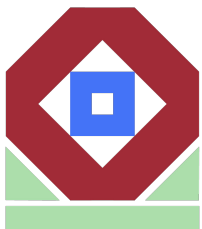


# Parks Fiscal Management: Systemwide goals and sustainability strategies needed to ensure parks for future generations

October 2025

Simone Rede, City Auditor  
KC Jones, Audit Services Director  
Mason Atkin, Performance Auditor



**Portland  
City Auditor**  
Audit Services



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*Cover photograph by Weston Ruter, 2021, of a Montavilla Park picnic shelter demolition.*

# Summary

Portland Parks and Recreation faces an infrastructure crisis. As of September 2024, the bureau reported that 86% of its assets — such as playgrounds, paths, and restrooms — are in poor or very bad condition. Parks estimates it would cost between \$550 million and \$800 million to restore assets to a reasonable level of wear-and-tear. Because the maintenance backlog is so large, some assets will fail regardless of how much funding Parks raises in the next 10 years. Parks also reported an operational funding gap, meaning it has not secured long-term funding for many of the programs and services it currently offers.

We found that Parks had not taken a systematic approach to identifying, evaluating, and implementing cost-saving, revenue-generating, or service-reduction strategies. As a result, Parks had not given decision-makers critical information needed to make the parks system fiscally sustainable over the long term. With long-term uncertainty, Portlanders may approach every budget cycle worried that their favorite local park, community center or program is under threat.

We also found that Parks' investments in its assets did not account for existing maintenance obligations and that the bureau had not clearly defined systemwide goals. This meant that new investment decisions were susceptible to political pressure rather than based on systemwide needs. In addition, Parks committed to funding the construction of new assets without identifying a funding source for its ongoing maintenance. As a result, the City added assets it cannot afford.

To ensure Portland's parks system continues to serve future generations, we recommend that Parks develop systemwide goals informed by maintenance obligations of the current system and base new investment proposals on those goals. Additionally, we recommend Parks develop a fiscal sustainability plan that details the identification and evaluation of fiscal sustainability strategies and includes an action plan for implementation. We also recommend Parks communicate the scope and impact of cost-saving actions to the public. And per City policy, we recommend Parks create funding plans for estimated major maintenance and lifecycle costs.

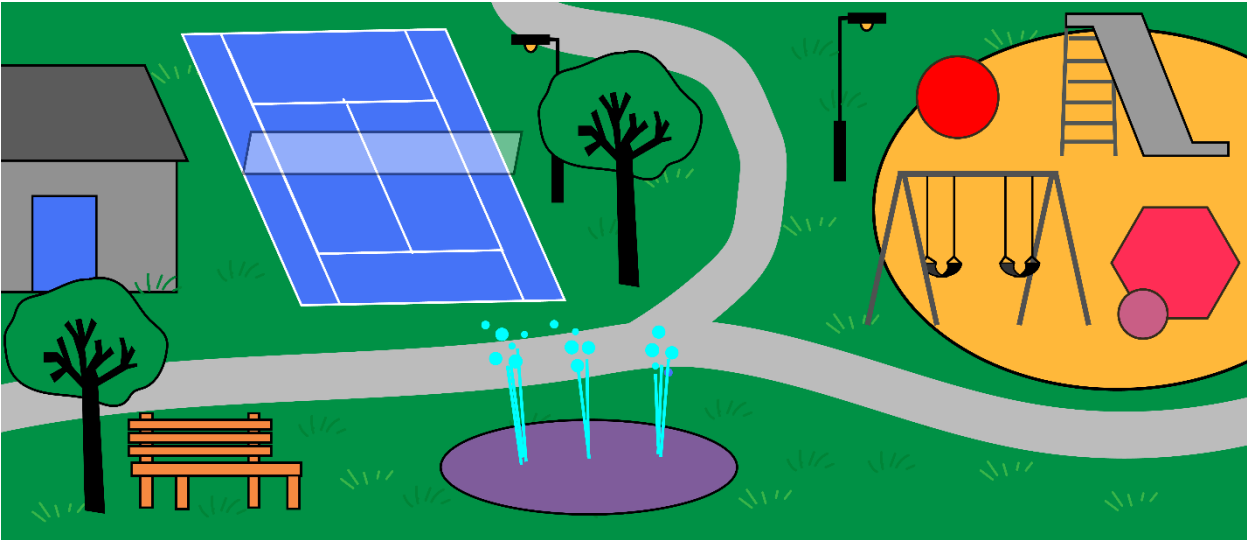
We also recommend that the City Administrator or their designee should update City financial policy to ensure investments align with an approach that considers the condition of current assets and overall systemwide goals.

# Background

Portland Parks and Recreation is responsible for parks, recreation opportunities, and entertainment across the city. Parks is led by a Director who reports to the Deputy City Administrator for Public Works. Prior to 2025, the Director reported to an elected Commissioner-in-Charge who also served on City Council in the previous form of government. Council still approves Parks’ budget and is responsible for sending Parks related bonds and levies to the ballot.

Portlanders love their parks. In a 2024 poll conducted by Parks, 77% of respondents reported satisfaction with Parks’ services, and 79% said parks are extremely or very important to their quality of life. As of 2025, Parks managed 11,677 acres which included parks, natural areas, undeveloped land, golf courses, and the Portland International Raceway.

**Figure 1. Parks manages assets like playgrounds, community centers, trees, paths, restrooms, irrigation systems, splash pads, and tennis courts**



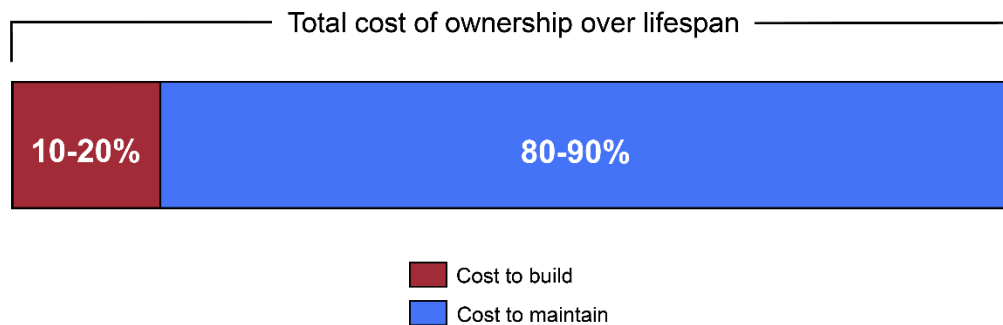
Source: Audit Services’ visualization of Parks’ assets.

Parks’ infrastructure includes assets like playgrounds, community centers, trees, paths, restrooms, irrigation systems and tennis courts. These assets require significant resources.

Assets cost more in maintenance over their lifetime than they do in initial construction. The acquisition of capital assets accounts for only 10-20% of their total cost of ownership. The remaining 80-90% comes from maintenance costs which include operations and maintenance, major maintenance projects, and lifecycle replacement.

Assets inevitably deteriorate over time. Older assets, and those in worse condition, require more expensive upkeep. Eventually, assets reach the end of their useful life and must be removed or replaced, which also costs money. It is normal for agencies that manage many assets to have some in better condition than others.

**Figure 2. Assets cost more in maintenance over their lifetime than they do in initial construction**



Source: Audit services' analysis of Parks' asset cost estimates.

## Parks, and the City, face an infrastructure crisis

Parks' assets have had to close due to lack of maintenance and will continue to close. As of September 2024, Parks reported that 86% of its assets are in poor or very bad condition.

Parks estimates its maintenance backlog between \$550 million and \$800 million. Because of the backlog's size and the time required to implement major projects, asset failures will occur in the next decade regardless of new funding.

*The deferred maintenance gap has accumulated so much that it is beyond the current organizational capacity to manage. Let's say someone wrote us a check for \$600 million dollars today. We would still see failures.*

- Parks Manager

Portland Parks' infrastructure crisis reflects a broader Citywide problem. In 2023, Citywide asset reports estimated that Portland's annual infrastructure funding gap exceeded \$1 billion. An April 2025 City audit identified the need for Council to support asset management through its leadership and allocation of resources. The audit stated this was a challenge under the commission form of government. For example, since the

COVID-19 pandemic, Council waived a policy that requires certain discretionary revenue to be used to fund infrastructure needs.

## Level of service plans are necessary for asset sustainability

Agencies that manage infrastructure need to understand how much it will cost, now and in the future, to keep assets in acceptable condition for the public. Agencies typically do this through a level of service plan which defines the nature and quality of assets they intend to provide and is informed by what the public wants and is prepared to pay for.

A level of service plan is informed by systemwide conditions and the cost of maintaining assets over time. For example, when developing such a plan, an agency might identify playgrounds, pools, ball fields, lighting, fencing, and shelters in its inventory. If playgrounds are in poor condition and require \$1 million annually for maintenance, the agency must decide whether to repair, replace, or remove them. These decisions help balance costs, avoid unsafe conditions, and guide long-term investments.

A level of service plan can also support equity goals by showing which neighborhoods lack amenities or which existing assets need attention. Agencies can then prioritize investments that promote equitable access to services.

## Parks does not have sustainable funding for many programs and services

In addition to its maintenance backlog, Parks faces a significant operational funding gap. Parks has not secured sustainable funding for many programs and services.

In 2019, Parks informed City Council about these gaps and launched the Sustainable Future initiative to seek new revenue sources. While Parks explored options like a special parks tax district, its most significant success came in 2020 with voter approval of the Parks Levy. This operational levy funded services but was not designed to address the maintenance backlog.

Despite levy funding, Parks closed assets such as the Columbia Pool and a covered picnic shelter in Montavilla, which was demolished for safety reasons. The 2020 levy did not close Parks funding gaps. During 2025 budget discussions, Parks again informed Council of its budget shortfalls. Council placed a new levy measure, the 2025 Parks Levy, on the ballot for November 2025.

# Results

The objective of this audit was to determine whether Parks' fiscal management of capital growth projects helped control ongoing operations and maintenance costs.

We found that Parks has not developed the plans necessary to fund critical services and amenities in the long term. Parks has not systematically identified and evaluated fiscal sustainability strategies or created an action plan for implementing selected strategies. Also, Parks has not integrated new investment decisions with existing maintenance obligations. As a result, Parks has not been able to communicate important information to decision makers, like City Council and the public. Parks has also added more ongoing maintenance expenses to an already unmanageable maintenance backlog.

## Parks lacks a long-term plan to fund services

Agencies should create long-term fiscal sustainability plans to expose impending funding gaps before they become a crisis. A fiscal sustainability plan combines financial forecasts, policies, and action steps to ensure essential services remain viable. Creating a plan includes developing a long-term financial forecast and identifying, evaluating, and implementing fiscal sustainability strategies.

Ideally, agencies prepare such a plan before they encounter funding crises. Doing so helps prevent asset failure and service reduction. As of July 2025, Parks' maintenance backlog was so large that assets will fail regardless of how much money the bureau raises. Major maintenance projects take a long time to complete — for example, repairing a sinkhole in Forest Park took six years.

By developing a fiscal sustainability plan now, Parks would gain the information needed to weigh investment trade-offs and prioritize limited funding for both programming and infrastructure. A plan would also support Parks in communicating need to voters when seeking additional funding in the form of levies and bonds.

Agencies develop a fiscal sustainability plan by taking these steps:

- **Long-range financial forecast:** Identify anticipated funding gaps with conservative projections.
- **Fiscal strategies:** Identify potential strategies such as cost reductions, new revenue sources, or service reductions. Assess their fiscal impact and feasibility.
- **Implementation action plan:** Establish timelines and assign responsibility for selected strategies. Best practice is to first reduce costs and explore efficiencies.

After exhausting these options, an agency should pursue new revenue. Only as a last resort should it reduce services.

While Parks does not have a fiscal sustainability plan, it has taken steps to understand and address its fiscal gap. Parks created a 10-year financial plan that this audit did not evaluate. In 2019, Parks presented six funding options to Council, like a bond, levy or food and beverage tax. Parks has also reported implementing cost-saving efforts such as installing energy-efficient LED lights in parks, transferring certain costs to community partners, and using a worksite hoteling policy to reduce office rental costs.

However, without systematically identifying and evaluating strategies or creating a formal implementation plan, Parks cannot demonstrate whether it has pursued all viable cost-saving options. Parks can also not demonstrate the total value of its efforts, which means decision-makers lack critical information that could guide fiscal sustainability over the long term.

Parks is one of many bureaus facing difficult funding gaps. In April 2025, an Asset Management audit identified the City's new form of government as an opportunity for tackling long-standing asset funding gaps. The City's recent commitment to developing an asset management strategy presents an opportunity for Parks to align their fiscal sustainability strategies with the City's.

## Parks should be more transparent about cost-saving measures

Fiscal sustainability plans are effective tools to demonstrate financial stewardship to the public. Fiscal sustainability plans communicate that an agency has analyzed systemwide needs and taken steps to meet them.

Best practice recommends that agencies show taxpayers they have exhausted cost-saving measures before requesting new revenue. We found that Parks did not offer these assurances. This means that the public received a request for renewed levy funding without evidence that Parks had systemically pursued savings. Parks risks not providing the public with important data to inform their decisions by taking this approach.

We reviewed City Council meetings during the 2019 - 2020 Sustainable Future efforts and the 2025 City Budget shortfall discussions. These meetings were high-profile opportunities for Parks to explain how it was addressing funding gaps.

In those meetings, Parks provided financial data in terms of quantifying budget gaps or calculating what specific services a levy could fund. Parks did not present evidence of a systematic approach to save costs. And Council did not appear to have requested an overview of steps that Parks had taken to save costs. However, without Parks providing this information, the public won't know to what extent new revenues are necessary.

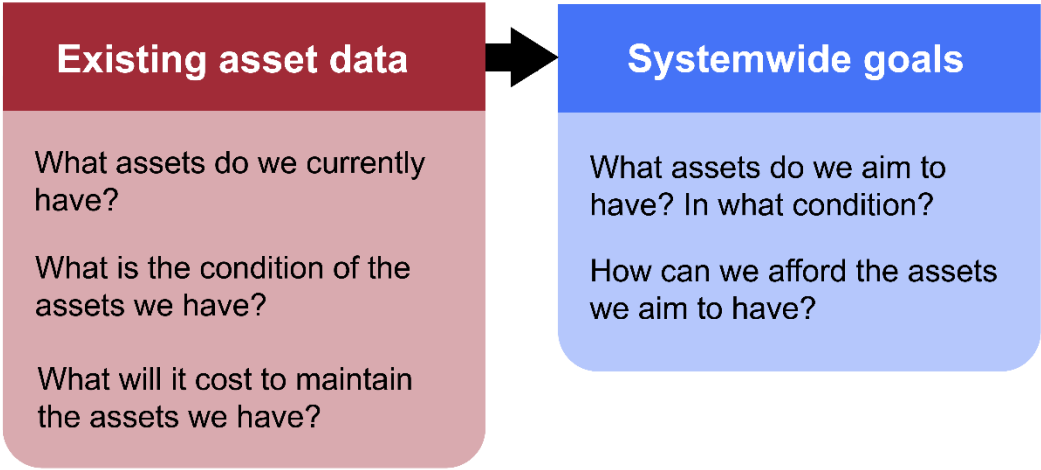
For example, In March 2025, the Portland City Council Climate, Resilience & Land Use Committee discussed Parks' budget. Parks presented a draft priority framework which was a starting point for Council to determine which programs to fund with levy revenues. Parks did not present that it pursued a systematic approach to cost reductions. In fact, Parks staff acknowledged that Parks had not yet pursued some cost savings, such as designing parks with more open space and fewer amenities to reduce long-term costs.

## Parks' investment decisions are not integrated with maintenance obligations

Parks needs an approach to investments that considers the condition of current assets and overall systemwide goals and withstands political pressure. A level of service plan would provide Parks with that approach.

Agencies that manage infrastructure should make investment decisions based on systemwide needs and obligations of existing assets. Agencies can do this through developing and following a level of service plan. A level of service plan can allow for data about current assets and systemwide goals to drive asset investment decisions. An agency can use a level of service plan to establish what assets the agency aspires to provide and how to afford them. A level of service plan is informed by what assets are in a system, their condition and costs. Agencies can then use this information to inform what additional investments are required to maintain the plan. For Parks, such an approach could be used to ensure its playgrounds, natural areas and other assets meet the community expectations for safety, cleanliness, and overall quality.

**Figure 3. A level of service plan can allow for data about current asset needs and systemwide goals to drive asset investment decisions**



Source: Audit Services' analysis of Brockton Ontario's 2025 Asset Management Plan.

A level of service plan allows agencies to determine what investment choices support a sustainable system. For example, a Parks agency may determine that they have 90 playgrounds in their system, and that 20 of those playgrounds have five years of use left. Those 20 playgrounds need funding for maintenance, or to be demolished and perhaps replaced. If the agency's goal is 100 playgrounds in good condition, the level of service plan gives the agency the information it needs to decide what trade-offs to make with limited funding.

Parks does not have a level of service plan. In the absence of a level of service plan, Parks' processes for funding major maintenance of existing assets and new assets have not been based on systemwide needs.

Parks does not have a level of service plan because it instead created limited guidance for certain recreational assets in April 2022. The guidance reflected community desires for thirteen assets such as ballfields, splash pads and playgrounds, and how far residents were willing to travel to access them.

However, the guidance fell short of a level of service plan in several ways:

- It did not account for all system assets, such as irrigation, open spaces, and benches.
- It did not assess the condition or maintenance costs of existing assets.
- It did not set goals for the condition of assets and the goals for the desired number of assets were incomplete.
- It did not propose a strategy for affording the desired system.

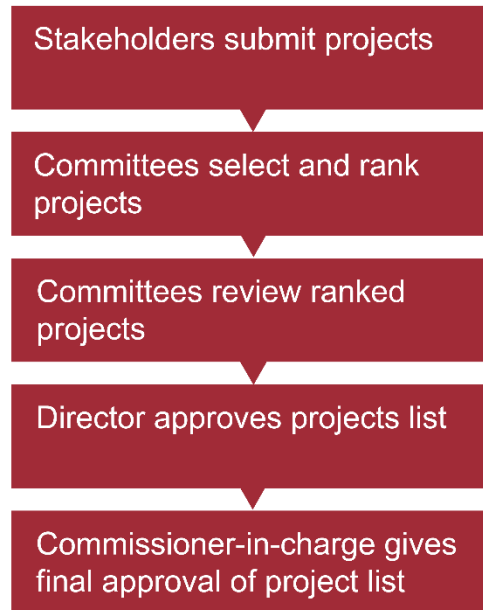
Another difference between the guidance and a level of service plan is the role of community engagement. Level of service plans should establish systemwide needs through community engagement that determines what the current and future community want and are prepared to pay for. Parks' guidance was created through community engagement research designed to understand peoples' preferences and experiences. Parks did not ask what the community is prepared to pay for when developing the guidance. This approach means that the guidance is not limited by the fiscal reality facing Parks.

Parks reported it was not required to follow the limited guidance when determining what assets to build and we saw evidence that it was not followed. Parks reported over a dozen factors influence what park projects and assets are selected. These included the limited guidance, community input, recreational trends, leadership direction, individual park master plans and the 2008 skatepark system master plan.

With so many factors, it's not clear how investments are prioritized between factors. In the 2008 Skatepark Master Plan, Parks recommended that a skatepark be built at the Steel Bridge. However, Parks' 2022 limited guidance did not recommend a skatepark be built at the Steel Bridge because the area was already serviced by a non-Parks skatepark. With so many factors able to be considered, and no clear systemwide goals, there's a risk that any new investments can be justified if they are part of one of the existing plans.

Additionally, Parks' process for determining new investments does not include analyzing the total needs of the system and a cost-effective way to meet them. Parks' process for funding new assets begins when project managers submit potential new asset projects. Parks managers then score projects based on criteria, such as the percentage of youth and people of color living near a project location. Several Parks committees review the list of projects and make a final recommendation, historically, to the Commissioner-in-Charge, who had the final say. Parks' process varies from a level of service driven approach, in that it assumed new assets will be built.

**Figure 4. Parks’ investment process varied from a level of service driven approach, in that it assumed new assets will be built.**



Source: Audit Services’ analysis of Parks’ 2023 Capital Growth Project Prioritization Process.

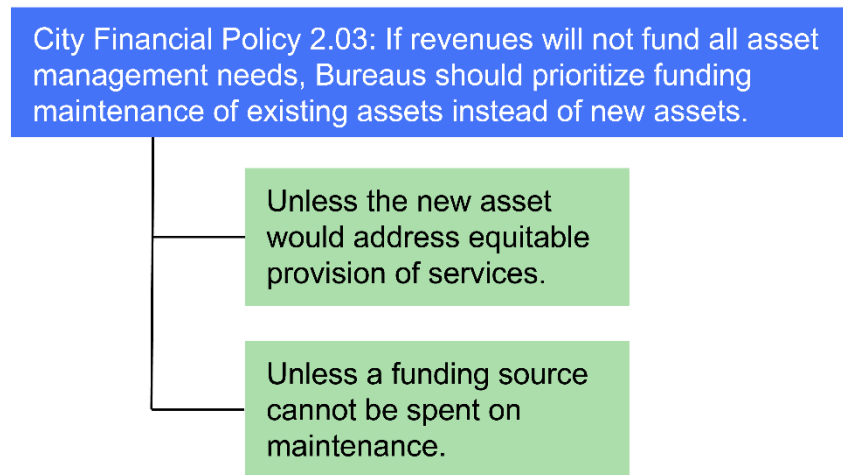
Without a level of service plan, Parks’ processes have also been vulnerable to political pressures and ad hoc decision-making. For example, Parks management told us in 2023 the Commissioner-in-charge directed staff to invest in University Park, even though staff had not identified it for investment consideration. Also, in 2022, the Mayor allocated \$500,000 from his budget to build skatepark assets and pickleball courts near Laurelhurst Park to deter camping. Neither of these projects had Parks director approval, which was required through Parks process for investment decisions at the time. While construction was funded, these new assets will add maintenance costs over time. Such politically driven decisions can provide short-term benefits but undermine long-term sustainability.

### City policy allows for expansion even if an agency can’t afford its existing assets

City financial policy does not require bureaus to use a level-of-service approach to asset management if funding is insufficient. In fact, it allows — and sometimes requires — bureaus to build new assets even when they cannot afford to maintain their existing ones.

City financial policy states that if a Bureau doesn't have enough money for asset management, it should prioritize maintenance over building new assets. However, there are two exceptions.

**Figure 5. City financial policy allows Bureaus to build new assets even if there is not enough funding to maintain existing assets**



Source: Audit Services' analysis of City financial policy 2.03 Financial Planning.

First, new assets may be built instead of funding maintenance if revenue is restricted and cannot be spent on maintenance activities. For example, a significant source of Parks funding has been System Development Charges (SDCs), which cannot be spent on maintenance. SDCs can only be spent on new assets, and Parks reported that if they collect SDCs they are legally required to spend them. SDCs make it difficult for Parks to take a level of service approach, because they must build new assets even if doing so undermines long-term sustainability.

Second, City policy allows bureaus to prioritize the development of new assets if the new asset would address equitable provision of services. While equity is a value of the City and Parks, this equity exception lacks clarity because it does not define any aspect of equitable provision of services or specify whether it should be based on racial demographics, community-specific engagement, spatial distances to assets, or another measure. Level of service plans can address equitable service. A City policy that requires bureaus to take a level of service approach may have a clearer impact on equity than current policy.

# Parks does not develop maintenance funding plans for new projects

City financial policy requires bureaus to estimate costs and identify funding for ongoing operations, major maintenance, and lifecycle replacement costs before approving new capital projects. These funding plans ensure that new assets can remain safe and functional over time. We reviewed eight new capital projects to determine whether Parks had created cost estimates and funding plans for them.

Parks only estimated major maintenance and lifecycle replacement costs for five of the eight new capital projects. For all eight projects we reviewed Parks had not identified funding for major maintenance or lifecycle costs. Parks proceeding with construction without identified maintenance funding violates City financial policy.

**Figure 6. Parks did not develop major maintenance and lifecycle funding plans for the eight projects we reviewed and only estimated costs for five**

Project	Estimated costs	Funding plans
Creston Skatepark	No	No
North Park Block Extension	No	No
<b>Old Town Skatepark</b>	<b>Yes</b>	No
University Park	No	No
<b>Conway Slabtown</b>	<b>Yes</b>	No
<b>Mill Park</b>	<b>Yes</b>	No
<b>Laurelhurst Activation</b>	<b>Yes</b>	No
<b>Parklane Park</b>	<b>Yes</b>	No

Source: Audit Services’ analysis of Parks’ new capital projects.

Parks reported that Creston Skatepark, North Park Block Extension, and University Park did not have cost estimates because they were unannounced projects selected by the Commissioner and funded solely by System Development Charges (SDCs). Because the projects were unannounced, funding had been allocated for construction, but the projects were not yet included in the budget. In the old form of government, the Commissioner could decide whether or not to announce allocated SDC funded projects.

This practice impacts budget transparency, as SDC money can be allocated to projects without including that allocation in the budget.

The five projects that had estimates for major maintenance and lifecycle costs totaled about \$4.7 million annually. Parks did not create funding plans or receive major maintenance funding for these projects, which means the City added nearly five million dollars of unfunded annual costs.

**Figure 7. The City added nearly five million dollars of unfunded annual costs**

Project	Annual estimates for major maintenance and lifecycle costs
Old Town Skatepark	\$825,000
Conway Slabtown	\$400,000
Mill Park	\$1,057,600
Laurelhurst Activation	\$40,000
Parklane Park	\$2,376,000
<b>Total</b>	<b>\$4,698,600</b>

Source: Audit Services' analysis of Parks' new capital projects.

A Parks manager said they do not create funding plans because no funding source exists for major maintenance or lifecycle costs. Previous City Councils have waived a policy that set aside revenue for infrastructure needs. However, Parks not creating funding plans commits public dollars to construction without any plan to sustain those assets.

**Figure 8. Parks opened Parklane Park on May 9, 2025, and added nearly \$2.4 million in ongoing expenses to Parks' maintenance backlog**



Source: Portland Parks & Recreation.

Each new project adds thousands or millions of dollars of unfunded maintenance to an already severe backlog. While Portlanders may enjoy new splash pads or shelters today, future residents may inherit unsafe or unusable assets the City cannot afford to maintain or remove. Without funding plans for ongoing costs, Portlanders are pitted against each other to advocate for limited funding to maintain the parks that they hold most dear.

## Recommendations

To ensure Portland's park system remains viable for future generations, we recommend that Parks:

1. Develop a fiscal sustainability plan in partnership with the Chief Financial Officer, City Budget Office, City Administrator, and Council
2. Communicate the scope and impact of cost-saving actions to the public
3. Develop a level of service plan in partnership with Council
4. Base asset investment proposals on systemwide goals established in the level of service plan

5. Create funding plans for estimated major maintenance and lifecycle costs that transparently communicate funding needs when approving new capital projects, as required by City policy

To ensure City policies support bureaus meeting system wide goals, the City Administrator or their designee should:

6. Update City Financial Policy 2.03 to require an approach to funding asset maintenance and expansion that considers the condition of current assets and overall systemwide goals

## The City Administrator and the Interim Director of Portland Parks and Recreation agreed with our recommendations

We provided this report to the City Administrator, Deputy City Administrator for Public Works, and the Parks Bureau Director. The City Administrator and Interim Director of Portland Parks and Recreation provided responses on behalf of the City agreeing with our audit recommendations.

## How we did our work

The audit objective was to determine whether Parks' fiscal management of capital growth projects helped control ongoing operations and maintenance costs. Sub-objectives included:

1. Assessing whether Parks' new capital projects followed level-of-service guidance.
2. Determining whether Parks developed funding plans to control ongoing costs.

The scope of the audit was capital growth projects active as of January 2025.

To accomplish our objectives, we:

- Interviewed Parks employees from multiple programs including asset management, sustainable future, recreation services, finance, and more.
- Analyzed a judgmental sample of eight new capital projects to review amenities built and assess compliance with City Financial Policy 2.03 Financial Planning and 2.19 Asset Management. Results cannot be generalized beyond this sample.

- Observed Council meetings
- Reviewed best practices, City reports, policies, and other audits.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## Other risks reported to Parks

Auditing standards require us to report risks to management even when outside the audit scope. We identified additional risks that were outside the scope of our audit objectives and this report. On August 11, 2025, we notified via memo Parks management of risks we identified related to fulfilling their ADA obligations.



## Office of the City Administrator

Michael Jordan, City Administrator

 @PortlandGov

 PortlandORGov

 portlandgov

Date: October 10, 2025  
To: City Auditor Simone Rede  
From: Michael Jordan, City Administrator  
Subject: Response to Parks Fiscal Management

This letter provides a written response to the recommendations from the audit ‘Parks Fiscal Management: Systemwide goals and sustainability strategies needed to ensure parks for future generations.’

I appreciate the work of the Auditor’s office over the past five years assessing PP&R’s fiscal management, in particular its capital asset needs.

With Portland’s new form of government, and recent City Council stated commitments to longer-term sustainable investment planning and implementation, I am optimistic about the future for Portland’s critical infrastructure. Our past has been challenging, including chronic insufficient levels of investment for capital maintenance, and capital investment decisions led by successive Commissioners-in-Charge.

Looking forward, I see opportunities for a clear, unified, system-wide level of service implementation, and funding plans to support those levels of service for our City’s assets. You note in your audit that Parks is one of many bureaus facing difficult funding gaps, and that the City’s new form of government presents an opportunity to tackle long-standing asset funding gaps. I concur.

Under a unified City Administrator, work has begun and will continue, aligning citywide efforts for unified forecasting, funding strategies, and service levels. Bureaus are in a position to implement City leadership direction, whether that be in advancing specific capital projects, advancing funding measures, or implementing City policies that did not come with funding, like City Financial Policy 2.03. In facing those challenges, while simultaneously delivering critical services for Portlanders, Parks is not alone.

Collaborative and innovative processes made possible in part by our new form of government will lead to future improvements in areas you have outlined as historic challenges. And they have already begun. Deputy City Administrator Priya Dhanapal is currently underway with a Unified CIP initiative, identifying actions and strategies to plan for, fund, deliver, coordinate, and communicate about capital projects within the Public Works Service Area, which includes Portland Parks & Recreation. Additionally, work is underway to develop a Citywide Asset Management Strategy that will address supporting City Council with clear, transparent information about capital asset funding needs, funding gaps, and lifecycle costs for new capital assets.

I appreciate your recognition of the ongoing funding challenges to sustain our City's critical park infrastructure, and look forward to the work to come implementing your recommendations, in partnership with City Council, and operationally under the leadership of DCA Dhanapal and Interim Director of Portland Parks & Recreation Sonia Schmanski.



# City of Portland

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## Portland Parks & Recreation Sonia Schmanski, Interim Director

(she) [sonia.m.schmanski@portlandoregon.gov](mailto:sonia.m.schmanski@portlandoregon.gov)

Date: October 10, 2025  
To: City Auditor Simone Rede  
From: Sonia Schmanski, Interim Portland Parks & Recreation Director  
Subject: Response to Parks Fiscal Management Audit

This letter provides a written response to the recommendations from the audit Parks Fiscal Management.

As Interim Director for Portland Parks & Recreation, I appreciate the work of the Auditor's office over the past five years assessing PPR's fiscal management, in particular its capital asset needs.

I appreciate your recommendations and share all of your stated goals to ensure a park system that continues to serve future generations.

Below is our detailed response to each audit recommendation.

## Recommendation 1

We recommend that Parks develop a fiscal sustainability plan in partnership with the Chief Financial Officer, City Budget Office, City Administrator, and Council.

### Response for Recommendation 1

#### Agree

**Target date to complete implementation activities:** June 30, 2028

### Narrative for Recommendation 1

We look forward to working with City Council on development of a long-range financial plan, to be developed by the end of Fiscal Year 2027-28. Since a financial plan is scaled to meet specific levels of service, the long-range financial plan will include identified level of service goals.

## Recommendation 2

We recommend that Parks communicate the scope and impact of cost-saving actions to the public.

### Response for Recommendation 2

The City of Portland is committed to providing meaningful access. To request translation, interpretation, modifications, accommodations, or other auxiliary aids or services, contact 311 (503-823-4000) for Relay Service & TTY: 711

Traducción e Interpretación  
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Turjumaad iyo Fasiraad  
Письмовий і усний переклад  
Traducere și interpretariat  
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Translation and Interpretation:  
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Traducere și interpretariat  
Chiaku me Awewen Kapas  
Translation and  
Interpretation:  
503-823-4000 or 3-1-1

## Agree

**Target date to complete implementation activities:** December 31, 2025

## Narrative for Recommendation 2

PP&R will create a new webpage describing cost-savings actions, to be published by December 31, 2025.

Cost-saving actions include both operational actions and level of service cost-savings actions, which would include adjusting service levels. This could potentially include decreased maintenance levels in our parks, fewer parks, fewer park assets, and fewer recreational programs and services systemwide.

Cost savings measures related to operational changes that don't impact service levels (e.g. changing to LED lighting) will continue to be communicated publicly as they occur, and added to the website.

Cost-saving measures like reducing levels of service will be included in development of long-range financial plan, June 30, 2028.

## Recommendation 3

We recommend that Parks develop a level of service plan in partnership with Council.

## Response for Recommendation 3

### Agree

**Target date to complete implementation activities:** June 30, 2028

## Narrative for Recommendation 3

We look forward to working with City Council on development of a long-range financial plan, and expanding on our current level of service plan, by the end of Fiscal Year 2027-28. Since a financial plan is scaled to meet specific levels of service, the long-range financial plan will include identified service level goals.

## Recommendation 4

We recommend that Parks base asset investment proposals on systemwide goals established in the level of service plan.

## Response for Recommendation 4

### Agree


**Target date to complete implementation activities:** This action is based on Recommendation 3 being completed. We anticipate implementation concurrent with completion of the level of service plan, June 30, 2028.



# City of Portland

Portland Parks &  
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## Narrative for Recommendation 4

We agree with this recommendation and look forward to supporting City Council and the City Administrator in their asset investment decisions. In the interim period before Recommendation 3, Level of Service Plan is completed, PP&R will support decision-makers with proposals that reflect Level of Service guidance.

## Recommendation 5

We recommend that Parks create funding plans for estimated major maintenance and lifecycle costs that transparently communicate funding needs when approving new capital projects, as required by City policy.

## Response for Recommendation 5

**Agree**

**Target date to complete implementation activities:** December 31, 2025.

## Narrative for Recommendation 5

By December 31, 2025, PP&R will implement transparent communication of funding needs related to proposed new capital projects. This communication will include a list of funding alternatives City Council could consider advancing.

We look forward to working City leadership under the new form of government to align to recommendations in City Financial Policy 2.03. The Bureau does not control funding plans or decisions but can support Council with information about how a capital project would align with, or deviate from, the long-range funding plan (Recommendation 1) and be transparent about funding needs. City Council is the entity with the authority to advance funding plans.

## Recommendation 6

We recommend that the City Administrator or their designee should update City Financial Policy 2.03 to require an approach to funding asset maintenance and expansion that considers the condition of current assets and overall systemwide goals.

## Response for Recommendation 6

**Agree**


## Narrative for Recommendation 6


While not a recommendation for the Parks Bureau to lead on implementing, we support this recommendation. The City Administrator agrees with this recommendation and will designate the Chief Financial Officer to consider implementation as part of a broader revision of FIN-2.03 that is likely to occur alongside development of the new Citywide Asset Management Office.



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Please contact Interim Parks & Recreation Director Sonia Schmanski at [sonia.schmanski@portlandoregon.gov](mailto:sonia.schmanski@portlandoregon.gov) with any questions.

CC: Keith Wilson, Mayor  
Michael Jordan, City Administrator  
Priya Dhanapal, Deputy City Administrator, Public Works  
KC Jones, Audit Services Director, Office of the City Auditor  
Mason Atkin, Senior Performance Auditor, Office of the City Auditor

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