helping supplement the extra duties brought on by the COVID 19 health emergency. Through the CARES act we were reimbursed for \$63,284. We have been accepted into a FEMA program for disaster assistance and are advocating to get access to the America Recovery Act Funding. In the next fiscal year, we will continue to explore these programs.

Parks Programs: We are implementing some new programs this year. I have budgeted an extra \$5,000 for a pilot program to convert most of our small 2 stroke gas equipment to electric. (backpack blowers, line trimmers, saws). We are focusing on giving park entrances and restrooms a facelift with fresh paint and updated signage. We are planning on purchasing trail counters so we can start collecting usage data on different areas of the trail. This information will help us focus on areas to invest more time and give us a better understanding of how the public is using our trails.

Capital Projects: In August of 2020 we signed a two-year option agreement on the Blackman/Skakel property for a possible park on the westside of Hood River. We hired Walker Macy to study, plan, and guide us through the scenic area permit process to make an informed decision on purchasing the property. We have an outstanding permit with the County for extending the Indian Creek Trail South Side Connector through Columbia Land Trust property on the east side of the Sieverkropp neighborhood, our hope is this permit is approved at the beginning of this fiscal year and we will be able to construct this trail this fiscal year. We have left funding in for a dog park for this year. This project has been delayed for several years first because of high fencing quotes and more recently because the city has been studying their space needs at the wastewater treatment plant. The park is permitted and shovel ready and as soon as the city gives us approval, we are ready to get started.

System Development Charges Fund: Last year the district increased SDC Charges for a single-family home by 20% to (\$5,064 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 \$6,636 in 21/22). The proposed rate for a single-family home in 20/21 is \$6,077. 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 2021/22 we are contributing \$35,000.

Again, thank you for reviewing the 2021/2022 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 that reads "Mark Hickok". The signature is written in a cursive, slightly stylized font.

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 \$35,000 to the Improvement Fund.

Attachments

Proposed Budget

Improvement Fund

		Actual FY19	Actual FY20	Budget FY21	Yr to Date FY21	Proposed FY22	Approved FY22
Source of Revenues							
	Beginning Balance	418,027	451,034	413,000	405,693	350,000	350,000
	Miscellaneous	8,763	0	0	0	0	0
	Intergovernmental Transfers	60,000	21,000	20,000	20,000	35,000	35,000
	Total Revenues	486,790	472,034	433,000	425,693	385,000	385,000
Object of Expenditures							
	Operating Expenditures	0	0	50,000	0	50,000	50,000
	Capital Outlay	26,993	66,341	383,000	47,866	335,000	335,000
	Total Expenditures	26,993	66,341	433,000	47,866	385,000	385,000

Debt Fund

Fund Type – Debt Service – only activity is debt collection and payment

Purpose

To levy property tax to pay the bond.

Intention

There is no activity in this fund for the proposed budget because the twenty year bond was paid in full in 2017/18 fiscal year.

Budget

There is no activity budgeted for this fund. Oregon budget law requires activity be included for three prior years.

Attachments

Proposed Budget

Debt Fund

	Actual FY19	Actual FY20	Budget FY21	Yr to Date FY21	Proposed FY22
Source of Revenues					
Beginning Balance	5,700	5,700	5,700	5,700	0
Interest	0	0	0	0	0
Intergovernmental Transfers	0	0	0	0	0
Total Revenues	5,700	5,700	5,700	5,700	0
Object of Expenditures					
Operating Expenditures	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Intergovernmental Transfers	0	0	5,700	5,700	0
Total Expenditures	0	0	5,700	5,700	0

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 \$262,000 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, we received one request from the city for \$500,000 for park acquisition and \$100,000 for trail acquisition.

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

Attachments

- Proposed Budget

System Development Charge Fund

	Actual FY19	Actual FY20	Budget FY21	Yr to Date FY21	Proposed FY22	Approved FY22
Source of Revenues						
Beginning Balance	612,183	829,953	993,133	1,097,833	1,275,000	1,275,000
Interest	13,047	13,496	11,000	4,291	7,500	7,500
System Development Charges	293,351	272,374	232,944	288,348	303,850	303,850
Intergovernmental Transfers	36,747	0	0	0	0	0
Total Revenues	955,328	1,115,823	1,237,077	1,390,472	1,586,350	1,586,350
Object of Expenditures						
Operating Expenditures	102,329	17,990	50,300	14,965	50,300	50,300
Capital Outlay	23,046	0	1,186,777	72,430	1,536,050	1,536,050
Intergovernmental Transfers	0	0	0	0	0	0
Total Expenditures	125,375	17,990	1,237,077	87,395	1,586,350	1,586,350

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.

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 or parks and trails but administer them collectively. That includes the management staff, long term planning, the Board of Directors, and various other responsibilities. There may be grant opportunities that assist with some of the projects otherwise this is mostly property tax funded.

Attachments

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

General Fund

	Actual FY19	Actual FY20	Budget FY21	Yr to Date FY21	Proposed FY22	Approved FY22
Source of Revenues						
Beginning Balance	140,999	242,212	225,000	397,650	245,000	245,000
Taxes and Assessments	797,270	821,480	804,681	900,946	837,822	837,822
Interest	15,235	23,465	10,000	8,887	7,000	7,000
Aquatic Center Fees	371,424	232,960	335,906	112,458	366,751	366,751
Miscellaneous/Other	31,738	14,696	3,500	65,480	2,200	2,200
Intergovernmental Transfers	0	0	5,700	5,700	0	0
Total Revenues	1,356,666	1,334,813	1,384,787	1,491,121	1,458,773	1,458,773
Object of Expenditures						
Personnel Services	685,082	591,059	736,830	412,572	771,486	771,486
Operating Expenditures	378,216	325,103	412,257	234,516	428,587	428,587
Capital Outlay	0	0	5,000	0	13,000	13,000
Intergovernmental Transfers	60,000	21,000	20,000	20,000	35,000	35,000
Contingency	0	0	35,700	0	35,700	35,700
Total Expenditures	1,123,298	937,162	1,209,787	667,088	1,283,773	1,283,773
Budgeted Requirements						
Unappropriated	0	0	175,000	0	175,000	175,000
Total Requirements	1,123,298	937,162	1,384,787	667,088	1,458,773	1,458,773

General Fund - Parks and Trails - Worksheet

General Fund - Parks and Trails - Worksheet			
	Actual YtD March 21	Current Budget	Proposed FY 21/22 Budget
Revenue			
Innovative/Other Income	133	1000	1,000
Transfer In			
Total Income	133	1,000	1,000
Expenses			
Chemicals, Gasses and Fuel	1,472	2,800	3,000
Furniture and Equipment	0	0	2,500
Insurance - Wks Comp & Liability	1,430	2,300	1,500
Legal & Professional Fees	0	0	1,000
Payroll Expenses	46,471	81,298	74,408
Promotional and Marketing	2,545	0	2,000
Repair & Maintenance	13,618	25,000	26,000
Staff Wellness	0	0	200
Supplies	625	0	5,000
Tools	1,040	0	6,500
Training and Travel	0	400	500
Uniforms/Safety Gear	134	750	1,000
Utilities	10,730	18,000	20,000
Capital Projects	0	5,000	13,000
Total All Expenses			
	78,065	135,548	156,608
<i>Supported by property tax revenue</i>	<i>\$77,932</i>	<i>\$134,548</i>	<i>\$155,608</i>

General Fund - Aquatics Center - Worksheet

General Fund - Aquatics Center - Worksheet			
	Actual YtD March 21	Current Budget	Proposed FY 20/21 Budget
Revenue			
General Admission	59,792	187,992	209,808
Banner Advertising	5,750	9,000	13,089
Kayak General Admission	0	1,750	2,500
Life Guard Training	2,750	2,500	4,250
Lessons	12,206	43,696	47,630
Merchandise Sales	5,196	21,274	17,794
Events	26,443	64,274	66,555
Party Room	0	3,920	3,250
Grants	0	1,500	1,875
Total Income	112,137	335,906	366,751
Expenses			
Chemicals, Gasses and Fuel	9,688	17,001	18,197
Credit card & processing fees	2,980	5,548	5,540
Dues, Licenses & Subscriptions	2,986	4,599	3,079
Furniture and Equipment	851	3,500	3,500
Insurance - Wks Comp & Liability	0	4,500	3,500
Legal & Professional Fees	261	1,000	500
Merchandise Purchases	1,242	12,688	10,800
Payroll Expenses	174,720	428,878	458,781
Programming	0	2,000	0
Promotional and Marketing	464	1,700	1,500
Rent or Lease	0	2,500	2,536
Repair & Maintenance	22,852	65,391	66,000
Staff Wellness	573	1,200	1,200
Subcontractors	824	7,000	14,000
Supplies	6,266	16,000	16,500
Tools	0	1,000	1,000
Training and Travel	304	3,000	4,500
Uniforms/Safety Gear	177	3,500	3,500
Utilities	54,303	119,255	119,255
Capital Projects	0		0
Total All Expenses	278,491	700,260	733,888
<i>Supported by property tax revenue</i>	<i>\$166,354</i>	<i>\$364,354</i>	<i>\$367,137</i>

General Fund - District Operations - Worksheet

General Fund - District Operations - Worksheet			
	Actual YtD March 21	Current Budget	Proposed FY 20/21 Budget
Revenue			
Beginning Balance	397,650	225,000	262,500
Interest Earned	8,887	10,000	7,000
Dividends/Credits/Refunds/Other	4,172	2,500	1,200
State Grant/COVID Funding	60,390	0	0
Current Year Property Tax	873,134	789,311	824,622
Prior Year Property Tax	27,684	15,000	13,000
Property Tax Interest Earnings	127	370	200
Transfer In	5699	5700	0
Total Income	1,377,743	1,047,881	1,108,522
Expenses			
Advertising	0	1,000	0
Bank Charges	394	600	1200
Dues, Licenses & Subscriptions	5,586	7,500	7,430
Insurance - Wks Comp & Liability	15,720	16,025	12,500
Audit Services	11,600	11,600	11,600
Legal Services	6,298	4,000	4,000
Professional Fees	10,665	25,000	25,000
Meetings and Conferences	1,263	2,500	2,500
Office Expenses	6,248	5,000	5,000
Payroll Expenses	124,503	226,654	238,297
Promotional and Marketing	57	5,000	5,000
Repair & Maintenance	369	1,000	0
Staff Wellness	26	800	800
Stationery & Printing	1,230	1200	1,200
Tools	348	500	750
Training and Travel	7,101	7,800	6,500
Uniforms/Safety Gear	0	600	800
Utilities	1,199	1,500	0
Contingency		35,700	35,700
Transfer Out	20000	20,000	35,000
Unappropriated Ending Balance		175,000	175,000
Total All Expenses	212,607	548,979	568,277