

Hood River Valley Parks & Recreation District

Fiscal Year 2019-2020 Adopted Budget



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Fiscal Year 2019-2020 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 FY 19/20 Budget.

Fiscal Year 17/18 was a *growth and development year*. We Developed Golden Eagle Park and the Indian Creek Trail Southside Connector. We accomplished great things and, in the process, ran down the SDC account to meet our aggressive goals.

FY 18/19 was *planning and maintaining year*. We spent the bulk of the year working on the Multi-Jurisdictional Master Plan, doing community outreach, and maintaining our current inventory. This year was also a saving year. We have been more frugal in our SDC fund and have been able to work on rebuilding this fund.

FY 19/20 Goals: During the Board of Directors Goal Setting in March of 2019, the board identified a list of long-term goals that we have been planning for in the Joint Master Planning Process, they then focused on what the district could do in the next year to address those goals.

- **Plan/Strategize** – The Multi-Jurisdictional Parks Master Plan is on its way to refinement and adoption. FY 19/20 will be about working with our partners to make sure the adopted plan gets integrated into an actionable plan that can be implemented. This coming year we will focus on plan implementation strategy, which will include settling on a direction for securing more operational dollars and addressing the need for a new Aquatic Center.
- **Keep Up with Growth** – As the community develops, we are working with our partners to expand and connect trails and secure land before development. In FY 19-20 we are focusing on expanding the Indian Creek Trail South Side Connector around the Sieverkropp neighborhood, finding solutions to trail connections, especially connecting the trail from the community college to Broken Tee Drive, and securing land in the westside of Hood River for a future park.
- **Community Engagement** – While we have made great strides in outreach in the last two years, the general public is still hard to reach and unaware of our story. In 2019-20 we will revamp our website and work on growing our newsletter and social media base.

General Approach: The FY 19/20 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.”

District’s Assessed Value: The districts largest revenue source is levied property tax. The County is late in providing the estimated assessed value and projections will be adjusted when those numbers are in. We have projected a 3% increase based on new development.

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 62% of our general fund budget.
- The District's health insurance premiums will increase by 11.9% upon plan renewal in July 2019. Stipends were increased to offset this increase at a \$9,577 increase to the district.
- Minimum wage is increasing 4.7% this year and over 6.5% in each of the next two years. We will be adjusting our wage scale to address this increase by creating a flat rate per position. In other words, a brand-new lifeguard will make the same amount as a lifeguard with 5 years' experience. For a staff member to move up the wage scale they will need to be promoted to a position with increased responsibility.

Revenue: For Aquatic Center Revenue, we are projecting a 6.1% increase in revenue with a proposed general admission increase effective in September. We are projecting 3% 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 continue to save money based on efficiencies. We have automated much of our billing and accounts payable through QuickBooks. Through these efficiencies we were able to reduce the line items for contract accounting by \$11,000 and Administrative assistant by \$11,500.

System Development Charges Fund:

Last year the district increased SDC Charges for a single-family home by 8% to (\$3,517 for a single-family home). Following guidance from the June 2018 Board meeting, the strategy is to gradually phase in an increase in order to raise rates to the maximum defensible rate (currently at \$6,255 in 19/20). The proposed rate for a single-family home in 19/20 is \$3,798. The board will also be looking at changes to lodging unit and multifamily units.

Setting SDC fees at lower rates than the maximum defensible rate is creating a larger gap for funding future parks district expansion. The board may consider adopting a more aggressive strategy to narrow the funding gap.

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 2019/20 we are contributing \$25,000.

District Operations & Planning: Most of our staff time will be spent focusing on the Multi-Jurisdictional Master Plan. We will continue to implement the Parks District Communication Plan, work on interagency outreach and coordination, and develop more efficiencies to keep the district running efficiently. We are ready to shift directions and redirect priorities once we are given direction from the

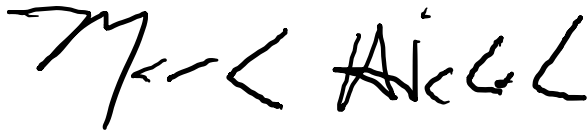
board regarding strategy for pool replacement, capital outlay increase, or possible reforming of the district.

Parks and Trails Maintenance: We balance daily maintenance and tasks and working on our long list of deferred maintenance. 2019/20 will focus on projects such as: playground surface repair, getting the dog park up and running, trail safety items, and giving the skate park a deep clean.

Aquatics: In alignment with our mission, the learn to swim program will continue to be a priority. We have applied for learn to swim grants and partnered with local aquatics user groups to teach youth and adults to swim. We will continue to hone staff skills through regular in-service trainings on customer service, safety protocol, and what it means to be a part of the work force. We will continue to maintain the aging aquatics center, including the west wall, and we will repair items to the facility as needed.

Again, thank you for reviewing the 2019/2020 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'. The signature is stylized and cursive, with the first name 'Mark' written in a large, bold, slanted font, and the last name 'Hickok' written in a smaller, more traditional cursive script.

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 \$25,000 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				
	2016-17	2017-18				
Beginning Balance	295,325	356,676	418,027	458,027	458,027	
Transfer from General Fund	12,900	12,900	12,900	0	0	
Transfer from General Fund-Tent	48,451	48,451	47,100	25,000	21,000	
Total Resources	356,676	418,027	478,027	483,027	479,027	

Improvement Fund Requirements

Requirement Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2016-17	2017-18				
Materials and Services	0	0	20,000	20,000	20,000	
Transfer for Tent Replacement/Repair	0	0	0	0	0	
Capital Projects	0	0	240,000	220,000	216,000	
Tent Replacement	0	0	218,027	243,027	243,027	
Total Requirements	0	0	478,027	483,027	479,027	

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 \$95,000 allocated for this year for Dog Park, Southside Trail Connection, and Planning/Legal for potential redistricting or bond and operations levy.

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. We expect to grow the SDC fund by \$143,000 in FY 19/20.

Attachments

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

Hood River Valley Parks and Recreation District							
Statement of Activity by Class							
July 1, 2018 - February 18, 2019							
	System Develop	Inside UGB	Outside UGB	Total System	Expect Year End	18/19 BUDGET	19/20 PROPOSED
	Charges Fund			Develop			BUDGET
				Charges Fund			BUDGET
Revenue							
Beginning Balance		548,157	64,026	612,183	612,183	527,000	750,000
State Grant		26,219		26,219	34,000	10,000	
System Dev Charges - Inside UGB		93,842		93,842	142,682	120,798	140,659
System Dev Charges - Interest Earned		5,569	1,650	7,220	11,000	5,000	10,000
System Dev Charges - Outside UGB			64,239	64,239	90,287	96,638	87,912
Total Revenue	0	673,787	129,915	803,703	890,152	759,436	988,571
Expenditures							
Bank Charges			255	255	375	600	600
Development Projects			0	0	0	30,000	0
Legal & Professional Fees							
Legal Services			35	35	1,000	30,000	30,000
Professional Fees		29,400	12,032	41,432	49,000	49,000	25,000
Total Legal & Professional Fees	0	29,400	12,067	41,467	50,000	79,000	55,000
Total Expenditures	0	29,400	12,322	41,722	50,375	109,600	55,600
Other Expenditures							
Capital Projects				0		169,836	492,971
Golden Eagle Park			0	0	0	0	
Pump Track			2,689	2,689	45,000	55,000	
Dog Park					25,000	25,000	10,000
South Side Connector extention (Sieverkrop) planning					20,000		30,000
Pool Building			0	0	0	400,000	400,000
Total Capital Projects	0	0	2,689	2,689	70,000	649,836	932,971
Total All Expenses	0	29,400	15,011	44,411	120,375	759,436	988,571
Net Revenue and Expenses	0	644,387	114,905	759,292	769,777	0	0
2018/19 Projects -							
Dog Park	25,000	still to be determined full cost					
Master Plan	49,000	in progress					
Pump Track	45,000	Paid					
2019/20 Projects							
Dog Park	10,000						
Design South Side Connector trail	30,000						
Planning & Legal for Potential Redistrict	55,000						

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				
	2016-17	2017-18				
Beginning Balance	961,309	984,212	527,000	750,000	750,000	
SDC Fund Interest	3,084	6,538	5,000	10,000	10,000	
Grants	0	0	10,000	0	0	
License, Fees, Permits-Outside UGB	89,580	108,501	96,638	87,912	87,912	
License, Fees, Permits-Inside UGB	149,467	162,047	120,798	140,659	140,659	
Total Resources	1,203,440	1,261,298	759,436	988,571	988,571	0

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				
	2016-17	2017-18				
Materials and Services	30,492	54,932	109,600	55,600	55,600	
Capital Projects	189,636	184,029	22,000	40,000	70,000	
Capital Outlay -Future	0	0	227,836	492,971	462,971	
Capital Outlay - Pool	0	0	400,000	400,000	400,000	
Transfer Out	0	410,153	0	0	0	
Total Requirements	220,128	649,114	759,436	988,571	988,571	0

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. It is anticipated the increase in minimum wage will cause the operational costs to outpace the fee schedule.

The “Parks and Trails” generate very little income at this point. Recently new fees have been adopted for renting parks for events. The intention is to help offset the maintenance cost of these events. 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 - Parks and Trails - Worksheet

Total Parks and Trails			
	Actual YtD March 19	Current Budget	Proposed FY 19/20 Budget
Income			
Innovative/Other Income	390		200
Rentals		3,000	400
State Grant			
Transfer In			
Total Income	390	3,000	600
Expenses			
Advertising			
Chemicals, Gasses and Fuel	2,255	3,000	3,250
Furniture and Equipment	1,192		
Insurance - Wks Comp & Liability	7,540		2,000
Legal & Professional Fees	420		
Payroll Expenses	81,228	120,000	76,129
Promotional and Marketing	886		250
Repair & Maintenance	7,394	25,000	22,000
Subcontractors			
Supplies	4,778		
Tools	728		
Training and Travel	387		600
Uniforms/Safety Gear	877	750	750
Utilities	10,793	20,000	17,000
Total Expenses	118,478	168,750	121,979
Other Expenses			
Capital Projects			
Golden Eagle Park			
Total Capital Projects			
Total All Expenses	118,478	168,750	121,979
<i>Supported by property tax revenue</i>			
	\$ 118,088	\$ 165,750	\$ 121,379

General Fund - Aquatics Center - Worksheet

	Aquatics Center		
	Actual YtD March 19	Current Budget	Proposed FY 19/20 Budget
Income			
General Admission	68,090	193,826	199,030
Swim Passes	71,553		
Total General Admission	139,484	193,826	199,030
Innovative/Other Income	37,808		
Banner Advertising	4,466	10,760	10,905
Kayak General Admission	1,643	1,500	1,957
Life Guard Training	1,666	3,800	2,500
Total Innovative/Other Income	45,583	16,060	15,362
Lessons		48,000	43,226
School Lessons	5,886		
Swim Lessons	15,780		
Total Lessons	21,666	48,000	43,226
Merchandise Sales	16,207	27,955	28,794
Rentals	1,311	0	550
Events	54,686	48,012	62,846
Party Room	2,845	4,383	4,197
Total Rentals	58,842	52,395	67,593
Grants	1,600	0	5,000
Total Income	283,382	338,236	359,005
Expenses			
Chemicals, Gasses and Fuel	9,907	17,714	16,500
Credit card & processing fees	3,801	6,800	6,800
Dues, Licenses & Subscriptions	2,712	3,300	4,465
Furniture and Equipment	3,147	1,500	1,500
Insurance - Wks Comp & Liability	7,673	2,750	2,800
Legal & Professional Fees	331	3,500	1,500
Merchandise Purchases	7,618	19,500	16,000
Office Expenses	458	1,500	1,000
Payroll Expenses	255,652	366,526	444,424
Programming	1,564		0
Promotional and Marketing	1,710	2,000	1,750
Rent or Lease	2,911	0	2,500
Repair & Maintenance	54,060	45,000	50,000
Staff Wellness	314		1,750
Subcontractors	14,407		6,000
Supplies	9,062	30,000	17,000
Tools	308		1,500
Training and Travel	3,588	2,500	3,500
Uniforms/Safety Gear	2,899	3,500	3,710
Utilities	84,640	115,836	105,000
Total Expenses	466,762	621,926	687,699
Other Expenses			
Capital Projects	0		0
Total All Expenses	466,762	621,926	687,699

Supported by property tax revenue \$ 183,380 \$ 283,690 \$ 328,694

General Fund - District Operations - Worksheet

General Fund			
	Actual YtD March 19	Current Budget	Proposed FY 19/20 Budget
Income			
Beginning Balance	141,000	248,435	175,000
Interest Earned	9,655	6,500	10,000
Dividends/Credits/Refunds/Other	2,827	1,200	1,800
State Grant	2,044		
Current Year Property Tax	741,753	748,877	768,167
Prior Year Property Tax	13,353	16,000	14,500
Property Tax Interest Earnings	324	350	361
Total Tax Revenue	755,430	765,227	783,028
Transfer In	0		0
Total Income	910,956	1,021,362	969,828
Expenses			
Advertising	0	1,000	1,000
Bank Charges	488	500	750
Dues, Licenses & Subscriptions	5,900	5,200	4,500
Furniture and Equipment	2,020	1,200	0
Insurance - Wks Comp & Liability	4,113	13,650	14,464
Audit Services	11,000	13,200	11,500
Legal Services	1,853	5,000	4,000
Professional Fees	16,735	35,000	25,000
Meetings and Conferences	1,814	2,500	2,500
Office Expenses	901	8,000	5,000
Payroll Expenses	154,532	191,422	199,199
Programming	1,334	2,500	0
Promotional and Marketing	38	8,000	6,000
Repair & Maintenance	0	1,600	1,500
Staff Wellness	156	1,000	800
Stationery & Printing	250	0	0
Tools	0	1,200	500
Training and Travel	6,683	6,000	7,800
Uniforms/Safety Gear	0	750	600
Utilities	805	1,200	1,300
Total Expenses	208,622	298,922	286,413
Other Expenses			
Contingency		38,000	33,342
Transfer Out	60,000	60,000	25,000
Unappropriated Ending Balance		175,000	175,000
Total All Expenses	268,622	571,922	519,755

General Fund Resources

Resource Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2016-17	2017-18	2018-19	2019-20	2019-20	2019-20
Beginning Balance	294,616	148,573	248,435	175,000	175,000	
Property Tax	702,964	744,448	765,227	783,028	783,028	
Pool Revenue	276,449	356,114	338,236	354,605	354,605	
Interest on Investments	9,069	10,142	6,500	10,000	10,000	
Grants and Donations	2,500	473,858	0	5,000	5,000	
Miscellaneous	22,328	10,037	4,200	1,800	1,800	
Transfer In - Improvement Fund	0	0	0	0	0	
Transfer In - SDC Fund	0	410,153	0	0	0	
Total Resources	1,307,926	2,153,324	1,362,598	1,329,433	1,329,433	0

General Fund Requirements

Requirement Description	Actual		Adpoted Budget Fiscal Year	Proposed Budget	Approved Budget Fiscal Year	Adpoted Budget Fiscal Year
	Fiscal Year	Fiscal Year				
	2016-17	2017-18	2018-19	2019-20	2019-20	2019-20
Personal Services	709,075	606,834	677,948	719,752	719,752	
Materials and Services	335,286	353,879	411,650	376,339	380,339	
Capital Outlay	53,841	982,703	0	0	0	
Transfer Out-Improvement Fund	61,351	61,351	60,000	25,000	21,000	
Contingency	0	0	38,000	33,342	33,342	
Unappropriated	0	0	175,000	175,000	175,000	
Total Requirements	1,159,553	2,004,767	1,362,598	1,329,433	1,329,433	0