




## PORTLAND PARKS & RECREATION

Healthy Parks, Healthy Portland

Date: March 27, 2017

To: City Budget Office

From: Trang Lam, Deputy Director 

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

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

The Portland Parks & Recreation (PP&R) Spring 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 one new request for in this Spring Budget Adjustment. That is a request for a mid-year reduction to reduce five FTE on an ongoing basis from the Golf program due to a current economic trend of lower than expected golf revenues.

In addition, the Submittal includes a request for PP&R's share of the Compensation Set-Aside funding, along with other miscellaneous technical, revenue and carryover adjustments.

Thank you for your consideration of this request.

### Administration

1120 S.W. 5th Ave., Suite 1302  
Portland, OR 97204  
Tel: (503) 823-7529 Fax: (503) 823-6007

[www.PortlandParks.org](http://www.PortlandParks.org)  
Amanda Fritz, Commissioner  
Mike Abbate, Director



**CBO Discussion and Recommendations  
FY 2016-17 Spring BMP**

**Bureau:** Portland Parks & Recreation

**Type:** Technical Adjustment

**Request:** PK\_015 - Spring - Technical Adjustments

|                                 | <b>Spring BMP<br/>Requested<br/>Adjustments</b> | <b>Spring BMP<br/>CBO/Council<br/>Changes</b> | <b>Spring BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 12,000  | 0   | 12,000                                      |
| External Materials and Services | 163,000   | 0   | 163,000                                     |
| Internal Materials and Services | (1,135,000)                                     | 0   | (1,135,000)                                 |
| Capital Outlay                  | (40,000)  | 0   | (40,000)                                    |
| Contingency                     | 1,000,000                                       | 0   | 1,000,000                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>0</b>  | <b>0</b>                                      | <b>0</b>                                    |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 224,073   | 0   | 224,073                                     |
| Intergovernmental Revenues      | (10,000)  | 0   | (10,000)                                    |
| Bond and Note                   | (224,073)                                       | 0   | (224,073)                                   |
| Miscellaneous                   | 10,000  | 0   | 10,000                                      |
| General Fund Discretionary      | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>0</b>  | <b>0</b>                                      | <b>0</b>                                    |

**Bureau Description:**

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

**CBO Discussion and Recommendation**

**CBO Discussion and Recommendations  
FY 2016-17 Spring BMP**

**Bureau:** Portland Parks & Recreation

**Type:** Technical Adjustment

**Request:** PK\_016 - Spring - Revenue Adjustments

|                                 | <b>Spring BMP<br/>Requested<br/>Adjustments</b> | <b>Spring BMP<br/>CBO/Council<br/>Changes</b> | <b>Spring BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | 255,000   | 0   | 255,000                                     |
| External Materials and Services | 1,335,805                                       | 0   | 1,335,805                                   |
| Internal Materials and Services | 0   | 0   | 0   |
| Capital Outlay                  | 879,300   | 0   | 879,300                                     |
| Fund Transfers - Expense        | 979,300   | 0   | 979,300                                     |
| Contingency                     | 14,540,346                                      | 0   | 14,540,346                                  |
| <b>TOTAL EXPENDITURES</b>       | <b>17,989,751</b>                               | <b>0</b>                                      | <b>17,989,751</b>                           |
| <b>REVENUES</b>                 |   |   |   |
| Budgeted Beginning Fund Balance | 12,692,695                                      | 0   | 12,692,695                                  |
| Licenses & Permits              | 220,000   | 0   | 220,000                                     |
| Charges for Services            | 12,000,000                                      | 0   | 12,000,000                                  |
| Intergovernmental Revenues      | 77,705  | 0   | 77,705                                      |
| Interagency Revenue             | 55,000  | 0   | 55,000                                      |
| Fund Transfers - Revenue        | 3,158,246                                       | 0   | 3,158,246                                   |
| Bond and Note                   | (12,692,695)                                    | 0   | (12,692,695)                                |
| Miscellaneous                   | 2,478,800                                       | 0   | 2,478,800                                   |
| General Fund Discretionary      | 0   | 0   | 0   |
| <b>TOTAL REVENUES</b>           | <b>17,989,751</b>                               | <b>0</b>                                      | <b>17,989,751</b>                           |

**Bureau Description:**

This package recognizes changes in fund size due to new revenues or adjusted revenue projections. This package primarily consists of an increased projection in System Development Charges (SDC) revenues and changes the Bond Project revenue sources from Bond Sales to Beginning Fund Balance.

**CBO Discussion and Recommendation**

**CBO Discussion and Recommendations  
FY 2016-17 Spring BMP**

**Bureau:** Portland Parks & Recreation

**Type:** GF Revenue Carryover

**Request:** PK\_017 - Spring - GF 1-Time Program Carryover

|                                 | <b>Spring BMP<br/>Requested<br/>Adjustments</b> | <b>Spring BMP<br/>CBO/Council<br/>Changes</b> | <b>Spring BMP<br/>Total<br/>Adjustments</b> |
|---------------------------------|---|---|---|
| <b>EXPENDITURES</b>             |   |   |   |
| Personnel Services              | (85,000)  | 0   | (85,000)                                    |
| External Materials and Services | (125,000)                                       | 0   | (125,000)                                   |
| <b>TOTAL EXPENDITURES</b>       | <b>(210,000)</b>                                | <b>0</b>                                      | <b>(210,000)</b>                            |
| <b>REVENUES</b>                 |   |   |   |
| General Fund Discretionary      | (210,000)                                       | 0   | (210,000)                                   |
| <b>TOTAL REVENUES</b>           | <b>(210,000)</b>                                | <b>0</b>                                      | <b>(210,000)</b>                            |

**Bureau Description:**

This package is to carry over three General Fund one-time packages within the current year's budget that won't be fully utilized in the current fiscal year. The programs and carryover amounts are:

- Master plans for new parks in East Portland - \$80,000
- Offroad cycling plan - \$45,000
- Equitable Access for Low Income Portlanders Program Design - \$85,000

**CBO Discussion and Recommendation**

**CBO Discussion and Recommendations  
FY 2016-17 Spring BMP**

**Bureau:** Portland Parks & Recreation

**Type:** Program Carryover Request

**Request:** PK\_018 - Spring - Non-GF Carryover

|                            | <b>Spring BMP<br/>Requested<br/>Adjustments</b> | <b>Spring BMP<br/>CBO/Council<br/>Changes</b> | <b>Spring BMP<br/>Total<br/>Adjustments</b> |
|----------------------------|---|---|---|
| <b>EXPENDITURES</b>        |   |   |   |
| Capital Outlay             | (27,557,623)                                    | 0   | (27,557,623)                                |
| Contingency                | 26,334,966                                      | 0   | 26,334,966                                  |
| <b>TOTAL EXPENDITURES</b>  | <b>(1,222,657)</b>                              | <b>0</b>                                      | <b>(1,222,657)</b>                          |
| <b>REVENUES</b>            |   |   |   |
| Intergovernmental Revenues | (1,222,657)                                     | 0   | (1,222,657)                                 |
| <b>TOTAL REVENUES</b>      | <b>(1,222,657)</b>                              | <b>0</b>                                      | <b>(1,222,657)</b>                          |

**Bureau Description:**

Non-General Fund carryover adjustments to contingency:

SDC Development & Acquisitions\$17,496,965  
 Building Roofs and Energy Systems\$4,779,000  
 Play Areas, Fountains, & Sports Facilities\$1,975,000  
 Sewer & Irrigation\$1,130,000  
 Forest Park Infrastructure\$399,000  
 Natural Areas & Bridges\$366,000  
 Willamette Park DOLA & Pathways\$189,000  
 Grants\$1,222,657  
 Grand Total\$27,557,622

**CBO Discussion and Recommendation**

**CBO Discussion and Recommendations  
FY 2016-17 Spring BMP**

**Bureau:** Portland Parks & Recreation

**Type:** Compensation Set Aside Request

**Request:** PK\_019 - Spring - Comp Set-Aside

|                            | <b>Spring BMP<br/>Requested<br/>Adjustments</b> | <b>Spring BMP<br/>CBO/Council<br/>Changes</b> | <b>Spring BMP<br/>Total<br/>Adjustments</b> |
|----------------------------|---|---|---|
| <b>EXPENDITURES</b>        |   |   |   |
| Personnel Services         | 367,000   | 0   | 367,000                                     |
| <b>TOTAL EXPENDITURES</b>  | <b>367,000</b>                                  | <b>0</b>                                      | <b>367,000</b>                              |
| <b>REVENUES</b>            |   |   |   |
| General Fund Discretionary | 367,000   | 0   | 367,000                                     |
| <b>TOTAL REVENUES</b>      | <b>367,000</b>                                  | <b>0</b>                                      | <b>367,000</b>                              |

**Bureau Description:**

The bureau is requesting the above amount from the Compensation Set-Aside due to unbudgeted COLA increases for full-time employees, a minimum wage increase impacting the bureau's \$10 million seasonal budget, unbudgeted retirement payouts from the Voluntary Retirement Incentive Program, and unbudgeted overtime spending due to severe winter weather and Urban Forestry emergency response.

**CBO Discussion and Recommendation**

**CBO Discussion and Recommendations  
FY 2016-17 Spring BMP**

**Bureau:** Portland Parks & Recreation

**Type:** Mid-Year Reductions

**Request:** PK\_020 - Spring - Golf Reductions

|                           | <b>Spring BMP<br/>Requested<br/>Adjustments</b> | <b>Spring BMP<br/>CBO/Council<br/>Changes</b> | <b>Spring BMP<br/>Total<br/>Adjustments</b> |
|---------------------------|---|---|---|
| <b>EXPENDITURES</b>       |   |   |   |
| Personnel Services        | (60,120)  | 0   | (60,120)                                    |
| <b>TOTAL EXPENDITURES</b> | <b>(60,120)</b>                                 | <b>0</b>                                      | <b>(60,120)</b>                             |
| <b>REVENUES</b>           |   |   |   |
| Charges for Services      | (60,120)  | 0   | (60,120)                                    |
| <b>TOTAL REVENUES</b>     | <b>(60,120)</b>                                 | <b>0</b>                                      | <b>(60,120)</b>                             |
| <b>FTE</b>                |   |   |   |
| Full-Time Positions       | -5.00   | 0.00  | -5.00                                       |
| <b>TOTAL FTE</b>          | <b>-5.00</b>                                    | <b>0.00</b>                                   | <b>-5.00</b>                                |

**Bureau Description:**

While declines in rounds of golf and corresponding revenues have been taking place for several years now, until recently the golf program has managed to maintain a positive cash flow and fund balance. Steadily rising operational expenses combined with weather patterns that have not been conducive to customer activity have combined in a "perfect storm" resulting in impacts with regard to the short-term viability of the Golf Fund. Specifically, the poor weather conditions of this past summer creates the risk of being in the red at the end of this fiscal year. In order to ensure a recovery, it is paramount that some level of remedial action be taken immediately to ensure the stability of the Golf Fund.

This package provides budget authority to eliminate five Greenskeeper positions and will be phased-in as pending retirements are planned between now and June 30th, 2017.

**CBO Discussion and Recommendation**

## Business Area Projection Report

|  | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>YTD Actuals<br>Thru AP8 | Spring BMP<br>Year-End<br>Projection | % of Projected<br>Actuals to<br>Revised Bud |
|--|---------------------------------|---------------------------------------|--------------------------------------|---|
| <b>Portland Parks &amp; Recreation</b> |                                 |                                       |                                      |   |
| <b>EXPENDITURES</b>                    |                                 |                                       |                                      |   |
| Personnel Services                     | \$58,350,217                    | \$35,834,414                          | \$58,369,220                         | 100%  |
| External Materials and Services        | \$18,255,468                    | \$10,550,487                          | \$17,870,230                         | 98%   |
| Internal Materials and Services        | \$8,152,871                     | \$5,498,989                           | \$8,110,766                          | 99%   |
| Capital Outlay                         | \$50,000                        | \$36,162                              | \$36,162                             | 72%   |
| <b>TOTAL EXPENDITURES</b>              | <b>\$84,808,556</b>             | <b>\$51,920,051</b>                   | <b>\$84,386,378</b>                  | <b>100%</b>                                 |
| <b>REVENUES</b>                        |                                 |                                       |                                      |   |
| Licenses & Permits                     | \$639,443                       | \$66,120                              | \$672,046                            | 105%  |
| Charges for Services                   | \$18,362,591                    | \$10,211,711                          | \$17,860,451                         | 97%   |
| Intergovernmental Revenues             | \$108,000                       | \$0                                   | \$108,000                            | 100%  |
| Interagency Revenue                    | \$2,302,306                     | \$1,603,456                           | \$2,346,636                          | 102%  |
| Miscellaneous                          | \$788,148                       | \$522,305                             | \$791,177                            | 100%  |
| General Fund Discretionary             | \$62,608,068                    | \$0                                   | \$62,608,068                         | 100%  |
| <b>TOTAL REVENUES</b>                  | <b>\$84,808,556</b>             | <b>\$12,403,592</b>                   | <b>\$84,386,378</b>                  | <b>100%</b>                                 |

### Bureau Projection Narrative

Fund 100, Business Area PK - Portland Parks and Recreation General Fund:

This fund is not expected to have over-spending of expenses or under-collection of revenues by more than 10%.

Fund 217, Business Area PK – Portland Parks and Recreation Grants Fund:

This fund is not expected to have over-spending of expenses or under-collection of revenues by more than 10%.



# Fund Projection Report

|                                     | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>YTD Actuals<br>Thru AP8 | Spring BMP<br>Year-End<br>Projection | % of Projected<br>Actuals to<br>Revised Bud |
|-------------------------------------|---------------------------------|---------------------------------------|--------------------------------------|---|
| <b>Parks Local Option Levy Fund</b> |                                 |                                       |                                      |   |
| <b>EXPENDITURES</b>                 |                                 |                                       |                                      |   |
| External Materials and Services     | \$652,480                       | \$0                                   | \$0                                  | 0%  |
| Fund Transfers - Expense            | \$22,536                        | \$15,024                              | \$22,536                             | 100%  |
| Contingency                         | \$0                             | \$0                                   | \$657,295                            |   |
| <b>TOTAL EXPENDITURES</b>           | <b>\$675,016</b>                | <b>\$15,024</b>                       | <b>\$679,831</b>                     | <b>101%</b>                                 |
| <b>REVENUES</b>                     |                                 |                                       |                                      |   |
| Budgeted Beginning Fund Balance     | \$672,516                       | \$0                                   | \$672,516                            | 100%  |
| Taxes                               | \$500                           | \$610                                 | \$950                                | 190%  |
| Miscellaneous                       | \$2,000                         | \$4,375                               | \$6,365                              | 318%  |
| <b>TOTAL REVENUES</b>               | <b>\$675,016</b>                | <b>\$4,985</b>                        | <b>\$679,831</b>                     | <b>101%</b>                                 |

**Fund Projection Narrative**

This fund is not expected to have over-spending of expenses or under-collection of revenues by more than 10%.

## Business Area Projection Report

|  | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>YTD Actuals<br>Thru AP8 | Spring BMP<br>Year-End<br>Projection | % of Projected<br>Actuals to<br>Revised Bud |
|--|---------------------------------|---------------------------------------|--------------------------------------|---|
| <b>Portland Parks &amp; Recreation</b> |                                 |                                       |                                      |   |
| <b>EXPENDITURES</b>                    |                                 |                                       |                                      |   |
| Personnel Services                     | \$255,991                       | \$131,412                             | \$255,991                            | 100%  |
| External Materials and Services        | \$692,420                       | \$525,378                             | \$692,420                            | 100%  |
| Internal Materials and Services        | \$44,336                        | \$28,460                              | \$42,690                             | 96%   |
| Capital Outlay                         | \$1,087,625                     | \$384,167                             | \$1,087,625                          | 100%  |
| <b>TOTAL EXPENDITURES</b>              | <b>\$2,080,372</b>              | <b>\$1,069,416</b>                    | <b>\$2,078,726</b>                   | <b>100%</b>                                 |
| <b>REVENUES</b>                        |                                 |                                       |                                      |   |
| Budgeted Beginning Fund Balance        | \$1,154,202                     | \$0                                   | \$1,154,192                          | 100%  |
| Intergovernmental Revenues             | \$916,170                       | \$835,090                             | \$916,170                            | 100%  |
| Miscellaneous                          | \$10,000                        | \$5,487                               | \$10,500                             | 105%  |
| <b>TOTAL REVENUES</b>                  | <b>\$2,080,372</b>              | <b>\$840,577</b>                      | <b>\$2,080,862</b>                   | <b>100%</b>                                 |

### **Bureau Projection Narrative**

Fund 100, Business Area PK - Portland Parks and Recreation General Fund:

This fund is not expected to have over-spending of expenses or under-collection of revenues by more than 10%.

Fund 217, Business Area PK – Portland Parks and Recreation Grants Fund:

This fund is not expected to have over-spending of expenses or under-collection of revenues by more than 10%.

# Fund Projection Report

|                                     | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>YTD Actuals<br>Thru AP8 | Spring BMP<br>Year-End<br>Projection | % of Projected<br>Actuals to<br>Revised Bud |
|-------------------------------------|---------------------------------|---------------------------------------|--------------------------------------|---|
| <b>Portland Parks Memorial Fund</b> |                                 |                                       |                                      |   |
| <b>EXPENDITURES</b>                 |                                 |                                       |                                      |   |
| Personnel Services                  | \$1,577,743                     | \$643,706                             | \$957,011                            | 61%   |
| External Materials and Services     | \$4,843,759                     | \$84,564                              | \$162,546                            | 3%  |
| Internal Materials and Services     | \$2,030,870                     | \$907,504                             | \$1,603,941                          | 79%   |
| Capital Outlay                      | \$1,200,000                     | \$0                                   | \$0                                  | 0%  |
| Fund Transfers - Expense            | \$1,368,900                     | \$404,600                             | \$492,890                            | 36%   |
| Contingency                         | \$2,388,922                     | \$0                                   | \$9,389,844                          | 393%  |
| <b>TOTAL EXPENDITURES</b>           | <b>\$13,410,194</b>             | <b>\$2,040,374</b>                    | <b>\$12,606,232</b>                  | <b>94%</b>                                  |
| <b>REVENUES</b>                     |                                 |                                       |                                      |   |
| Budgeted Beginning Fund Balance     | \$7,091,532                     | \$0                                   | \$7,091,532                          | 100%  |
| Licenses & Permits                  | \$0                             | \$360,350                             | \$1,009,400                          |   |
| Charges for Services                | \$2,901,112                     | \$2,064,256                           | \$3,336,170                          | 115%  |
| Fund Transfers - Revenue            | \$2,246,264                     | \$67,318                              | \$210,678                            | 9%  |
| Miscellaneous                       | \$1,171,286                     | \$568,599                             | \$958,452                            | 82%   |
| <b>TOTAL REVENUES</b>               | <b>\$13,410,194</b>             | <b>\$3,060,522</b>                    | <b>\$12,606,232</b>                  | <b>94%</b>                                  |

## Fund Projection Narrative

The expense variances are due to the manner in which the Parks Memorial fund is designed to work within the SAP financial system. Sub-funds were created to depict the different special revenue accounts PP&R is responsible to manage. The current configuration of SAP will not allow for expenditures to go beyond appropriation at the sub-fund level, thus PP&R budgets at a higher level at the sub-fund level to allow for any expenditures that might be incurred in any individual sub-fund throughout the year. 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.

# Fund Projection Report

|   | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>YTD Actuals<br>Thru AP8 | Spring BMP<br>Year-End<br>Projection | % of Projected<br>Actuals to<br>Revised Bud |
|---|---------------------------------|---------------------------------------|--------------------------------------|---|
| <b>Parks Capital Improvement Program Fund</b> |                                 |                                       |                                      |   |
| <b>EXPENDITURES</b>                           |                                 |                                       |                                      |   |
| Personnel Services                            | \$3,227,711                     | \$2,133,465                           | \$3,200,198                          | 99%   |
| External Materials and Services               | \$6,295,210                     | \$4,137,979                           | \$6,206,969                          | 99%   |
| Internal Materials and Services               | \$583,719                       | \$366,373                             | \$549,560                            | 94%   |
| Capital Outlay                                | \$54,086,613                    | \$10,799,341                          | \$36,199,012                         | 67%   |
| Bond Expenses                                 | \$104,736                       | \$15,702                              | \$104,736                            | 100%  |
| Fund Transfers - Expense                      | \$540,155                       | \$250,106                             | \$540,155                            | 100%  |
| Contingency                                   | \$60,617,159                    | \$0                                   | \$60,000,000                         | 99%   |
| <b>TOTAL EXPENDITURES</b>                     | <b>\$125,455,303</b>            | <b>\$17,702,966</b>                   | <b>\$106,800,630</b>                 | <b>85%</b>                                  |
| <b>REVENUES</b>                               |                                 |                                       |                                      |   |
| Budgeted Beginning Fund Balance               | \$88,888,565                    | \$0                                   | \$70,130,310                         | 79%   |
| Charges for Services                          | \$22,566,819                    | \$20,727,722                          | \$22,566,819                         | 100%  |
| Intergovernmental Revenues                    | \$109,149                       | (\$7,797)                             | \$0                                  | 0%  |
| Interagency Revenue                           | \$42,579                        | \$33,887                              | \$42,579                             | 100%  |
| Fund Transfers - Revenue                      | \$11,130,823                    | \$8,912,050                           | \$11,241,350                         | 101%  |
| Bond and Note                                 | \$0                             | \$0                                   | \$0                                  | 0%  |

# Fund Projection Report

|   | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>YTD Actuals<br>Thru AP8 | Spring BMP<br>Year-End<br>Projection | % of Projected<br>Actuals to<br>Revised Bud |
|---|---------------------------------|---------------------------------------|--------------------------------------|---|
| <b>Parks Capital Improvement Program Fund</b> |                                 |                                       |                                      |   |
| <b>REVENUES</b>                               |                                 |                                       |                                      |   |
| Miscellaneous                                 | \$2,717,368                     | \$2,850,706                           | \$2,819,571                          | 104%  |
| <b>TOTAL REVENUES</b>                         | <b>\$125,455,303</b>            | <b>\$32,516,568</b>                   | <b>\$106,800,629</b>                 | <b>85%</b>                                  |

**Fund Projection Narrative**

Fund Projection Narrative

Expenditures

Personnel Services 99% – Personnel expense projection is based on year-to-date actuals and exceeded Fall Revised Budget; Spring Budget was adjusted to account for the higher expenditures.

External Materials & Services 99% - EMS projection is based on year-to-date actuals and exceeded Fall Revised Budget; Spring Budget was adjusted to account for the higher expenditures.

Internal Materials & Services 94% - Projections were based on year-to-date actuals and were much lower than Fall Revised Budget which included a large budget for internal services which have not been used. Therefore, the Spring Budget was adjusted to reflect the projected usage levels through year end.

Capital Outlay 67% - The Capital Outlay projection is based on average monthly expenditures. The variance is due to higher budget amounts that minimize the risk of overspending in case 4th quarter weather and other external factors allow for accelerated development spending.

Debt Retirement 100% - no variance.

Interfund Cash Transfer Expense 100% - no variance.

Contingency 99% - Minimal variance expected.

Revenues

Charges for Services 100% - Budgets were aligned with projections in Spring BuMP adjustments, resulting in zero variance.

Intergovernmental Revenues 0% - this variance is due to fewer than budgeted Metro-funded acquisitions so far in FY17; however, several projects are expected to be completed, as well as local source donations received. prior to year end.

Interagency Revenues 100% – No variance. This projection assumes that all interagency revenue will be collected by year end.

Fund Transfers – Revenue 101% – No variance. This projection assumes that all cash transfer revenue will be collected this fiscal year.

Bond and Note Proceeds 0% – No bond or note proceeds are expected this fiscal year.

Miscellaneous 104% - As of AP8, Miscellaneous Sources already exceeded budget due to higher than expected payment of open SDC assessments. Projection assumes income will continue along the same line through year end.

## Fund Projection Report

|                                 | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>YTD Actuals<br>Thru AP8 | Spring BMP<br>Year-End<br>Projection | % of Projected<br>Actuals to<br>Revised Bud |
|---------------------------------|---------------------------------|---------------------------------------|--------------------------------------|---|
| <b>Parks Endowment Fund</b>     |                                 |                                       |                                      |   |
| <b>EXPENDITURES</b>             |                                 |                                       |                                      |   |
| Unappropriated Fund Balance     | \$163,300                       | \$0                                   | \$182,855                            | 112%  |
| Personnel Services              | \$750                           | \$0                                   | \$0                                  | 0%  |
| External Materials and Services | \$17,877                        | \$250                                 | \$350                                | 2%  |
| Internal Materials and Services | \$775                           | \$0                                   | \$0                                  | 0%  |
| <b>TOTAL EXPENDITURES</b>       | <b>\$182,702</b>                | <b>\$250</b>                          | <b>\$183,205</b>                     | <b>100%</b>                                 |
| <b>REVENUES</b>                 |                                 |                                       |                                      |   |
| Budgeted Beginning Fund Balance | \$181,465                       | \$0                                   | \$181,465                            | 100%  |
| Miscellaneous                   | \$1,237                         | \$1,199                               | \$1,740                              | 141%  |
| <b>TOTAL REVENUES</b>           | <b>\$182,702</b>                | <b>\$1,199</b>                        | <b>\$183,205</b>                     | <b>100%</b>                                 |

### Fund Projection 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. However, this fund is not expected to have over-spending of expenses or under-collection of revenues by more than 10%.

# Fund Projection Report

|                                 | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>YTD Actuals<br>Thru AP8 | Spring BMP<br>Year-End<br>Projection | % of Projected<br>Actuals to<br>Revised Bud |
|---------------------------------|---------------------------------|---------------------------------------|--------------------------------------|---|
| <b>Golf Fund</b>                |                                 |                                       |                                      |   |
| <b>EXPENDITURES</b>             |                                 |                                       |                                      |   |
| Personnel Services              | \$3,780,030                     | \$2,474,484                           | \$3,256,994                          | 86%   |
| External Materials and Services | \$4,332,236                     | \$2,546,600                           | \$4,058,068                          | 94%   |
| Internal Materials and Services | \$754,125                       | \$365,486                             | \$335,567                            | 44%   |
| Capital Outlay                  | \$15,000                        | \$0                                   | \$0                                  | 0%  |
| Bond Expenses                   | \$209,492                       | \$27,877                              | \$209,492                            | 100%  |
| Fund Transfers - Expense        | \$416,140                       | \$277,427                             | \$416,140                            | 100%  |
| Contingency                     | \$268,831                       | \$0                                   | \$253,258                            | 94%   |
| <b>TOTAL EXPENDITURES</b>       | <b>\$9,775,854</b>              | <b>\$5,691,874</b>                    | <b>\$8,529,519</b>                   | <b>87%</b>                                  |
| <b>REVENUES</b>                 |                                 |                                       |                                      |   |
| Budgeted Beginning Fund Balance | \$286,028                       | \$0                                   | \$286,028                            | 100%  |
| Charges for Services            | \$9,459,073                     | \$4,667,393                           | \$8,233,223                          | 87%   |
| Miscellaneous                   | \$30,753                        | \$6,614                               | \$10,268                             | 33%   |
| <b>TOTAL REVENUES</b>           | <b>\$9,775,854</b>              | <b>\$4,674,007</b>                    | <b>\$8,529,519</b>                   | <b>87%</b>                                  |

## Fund Projection Narrative

Charges for services were lower than anticipated due to lack of rounds played. Portland has experienced a significantly wetter winter than previous years, including some severe weather (ice, heavy snowfall, etc.). In addition, construction at Colwood impeded growth at the course, causing lower-than-projected rounds and greens fees.

Miscellaneous revenues were lower than budgeted because historical data included sales of equipment that did not occur in fiscal year 16-17.

# Fund Projection Report

|  | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>YTD Actuals<br>Thru AP8 | Spring BMP<br>Year-End<br>Projection | % of Projected<br>Actuals to<br>Revised Bud |
|--|---------------------------------|---------------------------------------|--------------------------------------|---|
| <b>Portland International Raceway Fund</b> |                                 |                                       |                                      |   |
| <b>EXPENDITURES</b>                        |                                 |                                       |                                      |   |
| Personnel Services                         | \$819,413                       | \$482,166                             | \$775,534                            | 95%   |
| External Materials and Services            | \$525,753                       | \$219,796                             | \$400,436                            | 76%   |
| Internal Materials and Services            | \$132,374                       | \$82,568                              | \$137,802                            | 104%  |
| Bond Expenses                              | \$319,716                       | \$13,502                              | \$319,716                            | 100%  |
| Fund Transfers - Expense                   | \$103,461                       | \$68,977                              | \$103,461                            | 100%  |
| Contingency                                | \$386,754                       | \$0                                   | \$522,264                            | 135%  |
| <b>TOTAL EXPENDITURES</b>                  | <b>\$2,287,471</b>              | <b>\$867,009</b>                      | <b>\$2,259,213</b>                   | <b>99%</b>                                  |
| <b>REVENUES</b>                            |                                 |                                       |                                      |   |
| Budgeted Beginning Fund Balance            | \$356,253                       | \$0                                   | \$356,253                            | 100%  |
| Charges for Services                       | \$1,922,562                     | \$1,126,063                           | \$1,891,454                          | 98%   |
| Miscellaneous                              | \$8,656                         | \$8,494                               | \$11,506                             | 133%  |
| <b>TOTAL REVENUES</b>                      | <b>\$2,287,471</b>              | <b>\$1,134,557</b>                    | <b>\$2,259,213</b>                   | <b>99%</b>                                  |

**Fund Projection Narrative**

The fund has no over-spending of expenses or under-collection of revenues by more than 10%



# Budget Note Update

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## Portland Parks & Recreation

**Date of Update:** March 27, 2017

**Budget Note Title:** State Minimum Wage Law Impacts

**Budget Note Language:**

Council directs Portland Parks & Recreation to work with the City Budget Office over the next five years to identify increased costs to the bureau as a result of the State phasing in an increased minimum wage that will reach \$14.75 per hour in 2022. As part of each subsequent years requested budget, Portland Parks & Recreation will include a plan for how to account for this additional cost, including increased fee revenue and General Fund appropriations.

**Summary Status:** Underway

**Budget Note Update:** Analysis of the impacts of the State Minimum Wage Law impacts is in progress.

**Budget Note Title:** Create Income-based Preschool Fees

**Budget Note Language:** Portland Parks & Recreation will analyze and revise the fee amounts for the preschool program by creating a sliding scale based on household income. The revised schedule shall not result in an increase of General Fund subsidy to the program. These findings and the revised schedule shall be finalized in preparation for the FY 2017-18 budget.

**Summary Status:** Underway

**Budget Note Update:** In response to direction to recommend reduction packages in the FY 2017-18 Bureau Budget, Portland Parks & Recreation developed a reduction package to eliminate the Preschool program. Coupled with a vacancy in the Preschool Coordinator position, the income-based fee analysis was delayed and not included in the FY 2017-18 Requested Budget.

**Budget Note Title:** Halprin Fountains

**Budget Note Language:** Council directs Portland Parks & Recreation to bring forward a decision package in the FY 2016-17 Fall Budget Monitoring Process that requests one-time funding of up to \$1,500,000 for restoration of the Halprin Fountains. Funding for the fountains will be contingent upon approval of a Local Improvement District.

**Summary Status:** Complete

**Budget Note Update:** A one-time Capital Set-Aside funding package was requested and approved in the FY 2016-17 Fall Budget Monitoring Process. The \$2.15M Local Improvement District formation was approved by City Council on 12/21/16. The Halprin Landscape Conservancy has kicked off its private fundraising campaign for the additional funding. Work is underway on a procurement process, as well as contracting with a Design Team to take the drawings from 30% design to 100% and through permitting and construction.

# Capital Program Status Report

## Parks

| CIP Program               | FY 2015-16<br>Adopted<br>Budget | FY 2015-16<br>Revised<br>Budget | FY 2015-16<br>Year-End<br>Actuals | Variance<br>\$        | Variance<br>% | FY 2016-17<br>Adopted<br>Budget | Spring BMP<br>Revised<br>Budget | FY 2016-17<br>Year to Date<br>Actuals | Variance<br>\$      | Variance<br>% |
|---------------------------|---------------------------------|---------------------------------|-----------------------------------|-----------------------|---------------|---------------------------------|---------------------------------|---------------------------------------|---------------------|---------------|
| Acquisitions              | \$1,000,000                     | \$1,119,671                     | \$371,665                         | (\$748,006)           | (67%)         | \$2,225,000                     | \$5,009,021                     | (\$34,287)                            | \$2,784,021         | 125%          |
| Buildings & Pools         | \$10,063,217                    | \$10,606,928                    | \$4,854,306                       | (\$5,752,622)         | (54%)         | \$8,869,715                     | \$11,747,327                    | \$3,609,973                           | \$2,877,612         | 32%           |
| Developed Parks           | \$17,017,720                    | \$20,450,596                    | \$4,169,990                       | (\$16,280,606)        | (80%)         | \$22,203,030                    | \$34,821,501                    | \$8,085,293                           | \$12,618,471        | 57%           |
| 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                       | \$555,574                       | \$333,901                             | (\$115,884)         | (17%)         |
| Park Amenities & Trails   | \$0                             | \$0                             | \$16,611                          | \$16,611              |               | \$0                             | \$603,389                       | \$98,514                              | \$603,389           |               |
| Recreation Features       | \$4,619,614                     | \$5,548,966                     | \$1,654,821                       | (\$3,894,145)         | (70%)         | \$3,122,175                     | \$3,449,012                     | \$1,187,567                           | \$326,837           | 10%           |
| Utilities, Roads & Trails | \$5,610,935                     | \$9,785,264                     | \$1,505,118                       | (\$8,280,146)         | (85%)         | \$7,776,916                     | \$10,255,431                    | \$3,777,420                           | \$2,478,515         | 32%           |
| <b>Total</b>              | <b>\$40,429,884</b>             | <b>\$49,190,839</b>             | <b>\$12,782,007</b>               | <b>(\$36,408,832)</b> | <b>(74%)</b>  | <b>\$44,883,294</b>             | <b>\$66,456,255</b>             | <b>\$17,058,380</b>                   | <b>\$21,572,961</b> | <b>48%</b>    |

\* 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 125% - This budget increase primarily provides funding authority to acquire central and non-central city park properties, should any become available.

Buildings & Pools 32% - This increase provides funding for the most urgent major maintenance needs.

Developed Parks 57% - The budget increase is for continuing park development work at Luuwit View, Gateway Discovery, Thomas Cully, and Spring Garden parks.

Green Infrastructure (17%) – This relatively small Spring budget reduction results primarily from costs that will be delayed until next fiscal year, primarily at Leach Botanical Gardens.

Recreation Features 10% - this slight budget increase is to cover costs at the East Delta Park natural and artificial turf fields, as well as repairs to the Willamette Park boat ramp.

Utilities, Roads and Trails 32% - Nearly half of this budget increase is for the completion of the current phase of the Colwood Golf Course development project. Other significant budget increases are for the Forest Park Entrance project, large trail connection projects on the Springwater and along the Willamette, and the Washington Park Sewer Pipe Relining project.