PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

Date: September 12, 2016

To: City Budget Office

From: Mike Abbaté, Director MA

cc: Commissioner Fritz, Tim Crail, Pooja Bhatt, Cristina Nieves

RE: Portland Parks and Recreation FY 2016-17, Fall Budget Monitoring Process (BuMP) Submittal

The Portland Parks & Recreation (PP&R) Fall Budget Adjustment Submittal is an important step in assuring that vital programs, operations, and maintenance are implemented in a timely fashion as directed by City Council.

I would like to highlight three requests:

1. One request is for $241,500 to address an increased need for Park Ranger presence on the Springwater Corridor to support campsite cleanup.

2. A Health, Safety & Environmental package to develop an HSE program, fund an HSE consultant currently being used for sampling and testing, and to fund remediation from lead water tests at Multnomah Art Center.

3. A 25% match of the FEMA approved projects from culvert, road and bridge failures through PP&R's system due to the December of 2015 storm.

In addition, the submittal includes five total capital set-aside packages, along with miscellaneous technical, revenue and position adjustments.

Thank you for your consideration of this request.

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Amanda Fritz, Commissioner
Mike Abbaté, Director

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** Technical Adjustment

Request: PK_001 - Fall - Technical Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
External Materials and Services	(3,000)	0	(3,000)
Internal Materials and Services	3,000	0	3,000
Bond Expenses	0	0	0
Contingency	0	0	0
TOTAL EXPENDITURES	**0**	**0**	**0**
REVENUES			
Charges for Services	0	0	0
General Fund Discretionary	0	0	0
TOTAL REVENUES	**0**	**0**	**0**

Bureau Description:

Technical adjustments between major object categories, cost centers, and/or commitment items that do not impact fund size or contingency.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** New Request

Request: PK_002 - Fall - New Revenue Requests

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	207,347	0	207,347
External Materials and Services	3,751	0	3,751
Internal Materials and Services	21,399	0	21,399
Capital Outlay	223,000	0	223,000
Bond Expenses	(224,073)	0	(224,073)
Fund Transfers - Expense	223,000	0	223,000
Contingency	977,000	0	977,000
TOTAL EXPENDITURES	**1,431,424**	**0**	**1,431,424**
REVENUES			
Charges for Services	(224,073)	0	(224,073)
Interagency Revenue	232,497	0	232,497
Fund Transfers - Revenue	1,312,473	0	1,312,473
Miscellaneous	110,527	0	110,527
TOTAL REVENUES	**1,431,424**	**0**	**1,431,424**

Bureau Description:

This package recognizes changes in fund size due to new revenues or adjusted revenue projections. This package is highlighted by a $1.2 million sale of the Tabor Annex property to Portland Housing Bureau.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** Encumbrance Carryover Request

Request: PK_003 - Fall - Encumbrance Carryover

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
External Materials and Services	451,811	0	451,811
TOTAL EXPENDITURES	**451,811**	**0**	**451,811**
REVENUES			
General Fund Discretionary	451,811	0	451,811
TOTAL REVENUES	**451,811**	**0**	**451,811**

Bureau Description:

PP&R recognizes encumbrances for one-time purchases that were over $5,000 in value and encumbered in the prior year, but not received or accrued in the prior year, limited to the General Fund underspending by PP&R in the prior year. In FY 2015/16, PP&R was underspent by $451,811, and contained $489,479 in eligible encumbrances. Thus, this request is for the lesser of the two amounts of $451,811 in General Fund underspending.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** Program Carryover Request

Request: PK_004 - Fall - Grant Adjustments

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	633,764	0	633,764
TOTAL EXPENDITURES	**633,764**	**0**	**633,764**
REVENUES			
Budgeted Beginning Fund Balance	633,764	0	633,764
TOTAL REVENUES	**633,764**	**0**	**633,764**

Bureau Description:

This package recognizes changes in or carryovers from prior year grants.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** Technical Adjustment

Request: PK_005 - Fall - Beginning Fund Balance Adj.

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	54,166	0	54,166
External Materials and Services	419,599	0	419,599
Internal Materials and Services	23,300	0	23,300
Capital Outlay	41,079,039	0	41,079,039
Contingency	(940,740)	0	(940,740)
TOTAL EXPENDITURES	**40,635,364**	**0**	**40,635,364**
REVENUES			
Budgeted Beginning Fund Balance	40,635,364	0	40,635,364
TOTAL REVENUES	**40,635,364**	**0**	**40,635,364**

Bureau Description:

This package is to adjust the beginning fund balances for PP&R funds to align with the CAFR.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** Technical Adjustment

Request: PK_006 - Fall - Position Changes

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	0	0	0
TOTAL EXPENDITURES	**0**	**0**	**0**
REVENUES			
Miscellaneous	0	0	0
TOTAL REVENUES	**0**	**0**	**0**
FTE			
Full-Time Positions	5.00	0.00	5.00
Limited Term Positions	-3.00	0.00	-3.00
TOTAL FTE	2.00	0.00	2.00

Bureau Description:

This package converts six limited-term positions and adds four positions which have been funded since the Adopted Budget. They are a mix of positions that were newly created due to the expansion of the capital program, clean-up of prior year positions that were funded but P-4's not completed by the budget deadline, or positions funded through FY 2016/17 Operations & Maintenance funding that included funding but not position authority. They include conversions of positions 40024852, 40025797, 40025960, 40025961, 40026134 and 40026183. And the creation of (1) Capital Project Manager III, (1) Rec Coordinator I, (1) Community Outreach and Information Representative, and (1) Horticulturist.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** New Request

Request: PK_007 - Fall - SpringwateTrail Rangers/Campsite Clean-up

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	186,483	0	186,483
External Materials and Services	55,000	0	55,000
TOTAL EXPENDITURES	**241,483**	**0**	**241,483**
REVENUES			
General Fund Discretionary	241,483	0	241,483
TOTAL REVENUES	**241,483**	**0**	**241,483**

Bureau Description:

One of the central issues facing the City is lack of shelter for our houseless neighbors. As such, the city has seen a significant increase in people camping along the Springwater trail and east Portland parks. Furthermore, the Mayor’s efforts to ban camping enforcement on the trail and complete the comprehensive camp clean-up along the trail have illustrated the need for more Park Ranger patrols at the site and nearby locations on a daily basis. It will be critical to anticipate and mitigate the impacts on other east Portland properties before large campsites form and create negative impacts on neighborhood livability and the natural habitat. The success of the Springwater cleanup will require increased and ongoing Park Ranger presence along the Springwater to ensure that campers do not return and in other east Portland park properties that campers may move to. Additional Park Rangers are necessary to ensure the success of the post-cleanup security plan. This package includes a total of four Rangers for the remainder of the fiscal year, along with $55,000 in campsite cleanup funding. This package is offset by current year vacancy savings.
* Note - this doesn't include any other possible clean-up sites, such as Gateway Green.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** New Request

Request: PK_008 - Fall - Stage 1: Health, Safety & Environment

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Personnel Services	60,000	0	60,000
External Materials and Services	350,000	0	350,000
Capital Outlay	50,000	0	50,000
TOTAL EXPENDITURES	**460,000**	**0**	**460,000**
REVENUES			
General Fund Discretionary	460,000	0	460,000
TOTAL REVENUES	**460,000**	**0**	**460,000**

Bureau Description:

In response to community concerns this past summer, PP&R embarked on an evaluation and some limited implementation of a portion of needed Health, Safety, and Environmental (HSE) projects, specifically related to Lead Hazard Reduction.

Much work remains including: definition of a comprehensive and proactive strategic approach targeted to all of PP&R's greatest HSE risks; remediation or permanent mitigation of issues understood thus far; and project administration of Lead Hazard Reduction projects during transition to an ongoing program (thus allowing staff to reorient from the Lead Hazard Reduction Project back to their core work).

This package is responsive to community concerns while setting the stage for implementation of an HSE program suitable for PP&R's unique asset portfolio, inherent risks, and operating context and includes:
- Remediation to reduce lead content in drinking water sources at Multnomah Arts Center.
- HSE Consultant for sampling, testing & remediation recommendation for high priority water testing and playground equipment.
- Development of PP&R HSE program.
- Abatement of lead paint at various PP&R assets.
- Arc flash electrical hazard analysis at Children's Museum & Matt Dishman CC.

CBO Discussion and Recommendation

Bureau: Portland Parks & Recreation **Type:** Capital Set-Aside Request

Request: PK_009 - Fall - Capital Set-Aside - Halprin Sequence

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	1,500,000	0	1,500,000
TOTAL EXPENDITURES	**1,500,000**	**0**	**1,500,000**
REVENUES			
Fund Transfers - Revenue	1,500,000	0	1,500,000
Miscellaneous	0	0	0
TOTAL REVENUES	**1,500,000**	**0**	**1,500,000**

Bureau Description:

This package addresses the most critical repair needs at the four Halprin Sequence iconic park fountains to correct unsafe, non-compliant electrical service violations; outdated fountain equipment room ventilation; water filtration and water treatment equipment; exposed electrical conduit, wiring and rebar; and lack of functioning lighting. Degrading fountain walls and basins, failing fountain and stormwater piping, and failing electrical systems pose critical life of asset and safety concerns, and result in significant water leaks and loss. This project leverages $200,000 in existing City funds for schematic design of renovations. Additionally, there is a $2.15 million planned voluntary Local Improvement District (LID) investment, the first of its kind, and $350,000 in additional anticipated private fundraising.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** Capital Set-Aside Request

Request: PK_010 - Fall - Capital Set-Aside - Boiler Replacements

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	750,000	0	750,000
TOTAL EXPENDITURES	**750,000**	**0**	**750,000**
REVENUES			
Fund Transfers - Revenue	750,000	0	750,000
Miscellaneous	0	0	0
TOTAL REVENUES	**750,000**	**0**	**750,000**

Bureau Description:

This package replaces failing boilers, piping, and heat registers at Mt. Scott Community Center (MSCC), Columbia Pool, and Peninsula Park Community Center (PPCC). The MSCC and PPCC boilers have been experiencing frequent failures, causing reductions in levels of service and increasing reactive maintenance; the Columbia Pool boiler is at imminent failure. Each of these locations has only one boiler, meaning that boiler failures cause facility closures. If the $750,000 is funded, energy rebate funds would be available to leverage up to $86,600 in additional funding towards these repairs.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** Capital Set-Aside Request

Request: PK_011 - Fall - Capital Set-Aside - CC Fire & Life Safety

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	750,000	0	750,000
TOTAL EXPENDITURES	**750,000**	**0**	**750,000**
REVENUES			
Fund Transfers - Revenue	750,000	0	750,000
Miscellaneous	0	0	0
TOTAL REVENUES	**750,000**	**0**	**750,000**

Bureau Description:

This project seeks to replace and modernize the detection and alarm systems, upgrade security cameras, and install lockdown mechanisms at up to five community centers listed below. Project economies will be realized due to the breadth (multiple community centers) and depth (multiple systems) of the project:
-Mt. Scott Community Center
-Southwest Community Center
-East Portland Community Center
-Charles Jordan Community Center
-Matt Dishman Community Center

In the past three years, there have been over 75 failures, needed repairs, or identified code discrepancies from the ADA Transition Plan of the fire and smoke alarm systems at these five community centers. The enhanced security systems will also improve reliability and aid our effort to support the police in their investigation of criminal activity. These centers support millions of visits every year, have a very high occupancy which includes programs for seniors, preschools, and programs targeted to low-income or at-risk teens. Where they exist, these systems are obsolete with proprietary and at times difficult to obtain parts. Thirty code deficiencies have been documented, and this package will address the most problematic among those. When the alarm system malfunctions, staff must monitor the alarm panel rather than rely on automated alarm relay to Portland Fire & Rescue. These are among the most important life-safety systems at Community Centers.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** Capital Set-Aside Request

Request: PK_012 - Fall - Capital Set-Aside - SWCC Natatorium Roof

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	1,300,000	0	1,300,000
TOTAL EXPENDITURES	**1,300,000**	**0**	**1,300,000**
REVENUES			
Fund Transfers - Revenue	1,300,000	0	1,300,000
Miscellaneous	0	0	0
TOTAL REVENUES	**1,300,000**	**0**	**1,300,000**

Bureau Description:

The Southwest Community Center supports over 300,000 visits a year and largely supports its own daily operation with $2M in revenue. This high-use, high-visibility facility was also selected for additional rooftop solar panels in the Mayor's Solar Initiative. Programming includes pre-school programming, programming for teens as well as for honored citizens and nearby low-income housing. The roof in the natatorium leaks and has been patched in the past, but has continued to deteriorate causing dry rot and damage. In its current state, facility closure and emergency repair become highly likely within the next two years, as does more extensive damage. Worst case scenario includes more extensive wood, membrane, and facility damage, resulting in prolonged closure of the pool or center. This project proposes to accomplish the necessary roof and structure repairs to assure reliable integrity in rain and storm events. Removal of a portion of the metal roof is necessary to accomplish complete repairs. A portion of the known damage is on the same section of the roof where the Mayor's solar project is planned. This project is necessary before that solar installation can proceed.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** Capital Set-Aside Request

Request: PK_013 - Fall - Capital Set-Aside - Montavilla CC Roof

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	1,877,000	0	1,877,000
TOTAL EXPENDITURES	**1,877,000**	**0**	**1,877,000**
REVENUES			
Fund Transfers - Revenue	1,877,000	0	1,877,000
Miscellaneous	0	0	0
TOTAL REVENUES	**1,877,000**	**0**	**1,877,000**

Bureau Description:

The Montavilla Teen / Community Center supports over 75,000 visits per year with important youth and teen-oriented programming.

There are visible leaks inside the building and paint continues to peel with water damage and evidence of water intrusion in a majority of the rooms of the building. This project intends to re-roof the building while improving roof drainage to restore building envelope integrity and prevent further asset damage. The roof is well-beyond intended service-life.

CBO Discussion and Recommendation

CBO Discussion and Recommendations
FY 2016-17 Fall BMP

Bureau: Portland Parks & Recreation **Type:** New Request

Request: PK_014 - Fall - FEMA 25% Match for December Storm

	Fall BMP Requested Adjustments	Fall BMP CBO/Council Changes	Fall BMP Total Adjustments
EXPENDITURES			
Capital Outlay	1,678,641	0	1,678,641
TOTAL EXPENDITURES	**1,678,641**	**0**	**1,678,641**
REVENUES			
Fund Transfers - Revenue	1,678,641	0	1,678,641
Miscellaneous	0	0	0
TOTAL REVENUES	**1,678,641**	**0**	**1,678,641**

Bureau Description:

The President of the United States of America declared that a major disaster exists in the State of Oregon, based on damage resulting from Straight Line Winds, Flooding, Landslides, and Mudslides, as a result of the Severe Winter Storms that happened December 6th - 23rd, 2015.

Federal funding will be provided by the Federal Emergency Management Agency and is administered by Oregon Emergency Management (OEM) under the authority of Presidential Major Disaster Declaration FEMA 4258-DR-OR (FEMA Declaration). OEM will reimburse the City of Portland for eligible costs and activities necessary for the repair and restoration of public facilities damaged within the City of Portland, during the period December 6th – 23rd, 2015. FEMA has agreed to contribute 75% of eligible project costs for any eligible project identified. The City is responsible for providing the required 25% match for any eligible project costs identified.

This package requests General Fund one-time funds to fund the 25% match for PP&R identified projects approved by FEMA. The match includes roughly $1 million towards a number of failed culverts in Forest Park, $438k in match going towards landslides and undermined roadways, $127k in match of washed-out trails, and $50k in other damaged infrastructure.

CBO Discussion and Recommendation

Prior Year Business Area Reconciliation Report

	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Percent of Actuals to Revised
Portland Parks & Recreation			
EXPENDITURES			
Personnel Services	$53,126,612	$51,434,715	97%
External Materials and Services	$15,997,832	$18,093,342	113%
Internal Materials and Services	$8,274,582	$7,806,911	94%
TOTAL EXPENDITURES	**$77,399,026**	**$77,334,968**	**100%**
REVENUES			
Licenses & Permits	$475,996	$284,208	60%
Charges for Services	$17,178,682	$17,934,430	104%
Intergovernmental Revenues	$116,000	$71,952	62%
Interagency Revenue	$2,162,692	$1,864,977	86%
Miscellaneous	$646,281	$807,266	125%
General Fund Discretionary	$56,819,375	$0	0%
TOTAL REVENUES	**$77,399,026**	**$20,962,834**	**27%**

Bureau Reconciliation Narrative

EXPENSES

External Materials & Services: This $2,095,510 variance is the result of higher than expected operational maintenance costs for 1) decaying assets not classified as major maintenance such as bark chips and minor structural repairs and 2) flood damage cleanup. Additionally, actual utility costs continue to outpace allocations, particularly for water to operate pools, splash pads and irrigation.

This overspending was entirely offset by underspending in Internal Materials & Services ($467,671) and Personnel ($1,691,897).

REVENUES

Licenses & Permits: This $191,788 variance is associated with lower than expected collections in Urban Forestry and the effort to correctly account for revenue associated with Tree Regulation permitting in the trust fund.

Charges for services: Recreation services generated $755,748 more revenue than anticipated.

Intergovernmental: This $44,048 variance is due to lower than anticipated billings at the Community Music Center and Urban Forestry.

Interagency: Interagency revenue is budgeted based on other bureau's anticipated needs, but billed for actual work provided. This variance is primarily related to lower than anticipated billings in Urban Forestry.

Miscellaneous: Recreation generated $160,985 more revenue than anticipated.

The under collections in permitting and intergovernmental revenue were more than offset by increased Recreation revenue, amounting to excess revenue of $383,183.

Prior Year Fund Reconciliation Report

	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Percent of Actuals to Revised
215 - Parks Local Option Levy Fund			
EXPENDITURES			
Contingency	647,210	0	0.00
TOTAL EXPENDITURES	**647,210**	**0**	**0.00**
REVENUES			
Budgeted Beginning Fund Balance	643,210	0	0.00
Taxes	0	896	0.00
Miscellaneous	4,000	5,116	127.90
TOTAL REVENUES	**647,210**	**6,012**	**0.93**

Fund Reconciliation Narrative

Delinquent taxes have slowly been decreasing over the levy years such that we budgeted a lower amount than previously, however collections were made on these delinquent taxes in this last year which benefited the fund but caused this variance.

Prior Year Business Area Reconciliation Report

	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Percent of Actuals to Revised
Portland Parks & Recreation			
EXPENDITURES			
Personnel Services	$530,192	$535,989	101%
External Materials and Services	$8,598,943	$227,305	3%
Internal Materials and Services	$0	$66,661	0%
Capital Outlay	$449,345	$31,687	7%
TOTAL EXPENDITURES	**$9,578,480**	**$861,642**	**9%**
REVENUES			
Intergovernmental Revenues	$9,578,480	$935,669	10%
Miscellaneous	$0	$6,352	0%
TOTAL REVENUES	**$9,578,480**	**$942,021**	**10%**

Bureau Reconciliation Narrative

EXPENSES

Personnel Services 101% - Variance is less than 10%

External Materials and Services 3% - This variance is due to 1) the FEMA grant ($6,835,274 in External M&S) being entered into the 15-16 budget, but none of the work being billed before year-end, and 2) Cully Park project grants that came online during the fiscal year ($1,128,000 in external M&S)

Internal Materials and Services 0% - This variance is due to internal charges not budgeted within grants; for example GL account 629011 was used to bill the FEMA grant for external materials & services out of MicroMain

Capital Outlay 7% - This variance is due to the Whitaker Pond grant budgeting $422,657 in capital outlay but not billing grant for these expenses before year-end

REVENUES

Intergovernmental Revenues 10% - Variance is due to 3 grants whose revenues were budgeted, but not received before year-end:
1) FEMA grant ($7,102,655)
2) Cully project grants (total $1,128,000), and
3) Whitaker Pond grant ($422,657)

Prior Year Fund Reconciliation Report

	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Percent of Actuals to Revised
220 - Portland Parks Memorial Fund			
EXPENDITURES			
Personnel Services	1,408,742	956,964	67.93
External Materials and Services	2,674,023	133,204	4.98
Internal Materials and Services	1,360,780	2,036,786	149.68
Fund Transfers - Expense	754,600	128,020	16.97
Contingency	3,029,433	0	0.00
TOTAL EXPENDITURES	**9,227,578**	**3,254,974**	**35.27**
REVENUES			
Budgeted Beginning Fund Balance	5,058,302	0	0.00
Licenses & Permits	500,000	1,066,600	213.32
Charges for Services	2,529,238	3,172,833	125.45
Fund Transfers - Revenue	354,180	289,180	81.65
Miscellaneous	785,858	760,211	96.74
TOTAL REVENUES	**9,227,578**	**5,288,824**	**57.32**

Fund Reconciliation Narrative

EXPENSES

Personnel Services: The under expenditure of this object category is due to line items were budgeted but had unexpected position cuts.

External and Internal M&S: The variance is due to the manner in which the Trust fund was designed to function within the SAP financial system. Sub-funds were created to depict the different trust accounts PP&R is responsible to manage. The current configuration of SAP will not allow for expenditures to go beyond the level of appropriation at the sub-fund level, called a "hard stop". Consequently, PP&R budgets at a higher level at the sub-fund level, to allow for what might occur during a reporting cycle. By budgeting higher at the sub-fund level we create a larger variance at the fund level, such as what is being experienced in this reporting period.

REVENUES

Licenses and Permits: The $566,000 higher than anticipated revenue relates to the lower than anticipated Fund 100 Revenue in Urban Forestry, as funds were appropriately accounted for in the Tree Regulation Trust.

Fund Transfers: This $65,000 variance is attributed to an Innovation grant projects that was declined and the funds returned.

Prior Year Fund Reconciliation Report

	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Percent of Actuals to Revised
402 - Parks Capital Improvement Program Fund			
EXPENDITURES			
Personnel Services	3,485,845	3,119,998	89.50
External Materials and Services	10,832,225	6,986,593	64.50
Internal Materials and Services	625,171	730,815	116.90
Capital Outlay	29,137,730	3,819,491	13.11
Bond Expenses	255,463	239,292	93.67
Fund Transfers - Expense	237,249	237,249	100.00
Contingency	45,426,695	0	0.00
TOTAL EXPENDITURES	**90,000,378**	**15,133,438**	**16.81**
REVENUES			
Budgeted Beginning Fund Balance	46,284,890	0	0.00
Licenses & Permits	0	175,185	0.00
Charges for Services	19,118,000	21,651,362	113.25
Intergovernmental Revenues	1,864,559	958,657	51.41
Interagency Revenue	60,000	84,979	141.63
Fund Transfers - Revenue	4,663,607	4,037,027	86.56
Bond and Note	16,721,810	28,423,207	169.98
Miscellaneous	1,287,512	3,192,153	247.93
TOTAL REVENUES	**90,000,378**	**58,522,569**	**65.02**

Prior Year Fund Reconciliation Report

	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Percent of Actuals to Revised

Fund Reconciliation Narrative

Fund Reconciliation Narrative

Personnel Services 10.5% underspent - very slight variance from budget.

External Materials & Services 35.5% underspent - this variance is related to the Capital Outlay variance.

Internal Materials & Services 16.9% overspent, but only $105,644. This is a very slight variance from budget.

Capital Outlay 86.89% underspent - This large variance is attributed to the following projects that started late or did not start in FY16: Pioneer Courthouse Square; large park development projects such as Luuwit View, Gateway Discovery, Errol Heights, Spring Garden, and Colwood; building and utility improvement projects such as Sckavone Stadium Lighting, Rose Garden ADA, Whitaker Ponds Entryway, pool and community center roofs, and maintenance facilities; and park amenities such as playgrounds and splashpads.
Bond Expenses - 6.33% underspent - very slight variance from budget.

Fund Transfers Expense - no variance from budget.

Total Expenditures - taking the contingency line out of the equation, the capital fund is 66.05% underspent, per the discussion in the Capital Outlay section.
Charges for Services 13.25% overearned - SDC revenue continues to exceed targets with a strong construction and development market.

Intergovernmental Revenue - this nearly 50% variance is largely due to budgeting $668K revenue from PDC for the Chinese Classical Garden's Lake Zither project, which was handled through PDC and the garden.
Interagency Revenues were nearly 42% overearned, but the dollar amount is just under $25,000; a very slight variance from budget.

Fund Transfers Revenue were 13.44% underearned because we only incurred $108,000 expenses that could be covered by cash transfers from the Washington Park Parking Trust, which had a budget of $532K. In addition, $223K was budgeted in the Fall FY16 BUMP for Tree Mitigation for Willamette Park Trail Improvements P00703. This cash transfer will be completed in FY17.

Bond and Note - Bond proceeds exceeded budget by nearly 70% due to the budget being the initial estimate during the budgeting time period of the amount needed for issuance of bond proceeds for the first bond issuance of the Parks 2014 voter approved general oblgation bond. The actuals are the amount the City's Debt department determined they would issue in bonds for the first issuance when the time came to issue the bonds.

Miscellaneous Revenues came in 157% over budget, or nearly $2 million, mostly due to higher than normal lien assessment collections, along with a $225K donation from Harper's Playground to Gateway Discovery Park.
Total Revenue - Taking the Beginning Fund Balance out of the equation shows revenues were actually overearned by nearly 34%. System Development Charges and Bond and Note Proceeds account for the majority of this variation.

Prior Year Fund Reconciliation Report

	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Percent of Actuals to Revised
500 - Parks Endowment Fund			
EXPENDITURES			
Unappropriated Fund Balance	162,790	0	0.00
Personnel Services	750	0	0.00
External Materials and Services	16,690	100	0.60
Internal Materials and Services	775	0	0.00
TOTAL EXPENDITURES	**181,005**	**100**	**0.06**
REVENUES			
Budgeted Beginning Fund Balance	180,228	0	0.00
Miscellaneous	777	1,390	178.89
TOTAL REVENUES	**181,005**	**1,390**	**0.77**

Fund Reconciliation Narrative

The variance is due to the manner in which the Endowment fund was designed to function within the SAP financial system. Sub-funds were created to depict the different endowments Parks is responsible to manage. The current configuration of SAP will not allow for expenditures to go beyond the level of appropriation at the sub-fund level, called a "hard stop". Consequently, Parks budgets at a higher level at the sub-fund level to allow for what might occur during a reporting cycle. By budgeting higher at the sub-fund level we create a larger variance at the fund level, such as what is being experienced in this reporting period.

Prior Year Fund Reconciliation Report

	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Percent of Actuals to Revised
603 - Golf Fund			
EXPENDITURES			
Personnel Services	3,888,276	3,859,324	99.26
External Materials and Services	4,145,961	4,234,470	102.13
Internal Materials and Services	717,435	520,315	72.52
Capital Outlay	20,000	10,041	50.21
Bond Expenses	350,778	185,969	53.02
Fund Transfers - Expense	295,170	295,170	100.00
Contingency	674,588	0	0.00
TOTAL EXPENDITURES	**10,092,208**	**9,105,289**	**90.22**
REVENUES			
Budgeted Beginning Fund Balance	780,726	0	0.00
Charges for Services	9,302,522	8,600,437	92.45
Bond and Note	0	0	0.00
Miscellaneous	8,960	10,154	113.33
TOTAL REVENUES	**10,092,208**	**8,610,591**	**85.32**

Fund Reconciliation Narrative

Total Charges for Services were $702,085 lower than anticipated due to a lack of golf rounds played in the fiscal year 2015-16. Weather was a major contributing factor. In addition, Colwood Golf Course (acquired by the Portland Parks and Rec in 2014) is continuing to grow, and has recorded a loss in both of the last 2 fiscal years. This variance is notable even though it is less than 10%.

Prior Year Fund Reconciliation Report

	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Percent of Actuals to Revised
604 - Portland International Raceway Fund			
EXPENDITURES			
Personnel Services	798,775	805,734	100.87
External Materials and Services	522,446	458,178	87.70
Internal Materials and Services	126,348	129,982	102.88
Bond Expenses	312,109	310,574	99.51
Fund Transfers - Expense	67,782	67,782	100.00
Contingency	113,279	0	0.00
TOTAL EXPENDITURES	**1,940,739**	**1,772,250**	**91.32**
REVENUES			
Budgeted Beginning Fund Balance	145,479	0	0.00
Charges for Services	1,788,877	1,973,530	110.32
Miscellaneous	6,383	9,494	148.73
TOTAL REVENUES	**1,940,739**	**1,983,024**	**102.18**

Fund Reconciliation Narrative

Capital Program Status Report

Parks

CIP Program	FY 2015-16 Adopted Budget	FY 2015-16 Revised Budget	FY 2015-16 Year-End Actuals	Variance $	Variance %	FY 2016-17 Adopted Budget	Fall BMP Revised Budget	FY 2016-17 Year to Date Actuals	Variance $	Variance %
Acquisitions	$1,000,000	$1,119,671	$371,665	($748,006)	(67%)	$2,225,000	$9,961,021	$0	$7,736,021	348%
Buildings & Pools	$10,063,217	$10,606,928	$4,854,306	($5,752,622)	(54%)	$8,869,715	$16,563,722	$0	$7,694,007	87%
Developed Parks	$17,017,720	$20,450,596	$4,169,990	($16,280,606)	(80%)	$22,203,030	$42,584,501	$0	$20,381,471	92%
Golf	$355,000	$0	$162	$162		$15,000	$15,000	$0	$0	0%
Green Infrastructure	$1,763,398	$1,679,414	$209,333	($1,470,081)	(88%)	$671,458	$2,120,574	$0	$1,449,116	216%
Park Amenities & Trails	$0	$0	$16,611	$16,611		$0	$1,158,355	$0	$1,158,355	
Recreation Features	$4,619,614	$5,548,966	$1,654,821	($3,894,145)	(70%)	$3,122,175	$4,856,012	$0	$1,733,837	56%
Utilities, Roads & Trails	$5,610,935	$9,785,264	$1,505,118	($8,280,146)	(85%)	$7,776,916	$17,415,553	$0	$9,638,637	124%
Total	**$40,429,884**	**$49,190,839**	**$12,782,007**	**($36,408,832)**	**(74%)**	**$44,883,294**	**$94,674,738**	**$0**	**$49,791,444**	**111%**

*** Prior Year variances compare Year-End Actuals to Revised Budget**
**** Current Year variances compare Revised Budget to Adopted Budget**

Prior Year Variance Description

Prior Year Variance Narrative
Acquisitions 67%-The majority of the FY16 acquisition budget was held in broad SDC-funded Central City and Non Central City categories, which provide a funding source as qualified acquisition opportunities arise. There were few acquisition opportunities in FY16; the largest expenditure was for the Gateway Green property, and PP&R received a large discount on that.

Buildings & Pools 54%-Major projects underspent include roofs at CJCC and Sellwood Park, Forestry's HQ replacement, Hillside CC drainage, and MT Facility Replacement. Forestry & MTY projects have faced several issues with the contractors and design with staff. In addition, we will be required to complete historical conditional use reviews before moving forward.

Developed Parks 80%-Major projects underspent include Luuwit View, Errol Heights, Gateway Discovery Park, Spring Garden, Rose Garden ADA, and Pioneer Courthouse Square. Spring Garden and Beech projects have completed the design phase, having invested additional time to promote minority contractors through the Community Benefits plan. Spring Garden will begin construction before FY16 year end. Friends of Gateway Green are still fundraising, and we are also finishing a feasibility study regarding access into the park.

Green Infrastructure 88%-Approximately 50% of this variance is due to the Leach Botanical Garden project, which is underway, but underspent compared to budget. The remaining 50% of this variance is due to budgeting for the Chinese Classical Garden's Lake Zither project, which was ultimately handled through PDC and the garden.

Recreation Features 70%-Several bond-funded playgrounds and splashpad projects are underway, with majority of work to be completed in FY17. The remainder of this variance is due to continuing work on the Willamette Park boat ramp and DOLA.

Utilities, Roads, & Trails 85%-Major projects underway include Colwood Right of Way work, Forest Park entrance, Mt. Scott HVAC, Sckavone Stadium Lighting, trail connections, and Whitaker Pond access improvements.

Capital Program Status Report

Current Year Variance Description

Current Year Variance Narrative
Acquisitions 348%-This budget increase represents SDC funding for acquisition opportunities.

Buildings & Pools 24%-This budget increase reflects carryover funding for numerous projects, including Charles Jordan roof and maintenance facility projects.

Developed Parks 85%-This budget increase reflects carryover funding for numerous projects, as well as new SDC funding for Conway, Luuwit View, and Errol Heights Park Development.

Green Infrastructure 216%-This budget increase is mostly related to additional funding for Leach Botanical Garden.

Recreation Features 56%-This budget increase reflects carryover funding for numerous projects, including swing sets, splash pads, and the Willamette Park boat ramp.

Utilities, Roads, & Trails 114%-This budget increase reflects carryover funding for numerous projects, as well as new funding for Colwood Right-of-Way, Forest Park Entrance, Sullivan's Gulch-Gateway Green Entrance, and Washington Park Sewer Pipe Replacement.