

# Annual Comprehensive Financial Report

For the year ended June 30, 2023



**Tualatin Hills  
Park & Recreation District  
Beaverton, Oregon**

**Annual Comprehensive Financial Report  
For the year ended June 30, 2023**



**Prepared by the  
Business Services Division  
Finance Department**

**Tualatin Hills  
Park & Recreation District  
Annual Comprehensive Financial Report  
For the year ended June 30, 2023**

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# Introductory Section





December 19, 2023

To the Honorable Members of the Board of Directors  
and the Patrons of the Tualatin Hills Park & Recreation District:

In accordance with state statutes, the Annual Comprehensive Financial Report (Annual Report) of the Tualatin Hills Park & Recreation District (district) for the fiscal year ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the district. All disclosures necessary to enable the reader to gain the maximum understanding of the district's financial activities have been included.

In developing and evaluating the district's accounting system, consideration is given to the adequacy of the internal accounting controls. Because the cost of internal controls should not outweigh their benefits, the district's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. Within this framework, management believes that the district's transactions are properly recorded, and the financial report is complete and reliable in all material respects.

As required by Oregon Revised Statutes Chapter 297, "the Municipal Audit Law", an independent audit must be conducted annually. Accordingly, the board of directors appointed the firm of Talbot, Korvola & Warwick, LLP (TKW) to complete the audit of the district's records.

TKW has issued an unmodified opinion on the district's financial statements for the year ended June 30, 2023. The independent auditor's report is located at the front of the financial section of this report. Immediately following, the reader will find Management's Discussion and Analysis (MD&A) that provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the Government**

The Tualatin Hills Park & Recreation District is a special service district formed in 1955, operating under Oregon Revised Statutes Chapter 266 as a separate municipal corporation. The district is governed by a five-member board of directors, elected to four-year terms of office, with daily operations administered by a general manager. The district provides year-round park and recreation services to a diverse population of approximately 270,000 residents within 50 square miles of east Washington County, Oregon, including the City of Beaverton.

- District facilities include: five indoor and two outdoor swim centers; a combined recreation/aquatic center; two recreation centers; an athletic center with six indoor multi-purpose athletic courts and a running track; a senior center; historic sites (Jenkins Estate, Fanno Farmhouse and John Quincy Adams Young House); a 220-acre Nature Park and Interpretive Center; the Cooper Mountain Nature Park and Interpretive Center; a tennis center with six indoor and eight outdoor courts (covered by two air structures for fall and winter season usage); and a camp for developmentally disabled youth.
- The district maintains, either through direct ownership or joint use agreement (including school sites): 50 outdoor basketball pads; 104 outdoor tennis courts; six indoor tennis courts; 147 soccer/football/lacrosse fields; 104 softball/baseball fields; three skate parks; four bocce courts; six volleyball courts; six long/high jump courts; and an outdoor hockey rink.
- The district has 305 park and recreation facility sites totaling approximately 2,504 acres, consisting of 1,377 acres of wetland/natural areas, and 1,127 acres of developed sites, including neighborhood, community, and regional parks. District sites include three lakes, 27 miles of stream corridor, and 68 miles of off-street pathways.
- District programs include: aquatics instruction, leagues and drop-in programs; youth and adult sports leagues and fitness programs; youth and adult general and specialized recreation programs; youth after-school and day camps; senior fitness and recreation programs; developmentally disabled and special needs recreation programs; and natural resource education programs.

The district is required to adopt a final budget by no later than the close of the preceding fiscal year. The annual budget is intended to serve as a financial plan, operational plan and operations guide for the district's activities. The budget is prepared and adopted by fund and organizational unit, or division. Most budget changes after adoption require either a resolution by the board of directors, or a supplemental budget process.

### **Factors Affecting Financial Conditions**

Because of the unique focus of a special district, the information presented in the financial statements may be best understood when considered from the broader perspective of the specific environment within which the district operates.

*Local economy* – due to Ballot Measure 50, passed by voters in May 1997, the district has a permanent tax rate of \$1.3073 per \$1,000 of assessed value. An annual 3.0 percent increase is allowed on maximum assessed valuation of existing properties, along with increases due to new construction, land partitions, zoning changes, etc. The district was able to maintain a stable revenue base throughout the last recession. Over the past several years the district experienced significant revenue growth from System Development Charge (SDC) fees due to increased construction within the district boundaries and fee increases in fiscal years 2019/20, 2021/22, and 2022/23. The district updated the SDC methodology in fiscal year 2020/21. The update addressed three policy issues relating to equity: residential tiering, affordable housing, and level of service. SDC revenues are statutorily restricted to use for purchase or construction of new, or expansion of existing, facilities, improvements and land within the district, and do not fund district operations.

Because the district's 2023 assessed value is only 48.2 percent of market value, there is an inherent cushion in property tax collections on most properties. Fiscal year 2022/23 resulted in a growth of 3.8 percent in current year general fund property taxes over fiscal year 2021/22, consisting of approximately 3.0 percent approved valuation increase on existing properties,

and 0.9 percent exception-based growth (growth due to new development). Timing of collections on prior year property taxes resulted in an approximate additional \$297,000 in revenues for the fiscal year. Property values are continuing to increase, and combined with three new urban expansion areas within the boundaries, the district is projecting growth in property taxes for fiscal year 2023/24 of 3.3 percent.

The public health crisis put an end to the nation's longest modern economic expansion. Over the last few years, states and cities have had varied policies regarding stay-at-home orders, which have greatly impacted the economy. Local employment losses peaked in April 2020, though some of those losses rebounded as businesses reopened and customers returned. The Washington County unemployment rate ballooned to 11.0 percent in April 2020 but has completely recovered with the June 2023 reading coming in at 3.4 percent. Meanwhile, the local real estate market had stayed relatively strong compared to the broader economy, as a variety of market conditions have led to accelerating home price growth. However, as expected, this trend reversed with higher interest rates increasing borrowing costs and impacting both supply and demand.

The local economy has rebounded from the worst of the pandemic impact. However, worker shortages, and the disparate impact on different socioeconomic groups are working as headwinds. Meanwhile, incomes for higher paying industries and those with significant stock market holdings have largely remained intact or flourished over the past two years. As a result of both the labor market, emerging demographic trends, and very low interest rates, the real estate market had been robust during the pandemic. However, as expected given rising interest rates and the corresponding increase to borrowing costs, the real estate market slowed considerably during fiscal year 2022/23. This trend is expected to moderate in the short-term.

In planning for fiscal year 2023/24, the district adopted a budget that reflects regular operations but continues to monitor conditions each quarter and adjust actual spending plans in accordance with funding actuals throughout the year. The district plans to continue monitoring the situation and manage operations to reflect any impacts on the budget.

### **Long-term financial planning**

The district places a high value on using comprehensive planning processes to address both ongoing and future funding and patron needs. The district continues to maintain the application of a long-term focus in decision-making. The district has a comprehensive strategic planning process that begins with community visioning. The district completed a community visioning outreach process and adopted a Vision Action Plan in September 2020. The visioning work provided the basis for updates to the district's Comprehensive Plan, which was adopted in February 2023. The 2023 Comprehensive Plan serves as a 20-year plan for growth and established seven goal areas that guide the work that the district does to serve the community.

The Strategic Plan, adopted in April 2023, details goals and action items the district intends to initiate over the next three to five years. The Strategic Plan carries forward the recommendations included for goals described in the Comprehensive Plan using budget priorities established by the THPRD Board of Directors. Together, the Comprehensive and Strategic Plans provide the foundation of the annual budget process.

The district also relies on a series of functional plans to carry out long-term planning efforts. These plans address five key areas (parks, programs, natural resources, trails and athletic

facilities) and provide a structured approach for implementation of the recommendations generated from the three main plans.

To implement the key priorities as identified annually by the board of directors, the district will undertake to address or complete the following during the 2023/24 budget year:

Investing in our employees and technology. Key items in the budget for this include:

- Continue replacement of Finance Services' financial software to provide for growth and efficiency needs of the district; and
- Attracting and retaining exceptional employees and prioritizing employee professional development, support, and well-being.

Focus on strengthening programming opportunities. Key items in the budget for this include:

- Focus on strengthening and innovating programming options that have been challenged due to the pandemic, staffing levels, and changes in public participation;
- Prioritize expanding program offerings;
- Continue to work to break down barriers and actively welcome historically underserved and marginalized people;
- Provide FREE community programming; and
- Expand our efforts through grant-supported partnerships, community events, and broaden our financial aid services.

Develop sustainable operating and financial models for the future. Key items in the budget for this include:

- Continue to offer programs, facilities, parks, and trails that meet the needs of our community; and
- Ensure that we can sustainably care for and maintain our offerings and spaces in the long term.

The district actively monitors deferred and projected maintenance replacements for both major and routine replacement needs. The five-year funding projection, prepared during the annual budget process, illustrates the importance of addressing this long-term need, to avoid a decline in district assets.

## **Major Initiatives**

### **Bond measure**

To facilitate the long-term vision of the district, a bond measure was developed for the November 2008 ballot, in the amount of \$100 million, payable by a dedicated property tax increase over the next 20 years. The measure provided funding for natural areas, trail expansions, athletic field additions, park additions and upgrades, building expansions and facility replacements and upgrades. Voters approved the measure, and subsequently, the district sold the first series of bonds (\$58.5 million) in April 2009, followed by sale of the second series (\$40.1 million) in September 2011.

In May 2015, the district advance refunded \$38.3 million of the Series 2009 issue to achieve an economic gain of over \$2.9 million and reduce the life of the debt by two years. Also, included in the Series 2015 borrowing was the final amount available (\$1.4 million) that fulfilled

the \$100 million bond measure. In October 2016, the district advance refunded \$8.6 million of the Series 2011 issue to achieve an economic gain of \$0.7 million. In March 2021, the district advance refunded the remaining portion of the Series 2011 issue to achieve an economic gain of \$1.9 million. The district's debt structure, capital improvements and ultimately, the taxpayers have benefitted significantly from the low interest rate environment within the last nine years.

As of June 30, 2023, \$2.3 million in funds are available for completion of the voter approved projects.

### **Future goals**

The district will continue to maintain a long-term focus, monitoring a forward-looking 10-year projection of financial position, including the deferred maintenance backlog. With completion of all five functional plans, key implementation items will be identified and prioritized within the eight long-term strategic goals.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the district for its Annual Report for the fiscal year ended June 30, 2022. This was the eighteenth year of submission, and subsequent receipt, of this prestigious award. In order to be awarded the Certificate of Achievement, the district had to publish an easily readable and efficiently organized Annual Report that satisfied GFOA, accounting principles generally accepted in the United States of America (US GAAP), and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Staff believes that our current Annual Report continues to meet the Certificate of Achievement Program's requirements and will be submitting it to the GFOA to determine its eligibility for another certificate.

The district's Adopted Budget Document for the 2022/23 Fiscal Year received the *Distinguished Budget Presentation* award from GFOA. This is the eighteenth year that the district has received such an award. In order to qualify, the budget document must be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

Finally, I would like to express my sincere gratitude to the personnel in the Finance Department who contributed to the preparation of this report. Without the efficient and dedicated services of the entire finance staff, completion of this report on a timely basis could not have been accomplished.

In closing, the dedication, commitment and professional contribution to the financial stability of the district made by the board of directors and general manager must be acknowledged. Their guidance and leadership are of invaluable assistance to the financial management of the district.

Respectfully submitted,

Jared Isaksen, CPA  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Tualatin Hills Park and Recreation District  
Oregon**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

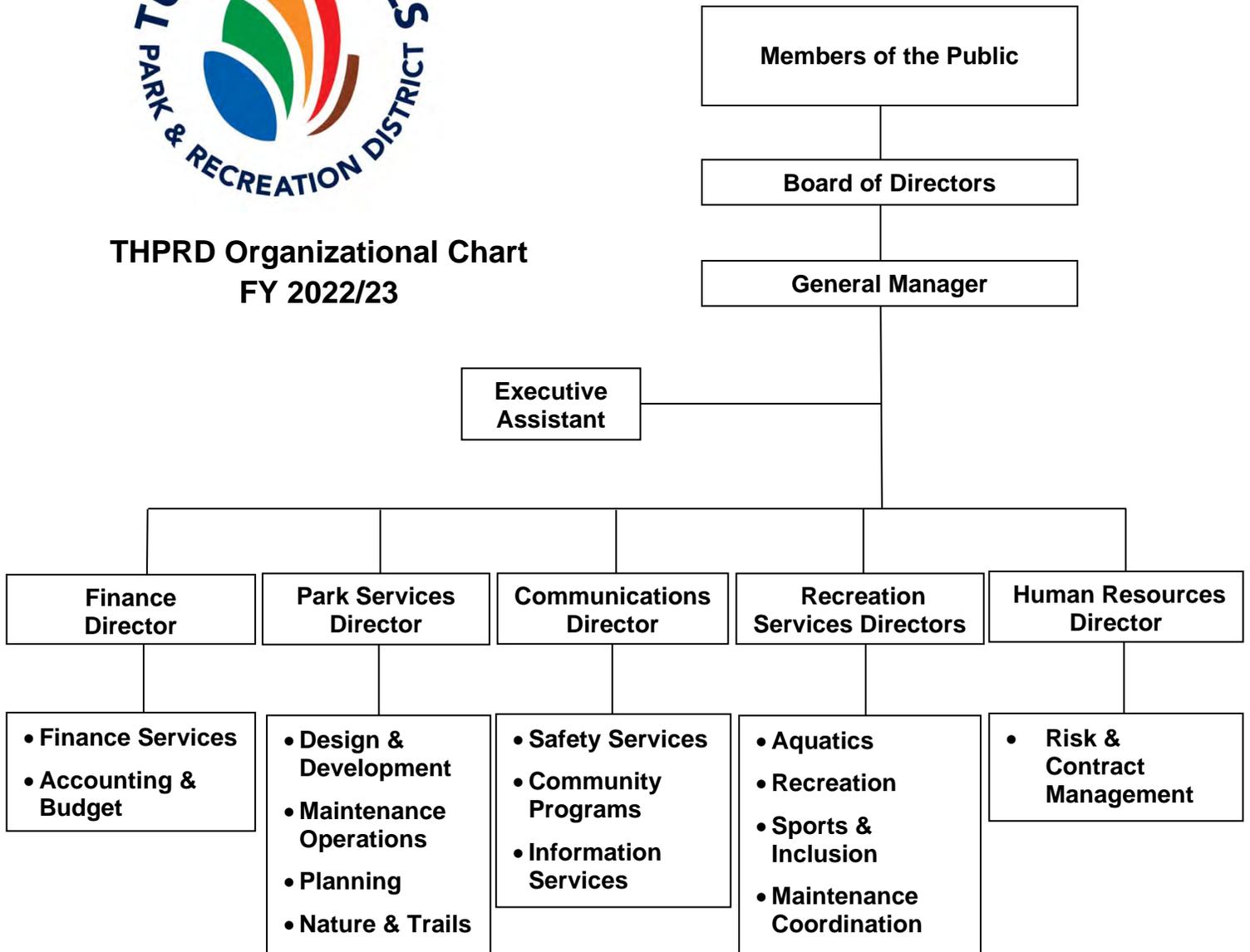
June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



**THPRD Organizational Chart  
FY 2022/23**



**Tualatin Hills  
Park & Recreation District  
Directory of Officials**

Administrative Office  
15707 S.W. Walker Road  
Beaverton, Oregon 97006

**Board of Directors  
as of June 30, 2023**

<b><u>Name</u></b>	<b><u>Term Expires</u></b>
Felicita Monteblanco, President	June 30, 2025
Barbie Minor, Secretary	June 30, 2025
Alfredo Moreno, Secretary Pro-tempore	June 30, 2025
Tya Ping	June 30, 2023
Heidi Edwards	June 30, 2023

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**Registered Agent and Office**

Doug Menke  
15707 S.W. Walker Road  
Beaverton, Oregon 97006

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General Manager  
Doug Menke

Finance Director  
Jared Isaksen



# Financial Section





Talbot, Korvola & Warwick, LLP 14945 SW Sequoia Parkway, Suite 150, Portland, Oregon 97224  
P 503.274.2849 F 503.274.2853 [www.tkw.com](http://www.tkw.com)

**INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Tualatin Hills Park & Recreation District  
Beaverton, Oregon

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Tualatin Hills Park & Recreation District, Beaverton, Oregon (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the District as of June 30, 2023, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

The District’s management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



RSM US Alliance is a premier affiliation of independent accounting and consulting firms. RSM US Alliance provides its members with access to resources of RSM US LLP. RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Visit [rsmus.com/aboutus](http://rsmus.com/aboutus) for more information regarding RSM US LLP and RSM International. RSM US®, the RSM US Alliance logo and the RSM US Alliance signatures are proprietary to RSM US LLP, while RSM™ is used under license by RSM US LLP.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as Management's Discussion and Analysis and the schedules and notes in the Required Supplementary Information Section, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplemental Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Supplemental Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplemental Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

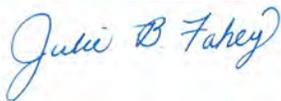
### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section, Other Financial Schedules, and Statistical section, as listed in the Table of Contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection, with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Oregon Minimum Standards**

In accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 19, 2023, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.



For Talbot, Korvola & Warwick, LLP  
Portland, Oregon  
December 19, 2023

## Tualatin Hills Park & Recreation District Management's Discussion and Analysis

The following discussion and analysis of the financial activities of the Tualatin Hills Park & Recreation District (district), has been prepared to provide a narrative review for the reader. The focus is based on current year activities and resulting changes and should be read in conjunction with the basic financial statements, and notes to the basic financial statements that follow.

### **Financial Highlights**

- The COVID-19 pandemic has had a significant impact on our communities and the district. The district has been able to reopen all facilities, which were closed due to the pandemic. However, some facilities are operating on reduced hours. Even though all facilities have reopened the district has been struggling with staffing levels due to pressures in the labor market. In response to those pressures during the fiscal year ended June 30, 2023 the district implemented two part-time pay increases and a full-time compensation/classification review increasing wages of the majority of full-time employees.
- The assets and deferred outflows of resources of the district exceeded its liabilities and deferred inflows at June 30, 2023 by \$270,372,607.
- Net investment in capital assets (net of accumulated depreciation and related debt) accounts for most of net position, with a value of \$205,227,631.
- Restricted net position of \$53,397,897 includes assets restricted for capital improvements and debt service.
- The remaining net position, \$11,697,079, is positive for the first time since fiscal year 2017 as a result of an influx of funds to the district's pension plan. The district adopted a funding plan in January 2021 to address pension funding over the long-term, while continuing to meet the district's ongoing obligations to patrons and creditors, and is on schedule to have the pension plan at or near 100 percent funded by July 1, 2032.
- The district's total net position increased by \$37,235,769 or 16.0 percent over the previous year. The increase is mainly the result of increases in interest earned from the district's investments, increases in property tax revenue, and decreases in expenses resulting from cost management actions and hiring struggles due to labor market constraints.
- As of the close of the current fiscal year, the district's governmental funds reported combined ending fund balances in excess of \$85.6 million, an increase just under \$18.5 million, or 27.5 percent. A decrease was reported in the Bond Capital Projects Fund. Increases were reported in the General Fund, due to increased property tax, interest, and program revenues and under-expenditure of budgeted costs, and the System Development Charges (SDC) Fund, due to under-expenditure of budgeted costs and higher than anticipated SDC revenue and interest for the fiscal year. As of June 30, 2023, fund balance for the General Fund was \$29,788,305 or 62.5 percent of total general fund expenditures, on a modified accrual basis.

### **Overview of the Financial Statements**

This discussion and analysis provides an introduction and overview to the district's basic financial statements. The district's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements.

### **Government-wide financial statements**

The government-wide financial statements are structured to provide readers with a broad overview of the district's finances, in a manner similar to a private-sector business.

## Tualatin Hills Park & Recreation District Management's Discussion and Analysis

The **statement of net position** presents information on the district's assets and deferred outflows of resources and the district's liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as one indicator of whether the financial position of the district is improving or deteriorating. Other indicators include the condition of the district's assets, changes in the property tax base, and general economic conditions within the area.

The **statement of activities** presents information showing how the district's net position changed during the current fiscal year. On this statement, program revenue (revenue generated by specific programs through charges for services, grants and contributions) is shown separately from general revenue (revenue provided by taxes and other sources not tied to a particular program). This shows the extent each program relies on taxes for funding. All changes in net position are reported using the accrual basis of accounting, which requires that revenues be reported when they are earned and expenses be reported when goods and services are received. Items such as uncollected taxes, unpaid vendor invoices for items received by June 30, 2023, and earned but unused vacation leave are included in the statement of activities as revenue and expense. However, the cash associated with these items was not received or distributed until after June 30, 2023.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The district, like other state and local governments, uses fund accounting for compliance with finance-related legal requirements. All funds of the district fall into the governmental fund category, which accounts for the government's tax-supported activities.

### **Governmental Funds**

The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances present separate columns of financial data for the General Fund, the Bonded Debt Fund, the Bond Capital Projects Fund, and the SDC Fund, all of which are considered major funds. Data from the other governmental funds, the Mitigation Maintenance Fund and the Metro Bond Local Share Capital Fund are shown in a single presentation.

A comparison of budget to actual is also presented for the General Fund within the basic financial statements. A detailed comparison of budget to actual for General Fund expenditures and other funds are presented in the supplemental information portion of this report.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term, or current year, inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government's near-term financing requirements in comparison to near-term resources available.

Because the focus of governmental fund financial statements is narrower than that of government-wide financial statements accrual focus, it is useful to compare information presented for **governmental funds** with similar information presented for **governmental activities** in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances, along with the Notes to the Basic Financial Statements, provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

# Tualatin Hills Park & Recreation District Management's Discussion and Analysis

## Budgetary highlights

The district maintains budgetary controls over its operating funds. Budgetary controls ensure compliance with legal provisions embodied in the annual budget appropriations. Governmental fund budgets are established in accordance with state law and are adopted on a fund level except the General Fund. The General Fund budget is adopted on an organizational unit level.

## Notes to the basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided and are an integral part of the government-wide and fund financial statements.

## Government-wide Financial Analysis

### Statement of Net Position

As noted earlier, net position may serve over time as an indicator of the district's financial position. As of June 30, 2023, the district's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$270,372,607.

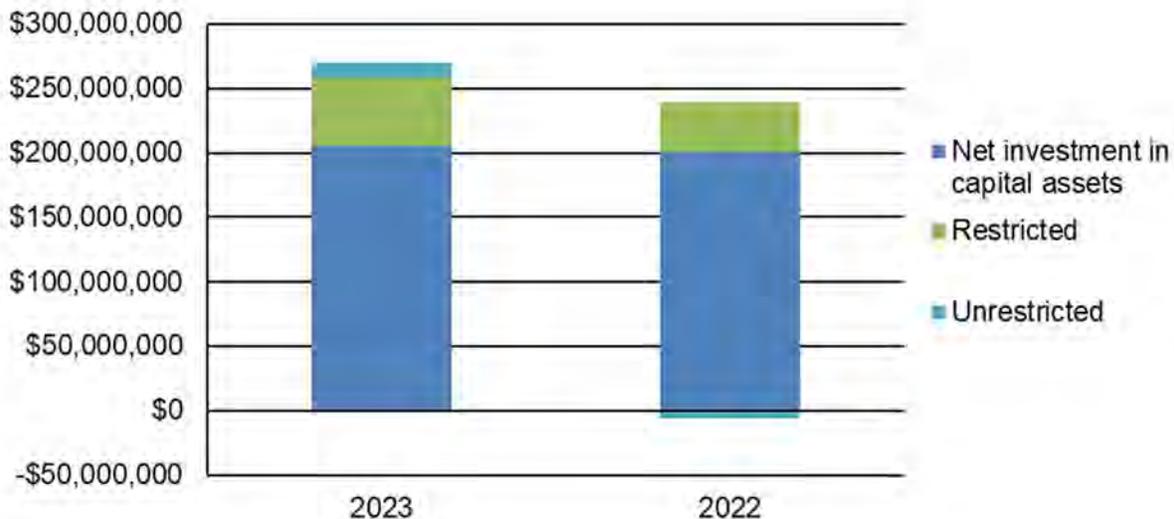
The following is a condensed version of the government-wide Statement of Net Position.

	<b>Governmental Activities</b>	
	June 30, 2023	June 30, 2022
Cash and investments	\$ 85,614,149	\$ 71,472,467
Other assets	11,257,195	6,812,067
Capital assets	252,322,596	254,730,616
Total assets	349,193,940	333,015,150
Deferred outflow of resources - pension	4,540,374	2,187,088
Deferred outflow of resources - opeb	298,828	385,596
Deferred outflow of resources - charge on debt refunding	2,358,180	2,869,305
Total deferred outflow of resources	7,197,382	5,441,989
 Total assets and deferred outflow of resources	 356,391,322	 338,457,139
 Other liabilities	 8,235,994	 7,580,120
Debt liabilities	51,706,862	59,920,320
Net pension and opeb liabilities	10,895,015	20,404,446
Total liabilities	70,837,871	87,904,886
Deferred inflow of resources - pension	10,572,034	12,461,863
Deferred inflow of resources - opeb	479,702	574,793
Deferred inflow of resources - lease resources	4,129,108	4,378,759
Total deferred inflow of resources	15,180,844	17,415,415
 Total liabilities and deferred inflow of resources	 86,018,715	 105,320,301
 Net investment in capital assets	 205,277,631	 200,271,924
Restricted	53,397,897	38,823,872
Unrestricted	11,697,079	(5,958,958)
Total net position	\$ 270,372,607	\$ 233,136,838

The largest portion of the district's net position, \$205,277,631 reflects its investment in capital assets, less any related debt used to acquire these assets still outstanding. The district's assets (recorded at cost) are used to provide services to patrons. Consequently, these assets are not available for future spending, and debt repayment must be provided from other sources. An additional portion of the district's net position, \$53,397,897 represents resources that are subject

## Tualatin Hills Park & Recreation District Management's Discussion and Analysis

to external restrictions on how they may be used. The remaining net position, \$11,697,079 is positive for the first time since fiscal year 2017 as a result of an influx of funds to the district's pension plan. The district adopted a funding plan in January 2021 to address pension funding over the long-term, while continuing to meet the district's ongoing obligations to patrons and creditors, and is on schedule to have the pension plan at or near 100 percent funded by July 1, 2032.

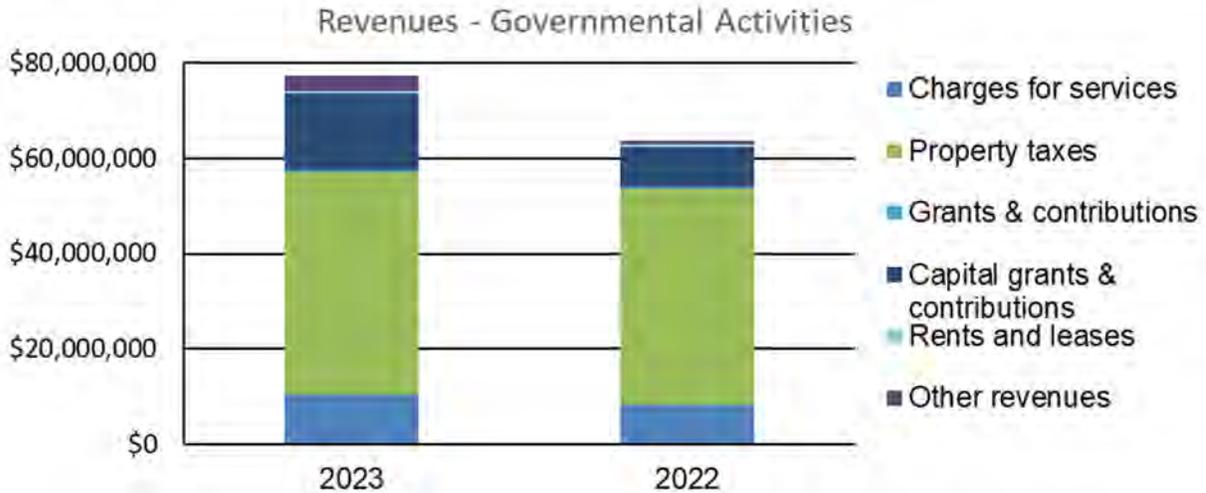


### Statement of Activities

Governmental activities increased the district's net position by \$37,235,769 in this fiscal year. Key elements of this increase are included in the condensed version of the government-wide Statement of Changes in Net Position as follows:

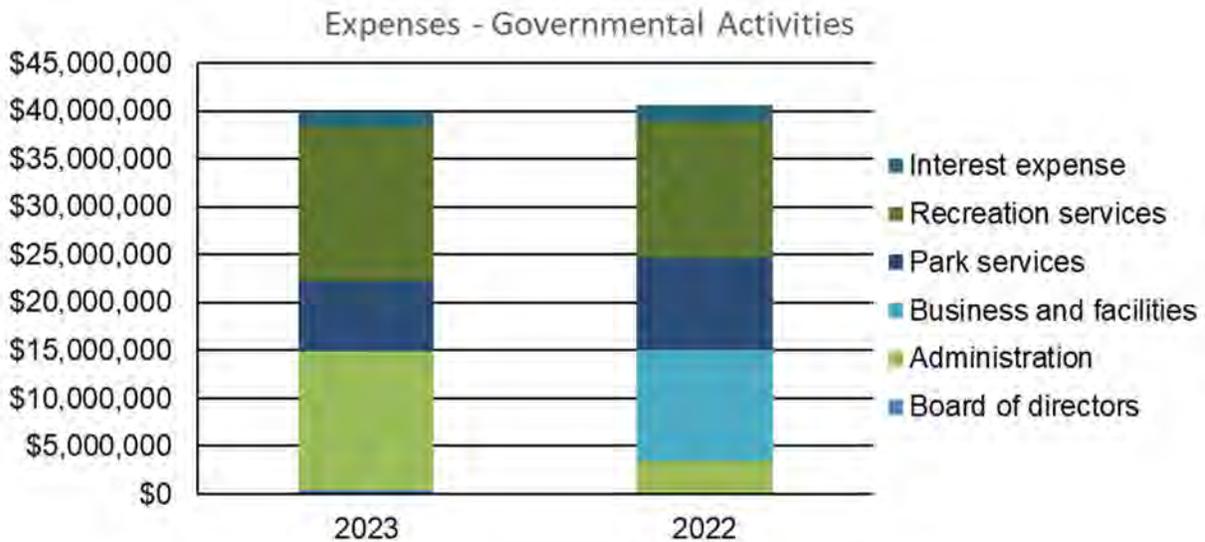
	<b>Governmental Activities</b>	
	For the year ended	
	June 30, 2023	June 30, 2022
Revenues:		
Program revenues:		
Charges for services	\$ 10,385,213	\$ 8,300,331
Operating grants and contributions	382,274	382,591
Capital grants and contributions	16,114,045	8,301,147
Rents and leases	575,863	598,733
General revenues:		
Property taxes	46,737,624	45,371,462
Other	3,088,476	734,195
Total revenues	<u>77,283,495</u>	<u>63,688,459</u>
Expenses:		
Board of directors	351,088	199,592
Administration	14,657,122	3,245,954
Business and facilities	-	11,587,219
Park services	7,392,144	9,554,414
Recreation services	16,109,044	14,368,060
Interest on long-term debt	1,538,328	1,678,766
Total expenses	<u>40,047,726</u>	<u>40,634,005</u>
Change in net position	37,235,769	23,054,454
Net position - beginning	233,136,838	210,082,384
Net position - ending	<u>\$ 270,372,607</u>	<u>\$ 233,136,838</u>

## Tualatin Hills Park & Recreation District Management's Discussion and Analysis



Property taxes increased \$1,366,162, or 3.0 percent. The increase is due primarily to statutorily allowed increases in assessed value of existing properties and new construction within the district boundaries. Charges for services increased \$2,084,882 or 25.1 percent, resulting from reopening of district facilities and increased programs throughout the fiscal year, which were closed in the prior fiscal year due to the COVID-19 pandemic. Capital grants and contributions increased \$7,812,898, or 94.1 percent due to an increase in SDCs received throughout the year.

Expenses for the district decreased by 1.4 percent over last year due to cost management actions and hiring struggles due to labor market constraints.



### Financial Analysis of the District's Funds

As noted earlier, the district uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental funds analysis

The focus of the district's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the district's financing requirements. In particular, the unassigned fund balance may serve as a

## Tualatin Hills Park & Recreation District Management's Discussion and Analysis

useful measure of a government's net resources available for spending at the end of the fiscal year. The district has four major funds, reported as the General Fund, a debt service fund, and two capital project funds.

During the fiscal year ended June 30, 2023, the district's governmental funds reported an increase in combined ending fund balances of \$18,448,198. The General Fund, Bonded Debt Fund, and SDC Fund reported increases within the year while the Bond Capital Projects Fund reported a decrease. The previous fiscal year had an increase of \$9,156,744, attributable primarily to increased property tax and SDC revenues, and the under-expenditure of budgeted costs.

The **General Fund** is the chief operating fund of the district. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$29,500,447. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 62.0 percent of total General Fund expenditures, exceeding the district's financial policy guideline of 10.0 percent.

The following is a condensed version of the Statement of Revenues, Expenditures and Changes in Fund Balance for the General Fund:

	For the year ended	
	June 30, 2023	June 30, 2022
Revenues:		
Program revenues	\$ 10,385,213	\$ 8,300,331
Property taxes	38,401,470	36,999,109
Other revenues	3,019,737	2,692,900
Total revenues	51,806,420	47,992,340
Expenditures:		
Board of directors	351,088	199,592
Administration	9,559,639	4,145,290
Business and facilities	-	5,202,235
Park services	12,811,916	12,250,007
Recreation services	20,931,493	16,747,616
Capital outlay	3,111,148	3,549,939
Debt service	877,403	905,918
Total expenditures	47,642,687	43,000,597
Other financing sources (uses):		
Additional lease	14,676	-
Transfer out	-	(650,000)
Change in fund balance	4,178,409	4,341,743
Fund balance - beginning	25,609,896	21,268,153
Fund balance - ending	\$ 29,788,305	\$ 25,609,896

Fund balance of the General Fund increased by \$4,178,409 or 16.3 percent on the modified accrual method of accounting, due to continued measured reopening of district facilities and programs that had closed due to the COVID-19 pandemic.

Program revenues increased \$2,084,882 or 25.1 percent. All categories of program revenues experienced increases due to continued reopening of district facilities and programs. Revenues other than program revenues changed as follows:

- Increase of 3.8 percent or \$1,402,361 in property tax revenues related primarily to statutorily allowable growth in assessed property values, new construction in the district.

## Tualatin Hills Park & Recreation District Management's Discussion and Analysis

- Other revenues increased \$326,837 or 12.1 percent, due primarily to increases in interest revenue.

Non-capital and non-debt service operating expenditures increased 13.3 percent or \$5,109,396 primarily due to increases in personnel service costs including budgeted cost-of-living and merit increases, increases in health insurance costs, increased retirement plan costs and payroll taxes, and increased recreation activities and programs offered to patrons. Capital expenditures decreased from the previous year by \$438,791 or 12.4 percent due to timing of construction projects.

The **Bonded Debt Fund** has a total fund balance of \$476,124, an increase of \$36,815 compared with the previous year, and is restricted for payment of debt service on existing general obligation debt.

The **Bond Capital Projects Fund** accounts for the proceeds received from the sale of the general obligation bonds, Series 2009 for \$58,505,000 and Series 2011 for \$40,060,000, and Series 2015 for \$1,435,000 (new monies only). In November 2008, district voters authorized a total levy of \$100 million to target a specific list of projects and land acquisitions throughout the district. A total of \$319,541 was expended during the current fiscal year. The majority of capital projects have been substantially completed; however, natural resource land restoration and development of one new athletic facility continued during the current year and will do so in future years. As of the end of the year, total fund balance in this fund restricted for capital project development is \$2,303,717.

The **SDC Fund** accounts for development impact fees assessed on new construction within the district boundaries. Total revenues increased by \$9,290,112 or 146.3 percent over last year, due to timing of new construction activity in the district and increasing interest revenue. Total expenditures decreased by \$711,078 or 39.2 percent due to timing of construction on district projects. Fund balance increased by \$14,537,210 or 37.9 percent over the previous year. This total fund balance of \$52,921,773 is restricted for parks acquisition and development and improvements related to capacity expansion.

### General Fund Budgetary Highlights

The district prepares and adopts its budget on an annual basis using a modified cash basis of accounting. General Fund revenues were less than budgeted by 22.7 percent, largely due to measured reopening of programs and facilities closed due to the COVID-19 pandemic and decreased grants and sponsorships than anticipated in the preparation of the budget. This led to program revenues falling short of budgeted amounts by \$4,266,424. Expenditures stayed well under budget by 42.8 percent, due to functioning on a revised operating plan and capital projects not moving as fast as anticipated. The revised operating plan was put into place to provide a measured approach to reopening the district facilities and programs. The district also struggled with filling vacant positions and therefore was not able to offer all of the programs/classes that were offered pre-pandemic.

### Capital Asset and Debt Administration

#### Capital assets

The district's investment in capital assets as of June 30, 2023 amounts to \$252,322,596 (net of accumulated depreciation). This investment in capital assets includes land, parks, sites and

**Tualatin Hills Park & Recreation District  
Management's Discussion and Analysis**

planning development, buildings and improvements, equipment and furnishings, construction in progress, development in progress, leased assets, and intangible assets. The net decrease in the district's capital assets for the current fiscal year was \$2,435,050 or 1.0 percent, which reflected asset additions of \$4,799,666 and depreciation and amortization of \$7,234,123.

Additions of \$1,416,024 in land were related to new acquisitions of park and natural area parcels. Additions of \$84,402 in park sites was due primarily to work completed at the Schiffler Park Community Garden. Additions of \$823,960 in buildings and improvements was primarily due to the replacement of the Garden Home roof. There were also \$399,172 in additions of various equipment and vehicles throughout the year and \$14,676 in additional leased assets. Construction in process had additions of \$1,675,200 which included the building of three permanent restrooms project, Highland Park, renovations at Harman Swim Center, and work on the Lombard Baker and North-West neighborhood parks and trails, offset by transfers out for completed projects of \$4,579,047, \$1,392,389 of which was for the development of the Tyler Enterprise ERP system. The development in progress had \$386,232 of additions for the development of the Tyler Enterprise ERP system. Deferred maintenance was funded for both buildings and parks improvements, to the extent of available funds.

**Capital Assets (net of depreciation)**

	June 30	
	2023	2022
Land	\$ 125,739,209	\$ 121,136,527
Parks, sites and planning development	75,678,493	80,317,599
Buildings and improvements	40,898,016	42,215,817
Equipment and furnishings	800,396	744,194
Intangible assets	954	954
Construction in progress	7,411,678	10,315,525
Development in progress	1,778,621	-
Leased assets	15,229	27,030
Total	\$ 252,322,596	\$ 254,757,646

Additional information on the district's capital assets can be found in Note IV.C of the Notes to Basic Financial Statements section of this report.

**Long-term debt and other long-term obligations**

At June 30, 2023, the district had \$51,691,471 in debt and other long-term obligations outstanding compared to \$59,892,775 last year. \$8,611,730 of the debt outstanding and other long-term obligations at June 30, 2023 is due within one year. Debt decreased by a net of \$8,201,304, mainly due to the principal payments made on existing debt.

**Outstanding Debt and Obligations**

	June 30	
	2023	2022
General obligation bonds	\$ 37,870,000	\$ 44,310,000
Premiums	3,865,789	5,109,979
Full faith and credit obligations	9,780,000	10,265,000
Direct borrowing and loans	175,682	207,796
Total	\$ 51,691,471	\$ 59,892,775

## Tualatin Hills Park & Recreation District Management's Discussion and Analysis

The district's most recent credit rating was "Aa1", received from Moody's in March 2021 for the general obligation bonds. The full faith and credit obligations received a "Aa1" credit rating from Moody's in January 2020. Previously, the district received ratings of "AA" from Standard & Poor's on both general obligation and full faith and credit obligations.

Due to the district's strong credit rating, bond insurance was not financially advantageous, nor necessary, for the series 2015, 2016 and 2021 general obligation issues or the series 2020 and 2021 full faith issues.

Additional information on the district's long-term obligations can be found in Note IV.E of the Notes to Basic Financial Statements section of this report.

### **Economic Factors and Next Year's Budget and Rates**

#### **COVID-19 Pandemic – Continuing Fiscal Impacts**

In March 2020, we closed all facilities, programs and certain outdoor amenities including fields and playgrounds under order by the Oregon governor, and those facilities remained closed for months. Today, more than three years later, we have not been able to return to pre-pandemic operational levels. And in reality, with current funding levels, we understand we will not be able to do so. At the beginning of the pandemic, like most institutions we spoke about "return to normal" or "building back" and today we understand that the world is very different, people are different, fiscal realities are different, and we must focus on moving forward from where we are today.

The pandemic resulted in life-altering changes to how we interact with each other and how we navigate the world. Today, the district, like most employers is facing unprecedented changes in the labor market. We have positions, such as aquatics professionals, with huge numbers of vacancies that are difficult to fill causing limitations in class offerings and programming options. As of the writing of this message, we continue to offer a fraction of the swim classes and programming we typically would offer due to the staffing shortages.

The tight labor market means THPRD must rethink our employee attraction and retention strategies. Wages for part-time workers have been increasing as well as additional benefit offerings to attract applicants. This past year the district updated classification and compensation for full-time employees to better position the district in this difficult labor market. Prior to the classification update, there were many positions at the district that were unable to be filled, such as in Information Services, due to the district falling behind labor market expectations.

#### **Fiscal Year 2023/24 Budget**

We are continuing the approach we developed last fiscal year to develop a full budget appropriation for the upcoming fiscal year, but we will continue to monitor conditions each quarter and adjust our actual spending plans in accordance with funding actuals throughout the year. District staff have done an excellent job learning to manage within even shorter planning cycles, adjusting the district's spending each quarter, in alignment with ever-changing realities brought on by the pandemic.

## Tualatin Hills Park & Recreation District Management's Discussion and Analysis

Some of the factors considered during the preparation of the 2023/24 budget were:

- Assessed value on property was estimated to increase by approximately 3.3 percent over the previous year.
- Cost of living increases of 4.0 percent for full-time and 10.0 percent for part-time staff and pension funding in compliance with the board approved pension funding policy.

Property taxes have been increased by the statutorily allowed 3.0 percent of assessed value on all properties. New development growth is estimated at 0.3 percent, for the combined rate of 3.3 percent. The district will continue to closely analyze the various properties to accurately estimate future resources. However, with the increased rate of new growth within district boundaries, and returning property values on existing homes, future resource growth should be strong and steady. Historically, property tax revenues have shown stability even during times of economic downturn and recession.

The district funds maintenance replacement at the maximum level available and it will continue to be a critical component of future budgetary plans. The district has seen growth in rental income from various properties and will actively target additional grant and contribution opportunities.

The district Board approved an updated district pension funding that will allow the district to address the funding level of the defined benefit pension plan. If investment results for the plan meet projections, the funding plan will allow for close to 100 percent funding of the plan's pension liability by July 1, 2032.

In order to remain financially sustainable, the district will continue with the long-term focus that has served well during the past years. Continued implementation of the strategic and financial sustainability plans, and resulting functional plans, will assist in identification of key items to incorporate within the board approved long term strategic goals. Local parks and recreation programs offer an affordable alternative for families of all sizes and economic backgrounds, as reflected by our residents' involvement. The district will continue to examine existing programs, along with new and trending activities, to ensure we remain competitive and accessible for all.

### **Requests for Information**

These financial statements are designed to provide a general overview of the district's finances for all those with an interest, and to demonstrate the district's accountability. Questions concerning any of the information provided within this report, or requests for further financial information, should be addressed to Business Services Division, Finance Department, 15707 SW Walker Road, Beaverton, Oregon 97006



# Basic Financial Statements



Tualatin Hills Park & Recreation District  
**Statement of Net Position**  
June 30, 2023

	<b>Governmental Activities</b>	<b>Component Unit - Tualatin Hills Park Foundation</b>
<b>Assets:</b>		
Cash and cash equivalents	\$ 46,645,236	\$ 782,356
Investments	38,944,843	-
Due from other governments	3,948,731	-
Receivables (net of reserve for uncollectible accounts)	2,632,525	67,031
Lease receivables	4,388,081	-
Inventory	189,989	-
Prepays	97,869	2,352
Cash and cash equivalents - restricted	24,070	-
Capital assets (net of accumulated depreciation):		
Land	125,739,209	-
Parks, sites and planning development	75,678,493	-
Buildings and improvements	40,898,016	-
Equipment and furnishings	800,396	-
Intangible assets	954	-
Construction in progress	7,411,678	-
Development in progress	1,778,621	-
Lease assets	15,229	-
Total assets	<u>349,193,940</u>	<u>851,739</u>
<b>Deferred Outflows of Resources:</b>		
Deferred outflows - pension	4,540,374	-
Deferred outflows - opeb	298,828	-
Deferred outflows - charge on debt refunding	2,358,180	-
Total deferred outflows of resources	<u>7,197,382</u>	<u>-</u>
<b>Liabilities:</b>		
Accounts payable and other current liabilities	3,997,519	30,461
Accrued interest payable	164,601	-
Unearned revenue	2,549,335	-
Due within one year:		
Long-term debt	8,611,730	-
Compensated absences	650,514	-
Lease payable	4,672	-
Due in more than one year:		
Long-term debt	43,079,741	-
Compensated absences	874,025	-
Lease payable	10,719	-
Net pension liability	9,945,514	-
Net other post-employment benefits liability	949,501	-
Total liabilities	<u>70,837,871</u>	<u>30,461</u>
<b>Deferred Inflows of Resources:</b>		
Deferred inflows - pension	10,572,034	-
Deferred inflows - opeb	479,702	-
Deferred inflows - lease resources	4,129,108	-
Total deferred inflows of resources	<u>15,180,844</u>	<u>-</u>
<b>Net Position:</b>		
Net investment in capital assets	205,277,631	-
Restricted for:		
Debt service	476,124	-
Capital improvements	52,921,773	-
With donor restrictions	-	223,208
Unrestricted	11,697,079	598,070
Total net position	<u>\$ 270,372,607</u>	<u>\$ 821,278</u>

The notes to the basic financial statements are an integral part of this statement.

**Tualatin Hills Park & Recreation District  
Statement of Activities  
For the Year Ended June 30, 2023**

<b>Functions/Programs</b>	<b>Program Revenues</b>					<b>Net Revenue (Expense) and Changes in Net Position</b>	
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Rents and Leases</b>	<b>Governmental Activities</b>	<b>Component Unit - Tualatin Hills Park Foundation</b>
<b>Primary government:</b>							
Governmental activities:							
Board of Directors	\$ 351,088	\$ -	\$ -	\$ -	\$ -	\$ (351,088)	
Administration	14,657,122	-	-	16,114,045	575,863	2,032,786	
Park services	7,392,144	-	-	-	-	(7,392,144)	
Recreation services	16,109,044	10,385,213	382,274	-	-	(5,341,557)	
Interest on long-term debt	1,538,328	-	-	-	-	(1,538,328)	
<b>Total primary government</b>	<b>\$ 40,047,726</b>	<b>\$ 10,385,213</b>	<b>\$ 382,274</b>	<b>\$ 16,114,045</b>	<b>\$ 575,863</b>	<b>(12,590,331)</b>	
<b>Component unit:</b>							
Tualatin Hills Park Foundation	\$ 195,332	\$ -	\$ 105,752	\$ -	\$ -		\$ (89,580)
General revenues:							
Property taxes levied for general purposes						38,441,264	-
Property taxes levied for debt service						8,296,360	-
Grants and contributions not restricted to specific programs						-	97,966
Unrestricted investments earnings						2,858,237	714
Miscellaneous						230,239	331
<b>Total general revenues</b>						<b>49,826,100</b>	<b>99,011</b>
Change in net position						37,235,769	9,431
Net position - beginning						233,136,838	811,847
<b>Net position - ending</b>						<b>\$ 270,372,607</b>	<b>\$ 821,278</b>

The notes to the basic financial statements are an integral part of this statement.

Tualatin Hills Park & Recreation District  
**Balance Sheet - Governmental Funds**  
**June 30, 2023**

	<u>General Fund</u>	<u>Bonded Debt Fund</u>	<u>Bond Capital Projects Fund</u>	<u>System Development Charges Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Assets:						
Cash and cash equivalents	\$ 34,610,329	\$ 434,720	\$ 2,367,381	\$ 9,048,393	\$ 184,413	\$ 46,645,236
Investments	-	-	-	38,944,843	-	38,944,843
Receivables:						
Interest	822	587	-	370,313	-	371,722
Property taxes, net	648,758	140,752	-	-	-	789,510
Accounts receivable	649,201	-	8,015	814,077	-	1,471,293
Leases	4,388,081	-	-	-	-	4,388,081
Intergovernmental	16,650	-	-	3,932,081	-	3,948,731
Cash and cash equivalents - restricted	-	-	-	24,070	-	24,070
Prepays	97,869	-	-	-	-	97,869
Inventory	189,989	-	-	-	-	189,989
Total assets	<u>\$ 40,601,699</u>	<u>\$ 576,059</u>	<u>\$ 2,375,396</u>	<u>\$ 53,133,777</u>	<u>\$ 184,413</u>	<u>\$ 96,871,344</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>						
Liabilities:						
Accounts payable	\$ 1,361,459	\$ -	\$ 65,249	\$ 193,311	\$ 39,820	\$ 1,659,839
Salaries payable	523,993	-	-	-	-	523,993
Retainages payable	5,845	-	6,430	18,693	-	30,968
Other current liabilities payable	1,782,719	-	-	-	-	1,782,719
Unearned revenue	2,549,335	-	-	-	-	2,549,335
Total liabilities	<u>6,223,351</u>	<u>-</u>	<u>71,679</u>	<u>212,004</u>	<u>39,820</u>	<u>6,546,854</u>
Deferred inflows:						
Unavailable revenue - taxes	460,935	99,935	-	-	-	560,870
Unavailable revenue - leases	4,129,108	-	-	-	-	4,129,108
Total deferred inflows	<u>4,590,043</u>	<u>99,935</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,689,978</u>
Fund balances:						
Nonspendable:						
Prepays	97,869	-	-	-	-	97,869
Inventory	189,989	-	-	-	-	189,989
Restricted:						
Debt service	-	476,124	-	-	-	476,124
Capital improvements	-	-	2,303,717	52,921,773	-	55,225,490
Committed - mitigation maintenance	-	-	-	-	193,975	193,975
Unassigned	29,500,447	-	-	-	(49,382)	29,451,065
Total fund balance	<u>29,788,305</u>	<u>476,124</u>	<u>2,303,717</u>	<u>52,921,773</u>	<u>144,593</u>	<u>85,634,512</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 40,601,699</u>	<u>\$ 576,059</u>	<u>\$ 2,375,396</u>	<u>\$ 53,133,777</u>	<u>\$ 184,413</u>	<u>\$ 96,871,344</u>

The notes to the basic financial statements are an integral part of this statement

**Tualatin Hills Park & Recreation District**  
**Reconciliation of the Balance Sheet - Governmental Funds**  
**to the Statement of Net Position**  
**June 30, 2023**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund balances - total governmental funds:	\$	85,634,512
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		252,322,596
Unavailable revenues for those amounts that were not available to pay current period expenditures.		560,870
Other long-term items are not available to pay for current period expenditures and, therefore, are deferred in the fund statements:		
Deferred outflows - pension		4,540,374
Deferred outflows - other post employment benefits		298,828
Deferred outflow - charge on debt refunding		2,358,180
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable		(164,601)
Bonds, FFC and loans payable		(51,691,471)
Compensated absences		(1,524,539)
Lease payable		(15,391)
Net opeb liability		(949,501)
Deferred inflows - pension		(10,572,034)
Deferred inflows - other post employment benefits		(479,702)
Net pension liability		(9,945,514)
Net position of governmental activities	<u>\$</u>	<u>270,372,607</u>

The notes to the basic financial statements are an integral part of this statement

**Tualatin Hills Park & Recreation District**  
**Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

	General Fund	Bonded Debt Fund	Bond Capital Projects Fund	System Development Charges Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property taxes	\$ 38,401,470	\$ 8,290,928	\$ -	\$ -	\$ -	\$ 46,692,398
Aquatic programs	2,243,678	-	-	-	-	2,243,678
Tennis center	1,197,210	-	-	-	-	1,197,210
Sports programs	2,273,431	-	-	-	-	2,273,431
Recreation programs	4,670,894	-	-	-	-	4,670,894
Grants and sponsorships	844,590	-	-	-	-	844,590
Rents and leases	575,863	-	-	-	-	575,863
System development charges	-	-	-	14,235,705	-	14,235,705
Interest earned	1,236,662	152,436	57,965	1,405,650	5,524	2,858,237
Charges for services	133,581	-	-	-	-	133,581
Miscellaneous revenues	229,041	-	-	-	1,198	230,239
Total revenues	<u>51,806,420</u>	<u>8,443,364</u>	<u>57,965</u>	<u>15,641,355</u>	<u>6,722</u>	<u>75,955,826</u>
Expenditures:						
Current:						
Board of Directors	351,088	-	-	-	-	351,088
Administration	9,559,639	-	-	-	-	9,559,639
Park services	12,811,916	-	-	-	-	12,811,916
Recreation services	20,931,493	-	-	-	-	20,931,493
Capital outlay	3,111,148	-	319,541	1,073,208	49,382	4,553,279
Materials and services - SDC	-	-	-	30,937	-	30,937
Debt service	877,403	8,406,549	-	-	-	9,283,952
Total expenditures	<u>47,642,687</u>	<u>8,406,549</u>	<u>319,541</u>	<u>1,104,145</u>	<u>49,382</u>	<u>57,522,304</u>
Excess (deficiency) of revenues over (under) expenditures	4,163,733	36,815	(261,576)	14,537,210	(42,660)	18,433,522
Other financing sources (uses):						
Additional leases	14,676	-	-	-	-	14,676
Total other finance sources (uses)	<u>14,676</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,676</u>
Net change in fund balances	4,178,409	36,815	(261,576)	14,537,210	(42,660)	18,448,198
Fund balances at beginning of year	<u>25,609,896</u>	<u>439,309</u>	<u>2,565,293</u>	<u>38,384,563</u>	<u>187,253</u>	<u>67,186,314</u>
Fund balances at end of year	<u>\$ 29,788,305</u>	<u>\$ 476,124</u>	<u>\$ 2,303,717</u>	<u>\$ 52,921,773</u>	<u>\$ 144,593</u>	<u>\$ 85,634,512</u>

The notes to the basic financial statements are an integral part of this statement

**Tualatin Hills Park & Recreation District  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2023**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net changes in fund balances - total governmental funds	\$ 18,448,198
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (for capitalized assets) exceeded depreciation in the current period.	(3,838,680)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.	1,415,431
Governmental funds report lease financing as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as amortization expense. This is the amount by which amortization exceeded lease financing.	353
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.	45,227
The issuance of long-term debt (e.g., bond, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	7,690,179
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest payable	28,615
Accrued compensated absences payable	(314,423)
Net OPEB liability and related deferrals	5,168
Net pension liability and related deferrals	13,755,701
Change in net position of governmental activities	<u><u>\$ 37,235,769</u></u>

The notes to the basic financial statements are an integral part of this statement

Tualatin Hills Park & Recreation District  
**Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
General Fund  
For the Year Ended June 30, 2023**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
Revenues:			
Property taxes	\$ 37,713,799	\$ 38,401,470	\$ 687,671
Aquatic programs	3,636,336	2,243,678	(1,392,658)
Tennis center	1,240,987	1,197,210	(43,777)
Sports programs	3,845,977	2,273,431	(1,572,546)
Recreation programs	5,928,337	4,670,894	(1,257,443)
Grants and sponsorships	13,421,248	844,590	(12,576,658)
Rents and leases	554,000	575,863	21,863
Interest earned	150,000	1,236,662	1,086,662
Charges for services	415,000	133,581	(281,419)
Miscellaneous revenues	150,000	229,041	79,041
Total revenues	<u>67,055,684</u>	<u>51,806,420</u>	<u>(15,249,264)</u>
Expenditures:			
Board of Directors	513,755	351,088	162,667
Administration	12,563,467	10,724,084	1,839,383
Park services	15,223,571	13,041,321	2,182,250
Recreation services	27,208,537	20,931,493	6,277,044
Capital outlay	17,513,781	2,594,701	14,919,080
Contingency	8,304,273	-	8,304,273
Capital replacement reserve	2,000,000	-	2,000,000
Total expenditures	<u>83,327,384</u>	<u>47,642,687</u>	<u>35,684,697</u>
Other financing sources (uses):			
Transfers out	(350,000)	-	350,000
Additional lease	-	14,676	14,676
Total other financing sources (uses)	<u>(350,000)</u>	<u>14,676</u>	<u>364,676</u>
Change in fund balance	<u>(16,621,700)</u>	<u>4,178,409</u>	<u>(20,800,109)</u>
Fund balances at beginning of year	<u>16,621,700</u>	<u>25,609,896</u>	<u>8,988,196</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 29,788,305</u>	<u>\$ 29,788,305</u>

The notes to the basic financial statements are an integral part of this statement

**Tualatin Hills Park & Recreation District**  
**Statement of Fiduciary Net Position**  
**June 30, 2023**

	<b>Pension and OPEB Trust Funds</b>
<b>Assets</b>	
Cash	\$ 218,985
Investments @ fair value	
Mutual funds	37,177,951
US stock	397,265
Accrued interest	891
Loan receivable	24,014
Total assets	37,819,106
<b>Net Position</b>	
Restricted for pension	36,019,414
Restricted for other post-employment benefits	1,799,692
Total net position held in trust	\$ 37,819,106

The notes to the basic financial statements are an integral part of this statement

**Tualatin Hills Park & Recreation District**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2023**

	<u>Pension and OPEB Trust Funds</u>
<b>Additions:</b>	
Contributions	
Employer	\$ 3,900,000
Employee	1,019,039
Other	<u>11,000,858</u>
Total contributions	<u>15,919,897</u>
Investment earnings	<u>2,130,498</u>
Total additions	<u>18,050,395</u>
<b>Deductions:</b>	
Benefits paid	(391,022)
Administrative expenses	<u>(41,798)</u>
Total deductions	<u>(432,820)</u>
Change in net position	17,617,575
Net position, at beginning of year	<u>20,201,531</u>
Net position, at end of year	<u>\$ 37,819,106</u>

The notes to the basic financial statements are an integral part of this statement

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

**I. Summary of significant accounting policies**

**A. Reporting entity**

Tualatin Hills Park & Recreation District (the district) is a special service district governed by an elected five-member Board of Directors (the board) and operates as a separate municipal corporation. The district, as a primary government, is a financial reporting entity, which has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As required by accounting principles generally accepted in the United States (GAAP), these financial statements present the financial status and activities of the district and its component unit. The discretely presented component unit, Tualatin Hills Park Foundation (the foundation), is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the district. The district has no other potential component units.

Discretely Presented Component Unit

Tualatin Hills Park Foundation, formed in 1958, is a publicly supported non-profit, tax-exempt organization dedicated to benefit the district by enhancing recreational opportunities within the community. The Board of Trustees elects trustees by majority vote, with one member from the district board. The nature and significance of the relationship is such that the exclusion of the foundation statement would cause the district's financial statements to be misleading or incomplete. The foundation has a June 30 year end. The complete financial statements of the Tualatin Hills Park Foundation may be obtained at the district's administrative office.

**B. Government-wide and fund financial statements**

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the district's governmental funds. The fiduciary trust funds are excluded from the government-wide financial statements.

The statement of net position presents the financial condition of the district at fiscal year-end.

The statement of activities demonstrates the degree to which the direct expenses of a given division or function are offset by program revenues. *Direct expenses* are those that are clearly identifiable by a specific division or function. *Program revenues* include 1) charges to patrons who purchase, use, or directly benefit from goods, services or privileges provided by a given division or function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular division or function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental, proprietary, and fiduciary funds. Each fund is a separate accounting entity. Funds are reported separately to aid in financial management and to help demonstrate legal compliance in the use of these funds. Currently, the district has only governmental funds and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Fiduciary trust funds for pension and other post-employment benefits are reported separately.

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

**C. Measurement focus, basis of accounting and financial statement presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are *available* when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the district considers revenues to be available if they are collected within 60 days of the end of the year. Expenditures generally are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

Property taxes, received by the district within 60 days, system development impact fees and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the year. All other revenue items are considered to be measurable and available only when cash is received by the district.

Activities between funds, which are similar to lending/borrowing arrangements, are reported as “due to/due from other funds”, when outstanding at the end of the fiscal year. Such balances are eliminated in the government-wide financial statements.

The district reports the following major governmental funds:

The *General Fund* is the district’s primary operating fund. It accounts for all financial resources of the district, except those required to be accounted for in another fund. The major sources of revenue are property taxes and user fees.

The *Bonded Debt Fund* accounts for the accumulation of resources to pay principal and interest on certain general obligation long-term bonded debt. The primary source of revenue is property taxes.

The *Bond Capital Projects Fund* accounts for the financial resources received from the voter approved general obligation bonds. This fund details the acquisition and construction of the approved capital projects, utilizing the bond proceeds.

The *System Development Charges Fund* accounts for financial resources used for the acquisition of capital assets or construction of major capital projects. This fund accounts for fees charged to developers to provide for expanding capacity of the district’s facilities.

The other governmental fund includes the nonmajor funds of the district. The *Mitigation Maintenance Fund* is a special revenue fund that accounts for mitigation funds received from development impacting park property. This fund is accumulated for and committed to use on natural area restoration projects. The *Metro Bond Local Share Capital Fund* is a capital projects

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

fund that accounts for dollars set aside for the local match to the Metro bond grants to support clean water, protect and restore culturally significant native plant communities, protect and improve fish and wildlife habitat, reduce impacts of climate change, enhance trail networks, and make parks and natural areas more accessible and inclusive.

Additionally, the district reports fiduciary funds as follows:

The *Pension Trust Fund* accounts for activities of the district's defined benefit and defined contribution pension plans.

The *Other Post-employment Benefits (OPEB) Trust Fund* accounts for activities of the district's other post-employment benefits plan.

Flow of resources

When both restricted and unrestricted resources are available for use, normally it is the district's policy to use restricted resources first, and then unrestricted resources as they are needed. However, this flow assumption is determined annually through the budget process and reflected in the approved appropriations.

**D. Assets, liabilities, deferred outflows/inflows of resources and net position or fund balance**

*1. Cash, cash equivalents and investments*

The cash and cash equivalents of the district are cash on hand, demand deposits and funds invested with the Oregon State Treasurer's Local Government Investment Pool (LGIP), with interest accruing to the benefit of each individual fund. The district considers cash on hand, demand deposits and short-term highly liquid investments with a maturity of three months or less, when purchased, to be cash and cash equivalents. Restricted cash and cash equivalents consist of short-term deposits pledged in lieu of performance bonds for capital projects in progress.

State statutes and the district's investment policy authorize the district to invest in obligations of the U.S. Treasury and U.S. Agencies, commercial paper, corporate indebtedness, certificates of deposit, bank time deposits/savings accounts, bankers' acceptances, municipal debt, and the LGIP. Investments are reported at fair value, based on quoted prices for identical investments.

The LGIP operates in accordance with appropriate state laws and regulations, but is not regulated by other laws, organizations, or regulations. The reported value of the LGIP is equal to cash value. Investments are regulated by the Oregon Short-Term Fund Board (OSTF) and approved by the Oregon Investment Council (ORS 294.805 to 294.895). The LGIP is not registered with the SEC as an investment company. While the LGIP is not currently rated by an independent rating agency, the LGIP's holdings provide very strong protection against losses from credit defaults.

*2. Receivables and payables*

Recorded property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue in the fund financial statements. The remaining balance is recorded as unavailable revenue because it is

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

not deemed available to finance operations of the current period in the fund financial statements. An allowance for doubtful accounts is estimated based upon the history of collections of property tax, and any information received from the county related to settlements for outstanding tax balances. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

*3. Lease receivables*

Lease receivables are recognized at the net present value of the future lease payments at an interest rate either explicitly described in the agreement or implicitly determined by the district, reduced by principal payments received.

*4. Inventory and prepaid items*

Inventories, consisting of expendable maintenance and program supplies, are valued at cost, which approximates market value, using the first-in, first-out method. The cost of inventory is recorded as an expenditure/expense when consumed, rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses at the time of consumption, rather than when purchased.

*5. Capital assets*

Capital assets, which include property, equipment, furnishings, improvements, and intangible assets, such as software, are reported in the government-wide financial statements. The district defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life are not capitalized. Major outlays for capital assets and improvements are capitalized in the government-wide statements as projects are constructed. All capital outlay costs are recorded as expenditures in the fund financial statements.

Property, improvements, equipment, and intangible assets are depreciated using the straight-line method in the government-wide financial statements over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
Park sites and planning development	20–50
Equipment and furnishings	5
Intangible assets	5
Lease assets	5

## Tualatin Hills Park & Recreation District

### Notes to Basic Financial Statements

Lease assets are assets which the district leases for a term of more than one year. The value of lease assets are determined by the net present value of the leases at the district's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

#### 6. *Deferred outflows/inflows of resources*

In addition to assets, another financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The items that qualify in this category are deferred charges from refunding, and the following items that relate to the defined benefit pension plan and OPEB plan: the difference between expected and actual experience, and the net difference between projected and actual investment earnings and changes in assumptions or inputs. All four items are reported in the government-wide statement of net position. Deferred charges, resulting from the carrying value of refunded debt and its reacquisition price, are deferred and amortized over the shorter of the life of the refunded debt or refunding debt.

In addition to liabilities, a separate section may also be required for *deferred inflows of resources*, representing acquisition of net assets or fund balance that applies to a future period, and so will not be recognized as an inflow of resources (revenue) until that time. Both the statement of net position and the governmental funds balance sheet may report a separate section for deferred inflows of resources. The district has unavailable revenue, property taxes, that qualify for reporting in this category in the governmental funds balance sheet and deferred inflows for differences between expected and actual experience and changes in assumptions or inputs that relates to the OPEB and pension plans and deferred lease resources.

#### 7. *Unearned revenue*

Governmental funds recognize unearned revenue in connection with resources that have been received, but not yet earned. The government-wide financial statements and governmental funds balance sheet report unearned revenue only for amounts that are received but not earned, relating to payments received for recreation programs that occur July 1 or after.

#### 8. *Compensated absences*

District policy permits employees to accumulate earned but unused vacation, compensatory and sick pay benefits. There is no liability for unpaid accumulated sick leave since the district does not have a policy to pay any amounts to employees upon separation of service. All vacation and compensatory pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

#### 9. *Long-term obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other

## Tualatin Hills Park & Recreation District

### Notes to Basic Financial Statements

financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### *10. Lease payable*

In the government-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

#### *11. Fund balance*

In the fund financial statements, fund balance classifications comprise a hierarchy based on the constraints imposed on the use of resources as reported in governmental funds. The five fund balance classifications are described below:

- Nonspendable fund balance represents amounts that are not in a spendable form, or are either legally or contractually required to be maintained intact. The nonspendable fund balance represents inventories and prepaid items.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant or donor requirements, other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The board may set, modify or rescind commitments by resolution.
- Assigned fund balance represents amounts that are constrained by expressed intent to use resources for a specific purpose that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the board or designee to whom that authority has been given by the board, normally the General Manager or Finance Services Director.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The board has approved the following order of spending regarding fund balance categories: restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and lastly, unassigned fund balance.

To ensure financial stability, the board has adopted a policy stating that the minimum level of ending fund balance will be at least 10 percent of operating expenses in the year. In any year in which the district is not at the targeted fund level, the budgeted contingency will be increased by 1 percent of property tax revenues.

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

**II. Reconciliation of government-wide and fund financial statements**

**A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$(51,691,471) difference are as follows:

Bonds payable	\$ (37,870,000)
Plus: Issuance premiums (to be amortized over life of debt)	(2,936,831)
Full faith and credit obligations	(9,780,000)
Plus: Issuance premiums (to be amortized over life of debt)	(928,958)
Direct debt and loans payable	<u>(175,682)</u>
Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net position-governmental activities</i>	<u><u>\$ (51,691,471)</u></u>

**B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliations between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$(3,838,680) difference are as follows:

Capital outlay (for capitalized assets)	\$ 3,368,966
Depreciation expense	<u>(7,207,646)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at changes in <i>net position of governmental activities</i>	<u><u>\$ (3,838,680)</u></u>

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

Another element of that reconciliation states “the net effect of various miscellaneous transactions involving capital assets (i.e. donations) is to increase net position.” The details of this \$1,415,431 difference are as follows:

Donations of capital assets increase the net position in the statement of net position, but do not appear in the governmental funds because they are not financial resources	\$ 1,416,024
Deletions of capital assets decrease the net position in the statement of net position, but do not appear in the governmental funds because they are not financial resources	<u>(593)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,415,431</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this \$7,690,179 difference are as follows:

Principal repayments:	
General obligation debt	\$ 6,440,000
Other long-term debt	517,114
Amortization of premiums	1,244,190
Amortization of deferred charges/inflows on refundings	<u>(511,125)</u>
Net adjustments to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 7,690,179</u>

**III. Stewardship, compliance and accountability**

**Budgetary information**

Annual budgets are prepared for each fund in accordance with a modified accrual basis of accounting and with the legal requirements set forth in the Oregon Local Budget Law. The district budgets each governmental fund type on a modified accrual basis. The resolution authorizing appropriations for each fund set the level by which expenditures cannot legally exceed appropriations. All annual appropriations lapse at year-end. On or before the third week of February, departmental budgets are submitted to management for compilation of the proposed budget document. Initial budget review meetings begin in April, with the final public hearing and adoption completed before June 30 of each year.

Governmental fund budgets are established in accordance with state law and are adopted on a fund level except the General Fund. The General Fund budget is adopted on an organizational unit level. Organizational units are the levels of control for all funds established by the resolution. The detail budget document, however, is required to contain more specific information for the above-mentioned appropriation levels. Unexpected additional resources may be added to the

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

budget through a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers and approval by the board. Original and supplemental budgets may be modified by appropriations transfers between the levels of control. Such transfers require approval by the board. In the year ended June 30, 2023 there weren't any supplemental budgets or budget transfers.

**IV. Detailed notes on all funds**

**A. Cash, cash equivalents and investments**

Deposits with financial institutions include bank demand deposits and deposits in the LGIP, as authorized by Oregon statutes.

At June 30, 2023, the district had the following cash, cash equivalents and investments at fair value:

Governmental funds:	
Demand deposits	\$ 1,414,176
Commercial paper	539,735
Investments in the State Treasurer's LGIP	44,715,395
Government and agency obligations	<u>38,944,843</u>
Total governmental funds cash, cash equivalents and investments	85,614,149
Fiduciary funds:	
Cash	218,985
Mutual funds	37,177,951
US stock	397,265
Other	<u>891</u>
Total cash, cash equivalents and investments at fair value	<u>\$ 123,409,241</u>

Cash, cash equivalents and investments are reflected in the financial statements as follows:

Cash and cash equivalents	\$ 46,645,236
Investments	38,944,843
Cash, cash equivalents and investments - restricted	<u>24,070</u>
Total cash, cash equivalents and investments - governmental activities	85,614,149
Cash and investments - fiduciary activities	<u>37,795,092</u>
Total cash, cash equivalents and investments - fiduciary activities	<u>37,795,092</u>
Total cash, cash equivalents and investments	<u>\$ 123,409,241</u>

The district categorizes its investments according to the fair value hierarchy established by GAAP. GASB Statement No. 72, *Fair value Measurement and Application*, provides a fair value hierarchy based on valuation inputs to measure the fair value of the investment. Level 1 are valued using prices quoted in active markets for those securities; Level 2 are valued based on

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price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors. Assets valued at fair value as of June 30, 2023 are as follows:

	Level 1	Level 2
Commercial paper	\$ -	\$ 539,735
Government and agency obligations	-	38,944,843
Mutual funds	37,177,951	-
US stock	397,265	-
Other	-	891
 Total	 \$ 37,575,216	 \$ 39,485,469

Current investments ratings and weighted average maturities are:

	Moody's AAA	Total	Weighted Average Maturity (years)
Commercial paper	\$ 539,735	\$ 539,735	0.60
Government and agency obligations	38,944,843	38,944,843	0.58

The LGIP and mutual funds are unrated.

**1. Interest rate risk**

In accordance with its investment policy, the district manages its exposure to declines in fair values by limiting the weighted average maturity to ensure securities mature to meet cash requirements for ongoing operations and investing operating funds primarily in shorter-term securities or short-term investment pools.

Investments in the LGIP are stated at share value, which approximates fair value, and is the value at which the shares can be withdrawn. The LGIP does not report all investments at fair value in accordance with the provisions of GASB Statement No. 31. The LGIP is required by Oregon Revised Statutes (ORS) to compute the fair value of all investments maturing more than 270 days from the date the computation is made. If the fair value totals more than one percent of the balance of the LGIP in terms of unrealized gain or loss, the amount is required to be distributed to the pool participants. Fifty percent of the LGIP portfolio must mature within 93 days. Up to 25 percent of the LGIP portfolio may mature in over one year and no investment may mature in over three years. At June 30, 2023, the district's share of the amount of unrealized gain reported by the LGIP was considered immaterial.

**2. Credit risk**

As incorporated into the district's investment policy, State statute allows the district to invest in general obligations of the U.S. Government and its agencies, bank repurchase agreements, bankers' acceptances, municipal bonds, commercial paper of at least an A1/A+ rating, and the LGIP among others. The district's investments in U.S. government securities are not required to be rated.

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**3. Concentration of credit risk**

The district's investment policy stipulates diversification of investments by limiting over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities), limiting investment in high credit risk securities, investing with varying maturities, and maintaining a portion of the portfolio in readily available funds.

In accordance with GASB Statement No. 40, the district is required to report all individual non-federal investments, which exceed 5 percent of total invested funds. As of June 30, 2023, the district did not hold any non-federal investments exceeding 5 percent of invested funds.

**4. Custodial credit risk – deposits**

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. The combined total bank balance is \$1,732,958. Of these deposits, \$250,000 is covered by federal depository insurance. As required by ORS, deposits in excess of federal depository insurance were held at a qualified depository for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer.

**5. Custodial credit risk – investments**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the district will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The district's investment policy minimizes this risk by evaluating the safety of securities, pre-qualifying the financial institutions and broker/dealers, diversifying the portfolio and actively monitoring the holdings for ratings changes and market conditions.

**B. Lease receivables**

	<b>Outstanding June 30, 2022</b>	<b>Additions</b>	<b>Decrease</b>	<b>Outstanding June 30, 2023</b>
Training Facility Lease, interest at 4.30%, principal and interest ranges from \$222,863 to \$270,212 annually, due 2031	\$ 1,809,049	\$ -	\$ 149,733	\$ 1,659,316
Land & House Lease, interest at 2.41%, principal and interest of \$30,591 annually, due 2024	59,039	-	29,168	29,871
Garden Home Tenant, interest at 5.25%, principal and interest of \$2,426 monthly, due 2025	7,248	62,548	27,279	42,517
Garden Home Tenant, interest at 2.79%, principal and interest ranges from \$3,740 to \$5,576 monthly, due 2024	128,125	-	62,201	65,924
Garden Home Tenant, interest at 6.25%, principal and interest ranges from \$2,165 to \$3,665 monthly, due 2026	-	111,204	19,105	92,099
Garden Home Tenant, interest at 5.13%, principal and interest of \$1,701 monthly, due 2027	-	89,788	16,158	73,630

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Continued	<b>Outstanding June 30, 2022</b>	<b>Additions</b>	<b>Decrease</b>	<b>Outstanding June 30, 2023</b>
Garden Home Tenant, interest at 5.13%, principal and interest of \$1,800 monthly, due 2024	-	31,114	15,256	15,858
Stuhr Center Tenant, interest at 6.27%, principal and interest of \$300 monthly, due 2025	-	6,752	1,068	5,684
Garden Home Telecom, interest at 2.90%, principal and interest ranges from \$10,000 to \$14,569 annually, due 2041	174,219	-	5,148	169,071
Garden Home Telecom, interest at 3.62%, principal and interest ranges from \$1,145 to \$1,329 monthly, due 2037	169,931	-	7,908	162,023
Garden Home Telecom, interest at 5.52%, principal and interest ranges from \$2,327 to \$2,420 monthly, due 2036	282,753	-	13,777	268,976
Garden Home Telecom, interest at 4.41%, principal and interest ranges from \$995 to \$1,596 monthly, due 2038	170,365	-	4,978	165,387
Morgan's Run Telecom, interest at 2.95%, principal and interest ranges from \$992 to \$1,519 monthly, due 2042	230,039	-	6,885	223,154
Murray Hill Telecom, interest at 4.41%, principal and interest ranges from \$800 to \$1,124 monthly, due 2037	125,892	-	5,268	120,624
Murray Hill Telecom, interest at 3.74%, principal and interest ranges from \$800 to \$1,354 monthly, due 2037	145,173	-	5,745	139,428
Murray Hill Telecom, interest at 4.26%, principal and interest ranges from \$10,800 to \$14,375 annually, due 2038	145,832	-	4,588	141,244
Stoller Farms Telecom, interest at 3.70%, principal and interest ranges from \$12,200 to \$21,394 annually, due 2041	216,773	-	4,545	212,228
Stoller Farms Telecom, interest at 3.63%, principal and interest ranges from \$11,042 to \$14,696 annually, due 2041	171,541	-	4,815	166,726
Waterhouse Telecom, interest at 6.81%, principal and interest ranges from \$661 to \$760 monthly, due 2027	33,552	-	7,043	26,509

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Continued	<u>Outstanding June 30, 2022</u>	<u>Additions</u>	<u>Decrease</u>	<u>Outstanding June 30, 2023</u>
Hart Meadows Telecom, interest at 4.32%, principal and interest ranges from \$1,725 to \$2,282 monthly, due 2036	247,609	-	10,206	237,403
Sunset Park Telecom, interest at 4.40%, principal and interest ranges from \$16,617 to \$27,670 annually, due 2035	210,325	-	8,028	202,297
Lehman Telecom, interest at 3.72%, principal and interest ranges from \$1,134 to \$1,525 monthly, due 2032	124,413	-	9,952	114,461
Summercrest East Telecom, interest at 7.12%, principal and interest ranges from \$1,129 to \$1,264 monthly, due 2028	64,462	-	10,811	53,651
	<u>\$ 4,516,340</u>	<u>\$ 301,406</u>	<u>\$ 429,665</u>	<u>\$ 4,388,081</u>

Future maturities are as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 471,771	\$ 180,206
2025	383,438	161,202
2026	351,058	144,353
2027	362,339	128,968
2028	349,795	113,861
2029 - 2033	1,532,976	338,080
2034 - 2038	739,458	99,674
2039 - 2042	197,246	12,788
	<u>\$ 4,388,081</u>	<u>\$ 1,179,132</u>

Deferred inflow of resources mirror the principal payment maturities described above.

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**C. Capital assets**

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance 6/30/22	Increases	Decreases	Transfers	Ending Balance 6/30/23
<b>Non-depreciable</b>					
Land	\$ 121,136,527	\$ 1,416,024	\$ -	\$ 3,186,658	\$ 125,739,209
Construction in progress	10,315,525	1,675,200	-	(4,579,047)	7,411,678
Development in progress	-	386,232	-	1,392,389	1,778,621
Total non-depreciable	<u>131,452,052</u>	<u>3,477,456</u>	<u>-</u>	<u>-</u>	<u>134,929,508</u>
<b>Depreciable</b>					
Parks, sites and planning development	136,164,014	84,402	-	-	136,248,416
Buildings and improvements	80,544,182	823,960	-	-	81,368,142
Equipment and furnishings	8,833,781	399,172	(74,494)	-	9,158,459
Intangible assets	341,762	-	-	-	341,762
Lease assets	74,358	14,676	(66,652)	-	22,382
Total depreciable	<u>225,958,097</u>	<u>1,322,210</u>	<u>(141,146)</u>	<u>-</u>	<u>227,139,161</u>
<b>Accumulated depreciation</b>					
Parks, sites and planning development	(55,846,415)	(4,723,508)	-	-	(60,569,923)
Buildings and improvements	(38,328,365)	(2,141,761)	-	-	(40,470,126)
Equipment and furnishings	(8,089,587)	(342,377)	73,901	-	(8,358,063)
Intangible assets	(340,808)	-	-	-	(340,808)
Lease assets	(47,328)	(26,477)	66,652	-	(7,153)
Total accumulated depreciation	<u>(102,652,503)</u>	<u>(7,234,123)</u>	<u>140,553</u>	<u>-</u>	<u>(109,746,073)</u>
Net depreciable assets	<u>123,305,594</u>	<u>(5,911,913)</u>	<u>(593)</u>	<u>-</u>	<u>117,393,088</u>
Capital assets, net	<u>\$ 254,757,646</u>	<u>\$ (2,434,457)</u>	<u>\$ (593)</u>	<u>\$ -</u>	<u>\$ 252,322,596</u>

Depreciation and amortization expense of \$7,234,123 for governmental activities was charged to the business and facilities function.

The district has the following significant construction commitments related to projects at June 30, 2023:

**Commitments at June 30, 2023**

Permanent Restroom - Greenway Park	\$ 16,129
Permanent Restrooms - Hazeldale and Schiffler Parks	622,149
Harman Swim Center ADA Improvements	31,551
Neighborhood Park SEQ-2 La Raiz	2,110,175
Neighborhood Park NWQ-5 Abbey Creek	87,114
MTIP-RFFA BCT PE Match Funds	87,778
Youth Athletic Fields - SW Quadrant	28,088
CIP - 97-750 Bronson Creek Greenway Laidlaw	230,510
	<u>\$ 3,213,494</u>

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**D. Accrued compensated absences**

The district's compensated absences are liquidated by the General Fund. The change in the balance of accrued compensated absences for the fiscal year was as follows:

	Beginning Balance 6/30/22	Increase	Repayments	Ending Balance 6/30/223	Due within one year
Compensated absences	\$ 1,210,116	\$ 1,032,111	\$ (717,688)	\$ 1,524,539	\$ 650,514

**E. Long-term debt**

The table below presents current year changes in long-term debt, and the current portions due for each issue:

	Beginning Balance 6/30/22	Increase	Repayments	Ending Balance 6/30/23	Due within one year
General Obligation Bonds					
Series 2015	\$ 24,535,000	\$ -	\$ (4,340,000)	\$ 20,195,000	\$ 4,725,000
Series 2016	8,710,000	-	-	8,710,000	-
Series 2021	11,065,000	-	(2,100,000)	8,965,000	2,305,000
Premium	4,073,569	-	(1,136,738)	2,936,831	950,272
Total General Obligation Bonds	<u>48,383,569</u>	<u>-</u>	<u>(7,576,738)</u>	<u>40,806,831</u>	<u>7,980,272</u>
Full Faith & Credit					
Series 2020	9,230,000	-	(390,000)	8,840,000	395,000
Series 2021	1,035,000	-	(95,000)	940,000	100,000
Premium	1,036,410	-	(107,452)	928,958	103,376
Total Full Faith & Credit	<u>11,301,410</u>	<u>-</u>	<u>(592,452)</u>	<u>10,708,958</u>	<u>598,376</u>
Direct Borrowing					
Energy Savings Contract	207,796	-	(32,114)	175,682	33,082
Total Direct Borrowing	<u>207,796</u>	<u>-</u>	<u>(32,114)</u>	<u>175,682</u>	<u>33,082</u>
Total Long-term debt	<u>\$ 59,892,775</u>	<u>\$ -</u>	<u>\$ (8,201,304)</u>	<u>\$ 51,691,471</u>	<u>\$ 8,611,730</u>

**General Obligations Bonds**

The district issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and improvements. General obligation bonds are direct obligations and pledge the full faith and credit of the district.

On May 5, 2015, the district issued \$37,880,000 in general obligation bonds with interest rates ranging from 2.0 percent to 5.0 percent. From the proceeds, \$1,435,000 fulfilled the final series of the 2008 bond measure, and the balance was used to advance refund \$38,340,000, a portion of the Series 2009 general obligation issue. The net proceeds of \$43,401,471 (including a \$6,987,825 premium and payment of \$222,658 in closing costs) along with \$850,725 in resources were deposited in an irrevocable trust fund with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, this portion of the Series 2009 bond is considered defeased and the liability was removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$4,840,819. This amount is amortized over the remaining life of the refunding debt. The refunding bonds will

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be paid annually, with interest payments semi-annually, over a term of fourteen years. As of June 30, 2023, there are no bonds outstanding that are considered defeased.

On October 12, 2016, the district issued \$8,710,000 in general obligation bonds with interest rates between 3.0 percent and 4.0 percent. The proceeds were used to advance refund \$8,620,000 of the Series 2011 general obligation issue. The net proceeds of \$9,874,696 (including a \$1,283,919 premium and payment of \$119,223 in closing costs) were deposited in an irrevocable trust fund with an escrow agent to provide funds for future debt service payment on the refunded bonds. As a result, this portion of the Series 2011 bond is considered defeased and the liability was removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$1,254,696. This amount is amortized over the remaining life of the refunding debt. The refunding bonds will be paid annually, with interest payments semi-annually, over a term of twelve years. As of June 30, 2023, there are no bonds outstanding that are considered defeased.

On March 30, 2021, the district issued \$13,265,000 in general obligation bonds with interest rates between 3.0 percent and 4.0 percent. The proceeds were used to advance refund \$15,525,000 of the Series 2011 general obligation issue. The net proceeds of \$15,792,984 (including a \$2,527,984 premium and payment of \$155,837 in closing costs) were deposited in an irrevocable trust fund with an escrow agent to provide funds for future debt service payment on the refunded bonds. As a result, the remainder of the Series 2011 bonds are considered defeased and the liability was removed from the statement of net position. The difference between the reacquisition and the net carrying amount of the prior debt is being amortized over the remaining life of the refunding debt. The refunding bonds will be paid annually, with interest payments semi-annually, over a term of eight years. As of June 30, 2023, there are no bonds outstanding that are considered defeased.

Full Faith and Credit Obligations

On February 12, 2020, the district issued \$9,900,000 in full faith and credit bonds with interest rates between 3.0 percent and 4.0 percent. The proceeds were used to advance refund \$6,820,000 of the Series 2010B full faith and credit issue and \$4,000,000 of the 2019 direct borrowing. The net proceeds of \$11,194,716 (including a \$1,294,716 premium and payment of \$126,325 in closing costs) were deposited in an irrevocable trust fund with an escrow agent to provide funds for future debt service payment on the refunded bonds. As a result, this portion of the Series 2010 bond is considered defeased and the liability was removed from the statement of net position and the 2019 direct borrowing was paid in full. The reacquisition price exceeded the net carrying amount of the old debt by \$398,392. This amount is amortized over the remaining life of the refunding debt. The refunding bonds will be paid annually, with interest payments semi-annually, over a term of twenty years. As of June 30, 2023, there are no bonds outstanding that are considered defeased.

On February 11, 2021, the district issued \$1,125,000 in full faith and credit bonds with an interest rate of 1.45 percent through November 30, 2025, and 1.95 percent from that date through the end of the term of the debt. The proceeds were used to refund \$1,080,000 of the Series 2010A full faith and credit obligations and \$38,687 in issuance costs. The obligations are paid annually, with interest payments semi-annually, through December 1, 2030.

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**Direct Borrowing**

On February 15, 2013, the district borrowed \$457,100 for the purchase and implementation of various continued energy conservation measures. This loan bears an interest rate of 2.99 percent and is payable over fifteen years. This loan is not collateralized.

The district's outstanding notes from direct borrowings and direct placements contain an event of default provision that allows the escrow agent to enforce the financing agreement.

Annual principal requirements for all issues are as follows:

Year Ending June 30,	General Obligation Series			Full Faith & Credit		Direct Borrowing	
	2015	2016	2021	2020	2021	Energy Contract	Total
2024	\$ 4,725,000	\$ -	\$ 2,305,000	\$ 395,000	\$ 100,000	\$ 33,082	\$ 7,558,082
2025	5,125,000	-	2,525,000	415,000	105,000	34,079	8,204,079
2026	5,545,000	3,125,000	-	440,000	110,000	35,105	9,255,105
2027	4,800,000	3,355,000	-	450,000	120,000	36,163	8,761,163
2028	-	2,230,000	830,000	470,000	125,000	37,253	3,692,253
2029-2033	-	-	3,305,000	2,585,000	380,000	-	6,270,000
2034-2038	-	-	-	3,000,000	-	-	3,000,000
2039-2043	-	-	-	1,085,000	-	-	1,085,000
	<u>\$ 20,195,000</u>	<u>\$ 8,710,000</u>	<u>\$ 8,965,000</u>	<u>\$ 8,840,000</u>	<u>\$ 940,000</u>	<u>\$ 175,682</u>	<u>\$ 47,825,682</u>

Annual interest requirements for all issues are as follows:

Year Ending June 30,	General Obligation Series			Full Faith & Credit		Direct Borrowing	
	2015	2016	2021	2020	2021	Energy Contract	Total
2024	\$ 903,750	\$ 292,550	\$ 448,250	\$ 296,750	\$ 12,905	\$ 5,007	\$ 1,959,212
2025	667,500	292,550	333,000	280,950	11,419	4,011	1,589,430
2026	421,250	292,550	206,750	264,350	11,423	2,984	1,199,307
2027	144,000	167,550	206,750	246,750	11,018	1,927	777,995
2028	-	66,900	206,750	228,750	8,629	838	511,867
2029-2033	-	-	165,250	865,200	10,919	-	1,041,369
2034-2038	-	-	-	438,450	-	-	438,450
2039-2043	-	-	-	45,450	-	-	45,450
	<u>\$ 2,136,500</u>	<u>\$ 1,112,100</u>	<u>\$ 1,566,750</u>	<u>\$ 2,666,650</u>	<u>\$ 66,313</u>	<u>\$ 14,767</u>	<u>\$ 7,563,080</u>

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**F. Lease payable**

	<u>Outstanding June 30, 2022</u>	<u>Additions</u>	<u>Decrease</u>	<u>Outstanding June 30, 2023</u>
Facility Lease, interest at 1.75%, principal and interest ranges from \$3,659 to \$3,805 monthly, due 2023	\$ 22,695	\$ -	\$ 22,695	\$ -
Finance Copier Lease, interest at 1.50%, principal and interest of \$246 monthly, due 2024	4,850	-	2,899	1,951
Mail Meter Lease, interest at 4.80%, principal and interest of \$141 monthly, due 2028	-	7,508	1,130	6,378
Envelope Machine Lease, interest at 4.87%, principal and interest of \$135 monthly, due 2028	-	7,168	106	7,062
	<u>\$ 27,545</u>	<u>\$ 14,676</u>	<u>\$ 26,830</u>	<u>\$ 15,391</u>

Future maturities are as follows:

<b>Fiscal</b>		
<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 4,672	\$ 608
2025	2,858	454
2026	3,000	312
2027	3,142	170
2028	1,719	48
	<u>\$ 15,391</u>	<u>\$1,592</u>

**V. Other information**

**A. Defined benefit pension plan**

The district maintains a single-employer defined benefit pension plan (“plan”) trustee by U.S. Bank National Association. The plan provides retirement and death benefits (pre-retirement) to plan members and beneficiaries. The plan does not issue a publicly available financial statement. Financial statements for the plan are included as Trust Funds in the Basic Financial Statements, and combining statements are included in the Supplemental Information. The plan’s authority for vesting and benefit provisions is provided by the Plan Agreement (last restatement July 1, 2016) and is governed by the district’s Board of Directors. Amendments to the plan require approval of the Board of Directors.

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***General Information About the Pension Plan***

Plan Description

Within the plan, Tier I, a defined benefit plan, applies to all full-time employees hired before July 1, 2010, and is now closed to new enrollment. Tier II, a hybrid plan consisting of two components, applies to all full-time employees hired on or after July 1, 2010. The two components are the employer paid pension fund and an Individual Account Program (IAP). Employees in both Tier I and Tier II were/are eligible for participation in the defined benefit plan after six months of service.

Membership in the Plan as of June 30, 2022 was:

Active members	159
Vested inactive members	43
Retirees	<u>21</u>
Total	<u><u>223</u></u>

Benefits Provided

The Tier I normal retirement benefit, as authorized by the Board of Directors, is equal to 1.9% of the participant's average monthly earnings multiplied by the years and months of employment with the district. Normal retirement age is 58, or an employee may elect early retirement at a reduced benefit of 5 percent per year after age 55 with ten years of service. Active participants that have reached normal retirement age (58) and accrued 20 years of benefit service may elect to receive an "in-service" distribution of the benefits accrued to the date of distribution. Tier I retiring employees may choose between several annuity options or a single lump sum benefit payment.

The Tier II normal retirement benefit is equal to 1.5 percent of the participant's average monthly earnings multiplied by the years and months of employment with the district. Normal retirement age is 65, or an employee may elect early retirement at a reduced benefit of 5 percent per year after age 55 with ten years of service. Retiring employees may choose between several annuity options. There is no "in-service" distribution or single lump sum benefit payment allowed within the Tier II plan.

Average monthly earnings are based upon eligible compensation paid during the 36 consecutive month period which produces the highest average. For Tier I participants only, eligible compensation also includes upon termination or in-service distribution, 100 percent of unused vacation leave, and 50 percent of unused sick leave.

The plan does not have a disability benefit, but a participant qualified under a program administered by the Social Security Administration will continue to earn vesting service credits during the period of disability. In the event of death prior to retirement, an amount equal to the present value of the vested accrued benefit will be paid. Death benefits paid post-retirement are provided only by the annuity form elected at the time of retirement. Terminated employees who have completed five years of vesting service are entitled to receive a vested monthly benefit starting at normal retirement date. A participant is always 100 percent vested in mandatory/IAP and voluntary employee accounts.

Benefit terms allow the plan administrator to periodically apply a cost-of-living adjustment (COLA) up to 2 percent (or negative 2 percent) to amounts being distributed to retirees. In no event shall the amount of any participant's monthly benefit be less than would have been paid had no COLA been applied.



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*Discount rate* - the projection of cash flows used to determine the discount rate assumed the district contributions will be made at actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Investment rate of return* - the long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**Changes in Net Pension Liability**

The following table presents the changes in the net pension liability for the fiscal year ended June 30, 2023 based on the measurement date of June 30, 2023:

	Increases (Decreases)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances @ 6/30/2022	\$ 35,120,941	\$ 15,662,841	\$ 19,458,100
Changes for the year:			
Service cost	1,685,751	-	1,685,751
Interest	2,202,448	-	2,202,448
Effect of plan changes	-	-	-
Effect of economic/demographic gains	1,698,699	-	1,698,699
Effect of changes in assumptions or inputs	1,667,603	-	1,667,603
Benefit payments	(201,367)	(201,367)	-
Employer contributions *	-	14,900,072	(14,900,072)
Member contributions	-	326,919	(326,919)
Net investment income	-	1,581,080	(1,581,080)
Administration expense	-	(40,984)	40,984
Net changes	7,053,134	16,565,720	(9,512,586)
Balances @ 6/30/2023	<u>\$ 42,174,075</u>	<u>\$ 32,228,561</u>	<u>\$ 9,945,514</u>

\* *Employer contributions include approximately \$11 million reported in other income.*

**Statement of Pension Net Position**

<b>Asset</b>	
Cash	\$ 209,758
Investments @ fair value	32,017,962
Accrued interest	841
Total assets	<u>32,228,561</u>
<b>Net Position</b>	
Net position restricted for pension	<u>32,228,561</u>
Total net position	<u>\$ 32,228,561</u>

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table presents the sensitivity of the net pension liability calculation to a one percent increase or decrease in the discount rate used to measure the total pension liability:

	1% Decrease (5.00%)	Discount rate (6.00%)	1% Increase (7.00%)
Total pension liability	\$ 47,990,761	\$ 42,174,076	\$ 37,418,363
Fiduciary net position	32,228,561	32,228,561	32,228,561
Net pension liability	15,762,200	9,945,515	5,189,802

Pension Expense/(Income) and Deferred Inflows/Outflows of Resources Related to the Pension Plan

For the year ended June 30, 2023, the district recognized pension expense of \$1,144,372. The following table presents the components of deferred inflows and outflows of resources for the fiscal year ended June 30, 2023:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,505,665	\$ 3,009,951
Change of assumptions or inputs	2,193,641	7,562,083
Net difference between projected and actual earnings	841,068	-
Total	<u>\$ 4,540,374</u>	<u>\$ 10,572,034</u>

The following table presents the future amortization of deferred outflows and inflows of resources to be recognized in pension expense:

Fiscal Years Ended June 30,	Deferred Outflows (Inflows) of Resources
2024	\$ (1,103,867)
2025	(1,130,751)
2026	(826,370)
2027	(1,411,586)
2028	(1,507,295)
Thereafter	(51,791)
	<u>\$ (6,031,660)</u>

**B. Individual account program pension**

Effective July 1, 2020, the district transitioned the Individual Account Program (IAP), a single employer defined contribution plan, to a separate trust. Mission Square (formerly ICMA-RC) is the administrator of the trust. Funding of the IAP occurs on a perpetual basis as part of the district's normal payroll processes. The plan does not issue a publicly available financial statement. Financial statements for the plan are included as Trust Funds in the Basic Financial Statements and combining schedules are included in the supplemental information.

## Tualatin Hills Park & Recreation District

### Notes to Basic Financial Statements

#### Plan Description

The IAP is a defined contribution plan funded by mandatory pre-tax contributions from Tier II participants of the district defined benefit pension plan and voluntary contributions from Tier I participants. Effective July 1, 2020, the district adopted the IAP, allowing for segregation of funds invested in participant directed accounts. Participants are eligible for the plan upon hire and are fully vested at all times. The IAP is governed by the district's board of directors. Amendments to the plan require approval of the board of directors.

#### Plan Investments

Plan investments are reported at fair value. The district categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets. Investments in the IAP are valued using quoted market prices (Level 1 inputs).

As of June 30, 2023, there were 163 active employees, respectively, covered by the IAP.

#### **C. Deferred compensation plan**

The district offers all employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457(b). The plan permits employees to defer a portion of their current salary until termination, retirement, death, or financial hardship. All assets and income of the plan are in a trust for the exclusive benefit of the participants and their beneficiaries. Plan participant investments are determined by the employee participants. A committee performs the administrative and fiduciary responsibilities of the employer under the plan.

#### **D. Other post-employment benefits (OPEB)**

##### ***General Information About OPEB***

#### Plan Description

The district administers a single-employer defined benefit healthcare plan per the requirements of the collective bargaining agreement. The plan provides the opportunity for postretirement healthcare insurance for eligible retirees from the Tier I plan, and their spouses, through the district's group health care insurance plan, which covers both active and retired participants. The plan does not issue a publicly available financial statement. Financial statements for the plan are included as Trust Funds in the Basic Financial Statements, and combining statements are included in the Supplemental Information.

The plan, as authorized by the board, provides a Tier I participant who terminates employment the monthly benefit of \$10 per year of benefit service, with a minimum monthly benefit of \$60, and a maximum monthly benefit of \$200. This benefit is payable from retirement to age 65, at which point the monthly benefit will be reduced to one-half the original benefit, with a minimum of \$60. In no event will the monthly medical premium benefit be greater than the actual medical premium. This medical premium benefit is payable for life and is extended to retirees selecting the lump sum benefit retirement payment option. The benefits may be amended by the board.

#### Funding Policy

The net OPEB liability is liquidated via employer contributions from the General Fund. The district does not pay any portion of the health insurance premium for retirees; however, the retirees do

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

receive benefits, as described below, through the district's retirement plan. Also, retirees receive an implicit benefit of a tiered healthcare premium at the same rate provided to active employees. Retirees may not convert either benefit into an in-lieu payment to secure coverage under independent plans. At June 30, 2023, 61 retirees were receiving post-employment healthcare benefits.

**Net OPEB Liability**

Actuarial Valuation Assumptions

The total OPEB liability reported as of June 30, 2023, with a measurement date of June 30, 2023, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal, level percent of salary
Mortality assumptions	Active employees: PUB 2010 Employee Tables for General Employees, sex distinct, projected generationally.
	Active employee adjustments: 115 percent of published rates for males set back 12 months, 125 percent of published rates for females with no set back
	Retirees: PUB 2010 Retiree Tables for General Employees, sex distinct, projected generationally.
	Beneficiaries: PUB 2010 Employee and Retiree Tables for General Employees, sex distinct, set back 12 months, projected generationally.
	Beneficiary adjustments: Set back 12 months for males, no set back for females.
	Improvement Scale: Unisex Social Security Data Scale (60 year average), with data through 2017.
Discount rate	6.0 percent per year, based on the expected rate of return on assets. Based on the district's contribution history, we expect the plan to remain solvent indefinitely.
Payroll growth	3.5 percent per year.
Inflation (post retirement COLA)	2.0 percent per year.
Investment rate of return (net of expenses)	6.0 percent per year.
Healthcare cost trend rates	6.5 percent in 2022/23, declining annual by 0.1 percent until 2042, 4.5 percent thereafter

*Discount rate* - the projection of cash flows used to determine the discount rate assumed the district contributions will be made at actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

projected future benefit payments of current plan members. Therefore, the long term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in Net OPEB Liability

The following table presents the changes in the net OPEB liability for the fiscal year ended June 30, 2023 based on the measurement date of June 30, 2023:

	Increases (Decreases)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balances @ 6/30/2022	\$ 2,693,298	\$ 1,746,952	\$ 946,346
Changes for the year:			
Service cost	64,502	-	64,502
Interest	160,398	-	160,398
Differences between expected and actual experience	-	-	-
Changes of assumptions or other input	-	-	-
Employer contributions	-	93,519	(93,519)
Employee contributions	-	960	(960)
Net investment income	-	127,266	(127,266)
Benefit payments	(169,005)	(169,005)	-
Net changes	55,895	52,740	3,155
Balances @ 6/30/2023	<u>\$ 2,749,193</u>	<u>\$ 1,799,692</u>	<u>\$ 949,501</u>

Statement of OPEB Net Position

**Asset**

Cash	\$ 8,272
Investments @ fair value	1,791,370
Accrued interest	50
Total assets	<u>1,799,692</u>

**Net Position**

Net position restricted for other post-employment benefits	<u>1,799,692</u>
Total net position	<u>\$ 1,799,692</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table presents the sensitivity of the net OPEB liability calculation to a one percent increase or decrease in the discount rate used to measure the total OPEB liability:

	1% Decrease (5.00%)	Discount rate (6.00%)	1% Increase (7.00%)
Net OPEB liability	\$ 1,193,148	\$ 949,501	\$ 732,540

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following table presents the sensitivity of the net OPEB liability calculation to a one percent increase or decrease in the current healthcare cost trend rate used to measure the total OPEB liability:

	1% Decrease	Current trend rate	1% Increase
Net OPEB liability	\$ 798,242	\$ 949,501	\$ 1,124,592

OPEB Expense/(Income) and Deferred Outflows of Resources Related to the OPEB Plan

For the year ended June 30, 2023, the district recognized OPEB expense of \$88,351. The following table presents the components of deferred outflows and deferred inflows of resources for the fiscal year ended June 30, 2023:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 479,702
Changes in assumptions or other inputs	184,628	-
Net difference between expected and actual earnings on investments	114,200	-
	\$ 298,828	\$ 479,702

The following table presents the future amortization of deferred outflows and inflows of resources to be recognized in other post-employment benefits expense:

Fiscal Years Ending June 30,	Deferred Outflows (Inflows) of Resources
2024	\$ (35,098)
2025	(43,229)
2026	(4,502)
2027	(72,259)
2028	(67,324)
Thereafter	41,538
	\$ (180,874)

**E. Risk management**

The district is a member of the Special Districts Association of Oregon. In 1985, SDAO created a self-insured Trust, Special District Insurance Services (SDIS) for the purpose of providing a pooling mechanism for members to control insurance costs by jointly pooling resources to self-insure for property, liability, auto, health, dental, and workers' compensation coverage. SDIS has over 900 members and is governed by a seven-member board of directors who are appointed to three-year terms. In-house services of SDIS include risk management consultation & training, claims and litigation administration, pre-loss legal, investigation and compliance reviews, and loss analyses. SDAO contracts for specialists in land use problems and lobbyist services. SDIS is fully funded by its members, who pay annual assessments on an experience rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment,

Tualatin Hills Park & Recreation District  
Notes to Basic Financial Statements

and administrative expenses. New members initially contract for a one-year term, and thereafter renew on an annual basis. Termination does not relieve a former member from its unresolved loss history incurred during membership. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

**F. Commitments and contingencies**

The district is a defendant in various claims and litigation proceedings. These claims are either covered by insurance or are the types which are normal in the view of the district's operations. Management believes the total amount of liability, if any, which may arise from such claims and litigation, beyond what is covered by insurance, would not have a material effect on the district's financial condition or its ability to carry on its activities substantially as now conducted.

The district operates under a three-year collective bargaining agreement during the fiscal year, that was effective July 1, 2022, with an employee union defining compensation and other considerations that expires at June 30, 2025.

**G. Tax abatements**

The district is subject to two property tax abatements granted by Washington County and one granted by the City of Beaverton, as allowed by State of Oregon Statutes.

Under the Enterprise Zone Exemption (ORS 285C.175), businesses locating or expanding into specific local enterprise zones are eligible for up to three years of tax exemptions for 100 percent of the qualified property's assessed value. The purpose of this program is to enhance and encourage local business investment opportunities.

The Vertical Housing Program is a partial property tax exemption program (ORS 307.864) for new mixed-use development. The program is administered by the Oregon Housing and Community Services Department. To qualify, a project must have improved, leasable, non-residential development on the ground floor and residential development on the floors above.

Under the Nonprofit Corporation Low Income Housing exemption (ORS 307.541), properties held by nonprofit corporations and used to provide low-income housing are eligible for tax exemptions. To qualify for the exemptions, the property must be held by a corporation qualified under section 501(c)(3) or (4) of the Internal Revenue Code and occupied by low-income persons or held for future development of low-income housing. This exemption will expire upon repeal of the statute, on June 30, 2027. The purpose of this program is to benefit low-income renters by encouraging construction and rehabilitation of qualified low-income rental housing.

The amount of tax abated during the year ended June 30, 2023 is:

<u>Abatement Category</u>	<u>Abatement</u>
Enterprise zone	\$ 2,000
Vertical housing	64,000
Nonprofit corporations low income housing	76,000
	<u>\$ 142,000</u>



## Required Supplementary Information



**Tualatin Hills Park & Recreation District  
Required Supplementary Information  
Pension Plan**

**Schedule of Changes in Net Pension Liability and Related Ratios**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total pension liability:</b>									
Service cost	\$ 1,685,751	\$ 1,519,232	\$ 1,433,237	\$ 3,160,771	\$ 3,516,445	\$ 1,387,648	\$ 1,489,089	\$ 1,440,139	\$ 1,212,449
Interest	2,202,448	2,016,335	1,948,393	2,158,354	2,596,664	2,246,552	2,408,620	2,319,600	2,114,196
Effect of plan changes	-	-	-	(3,594,865)	-	-	-	-	-
Effect of changes in assumptions or inputs	1,667,603	-	-	(12,963,571)	1,682,483	-	-	-	-
Effect of economic/demographic (gains) or losses	1,698,699	-	(462,157)	(4,650,603)	-	-	-	-	-
Benefit payments	(201,367)	(987,569)	(2,733,218)	(20,285,282)	(5,576,144)	(5,348,750)	(9,378,957)	(1,920,016)	(4,052,930)
Difference between expected and actual experience	-	-	-	-	-	1,252,327	3,112,507	-	2,366,480
Net change in total pension liability	7,053,134	2,547,998	186,255	(36,175,196)	2,219,448	(462,223)	(2,368,741)	1,839,723	1,640,195
Total pension liability, beginning	35,120,941	32,572,943	32,386,688	68,561,884	31,665,774	32,127,997	34,496,738	32,657,015	31,016,820
Restatement of total pension liability, beginning	-	-	-	-	34,676,662	-	-	-	-
Restated total pension liability, beginning	35,120,941	32,572,943	32,386,688	68,561,884	66,342,436	32,127,997	34,496,738	32,657,015	31,016,820
Total pension liability, ending	42,174,075	35,120,941	32,572,943	32,386,688	68,561,884	31,665,774	32,127,997	34,496,738	32,657,015
<b>Plan fiduciary net position:</b>									
Total contributions	15,226,991 *	8,790,824	8,866,891	10,909,277	4,848,951	3,385,841	3,288,096	3,103,438	3,191,093
Net investment income	1,581,080	(1,823,081)	1,812,578	191,472	418,421	1,986,626	(73,994)	(471,679)	2,972,365
Benefit payments	(201,367)	(987,569)	(2,733,218)	(20,285,282)	(5,576,144)	(5,348,750)	(9,378,957)	(1,920,016)	(3,999,039)
Administrative expense	(40,984)	(41,621)	(87,460)	(195,260)	(93,204)	(84,431)	(111,684)	(111,881)	(104,035)
Net change in plan net position	16,565,720	5,938,553	7,858,791	(9,379,793)	(401,976)	(60,714)	(6,276,539)	599,862	2,060,384
Plan net position, beginning	15,662,841	9,724,288	1,865,497	11,245,290	17,190,301	17,251,015	23,527,554	22,927,692	20,867,308
Restatement of plan net position, beginning	-	-	-	-	(5,543,035)	-	-	-	-
Restated plan net position, beginning	15,662,841	9,724,288	1,865,497	11,245,290	11,647,266	17,251,015	23,527,554	22,927,692	20,867,308
Plan net position, ending	32,228,561	15,662,841	9,724,288	1,865,497	11,245,290	17,190,301	17,251,015	23,527,554	22,927,692
Net pension liability	\$ 9,945,514	\$ 19,458,100	\$ 22,848,655	\$ 30,521,191	\$ 57,316,594	\$ 14,475,473	\$ 14,876,982	\$ 10,969,184	\$ 9,729,323
Plan fiduciary net position as a percent of total pension liability	76.4%	44.6%	29.9%	5.8%	16.4%	54.3%	53.7%	68.2%	70.2%
Covered payroll	\$ 15,571,548	\$ 11,284,534	\$ 10,850,513	\$ 11,833,548	\$ 13,759,095	\$ 13,159,789	\$ 12,331,990	\$ 13,874,307	\$ 12,442,910
Net pension liability as a percent of covered payroll	63.9%	172.4%	210.6%	257.9%	416.6%	110.0%	120.6%	79.1%	78.2%
Annual money-weighted return on pension plan investments	6.6%	-14.5%	12.2%	3.7%	3.7%	12.2%	-0.4%	-0.1%	2.2%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

\* Contributions in 2023 include approximately \$11 million reported in other income.

**Tualatin Hills Park & Recreation District  
Required Supplementary Information  
Pension Plan  
Schedule of Contributions**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 3,900,000	\$ 8,500,000	\$ 8,500,000	\$ 10,000,223	\$ 4,022,258	\$ 3,590,968	\$ 3,384,945	\$ 3,286,864	\$ 3,098,289	\$ 3,191,093
Contributions recognized by the plan	<u>3,900,000</u>	<u>8,500,000</u>	<u>8,500,000</u>	<u>10,000,223</u>	<u>4,022,258</u>	<u>3,590,968</u>	<u>3,384,945</u>	<u>3,286,864</u>	<u>3,098,289</u>	<u>3,191,093</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 15,571,548	\$ 11,284,534	\$ 10,850,513	\$ 11,833,548	\$ 13,759,095	\$ 13,613,440	\$ 13,159,789	\$ 12,331,990	\$ 13,874,307	\$ 12,442,910
Contributions as a percent of covered payroll	25.0%	75.3%	78.3%	84.5%	29.2%	26.4%	25.7%	26.7%	22.3%	25.6%

**Notes to Schedule**

Valuation date:	June 30, 2022
Measurement Date:	June 30, 2023
Actuarial cost method:	Entry age normal
Amortization method:	Level percentage of payroll
Inflation (post retirement COLA)	2.0%
Discount rate	6.0%
Salary growth assumption:	9.0% prior to 4 years of service, 4.0% thereafter. One-time 10% increase effective 1/1/2023.
Investment rate of return (net of expenses):	6.0%
Mortality assumptions:	2019 adopted assumption for Oregon PERS General Service retirees (Pub-2010 General Employees retiree tables, generationally projected with unisex Social Security data scale, one year set back for males only).

**Tualatin Hills Park and Recreation District**  
**Required Supplementary Information**  
**Other Post-Employment Benefits Plan**  
**Schedule of Changes in Net OPEB Liability and Related Ratios**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB liability:</b>						
Service cost	\$ 64,502	\$ 48,502	\$ 46,862	\$ 76,153	\$ 73,577	\$ 71,089
Interest	160,398	170,283	168,126	214,629	205,773	195,921
Differences between expected and actual experience	-	(19,106)	-	43,893	-	-
Changes of assumptions or other input	-	206,027	-	(836,714)	-	-
Benefit payments	(169,005)	(193,048)	(178,572)	(163,574)	(144,672)	(110,357)
Net change in total OPEB liability	<u>55,895</u>	<u>212,658</u>	<u>36,416</u>	<u>(665,613)</u>	<u>134,678</u>	<u>156,653</u>
Total OPEB liability, beginning	<u>2,693,298</u>	<u>2,480,640</u>	<u>2,444,224</u>	<u>3,109,837</u>	<u>2,975,159</u>	<u>2,818,506</u>
Total OPEB liability, ending	<u><u>2,749,193</u></u>	<u><u>2,693,298</u></u>	<u><u>2,480,640</u></u>	<u><u>2,444,224</u></u>	<u><u>3,109,837</u></u>	<u><u>2,975,159</u></u>
<b>Plan fiduciary net position:</b>						
Total contributions	94,479	113,640	90,732	91,389	101,524	60,016
Net investment income	127,266	(199,737)	316,460	82,265	109,441	136,475
Benefit payments	(169,005)	(193,048)	(178,572)	(163,574)	(144,672)	(110,357)
Administrative expense	-	-	(2,396)	(4,323)	(6,483)	(5,410)
Net change in plan net position	<u>52,740</u>	<u>(279,145)</u>	<u>226,224</u>	<u>5,757</u>	<u>59,810</u>	<u>80,724</u>
Plan net position, beginning	<u>1,746,952</u>	<u>2,026,097</u>	<u>1,799,873</u>	<u>1,794,116</u>	<u>1,734,306</u>	<u>1,653,582</u>
Plan net position, ending	<u>1,799,692</u>	<u>1,746,952</u>	<u>2,026,097</u>	<u>1,799,873</u>	<u>1,794,116</u>	<u>1,734,306</u>
Net OPEB liability	<u><u>\$ 949,501</u></u>	<u><u>\$ 946,346</u></u>	<u><u>\$ 454,543</u></u>	<u><u>\$ 644,351</u></u>	<u><u>\$ 1,315,721</u></u>	<u><u>\$ 1,240,853</u></u>
Plan fiduciary net position as a percent of total OPEB liability	65.5%	64.9%	81.7%	73.6%	57.7%	58.3%
Covered payroll	\$ 15,571,548	\$ 14,101,029	\$ 11,474,146	\$ 14,434,641	\$ 13,759,095	\$ 13,613,440
Net OPEB liability as a percent of covered payroll	6.1%	6.7%	4.0%	4.5%	9.6%	9.1%
Annual money-weighted return on OPEB investments	7.3%	-10.6%	16.6%	4.6%	6.2%	8.4%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Tualatin Hills Park and Recreation District  
Required Supplementary Information  
Other Post-Employment Benefits Plan  
Schedule of Contributions**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 93,519	\$ 111,240	\$ 90,732	\$ 91,389	\$ 101,524	\$ 60,016
Contributions recognized by the plan	93,519	111,240	90,732	91,389	101,524	60,016
Contribution deficiency (excess)	<u>\$ -</u>					
Covered payroll	\$ 15,571,548	\$ 14,101,029	\$ 11,474,146	\$ 14,434,641	\$ 13,759,095	\$ 13,613,440
Contributions as a percent of covered payroll	0.6%	0.8%	0.8%	0.6%	0.7%	0.4%

**Notes to Schedule**

Valuation date:	July 1, 2022	July 1, 2022	July 1, 2020	July 1, 2020	July 1, 2017	July 1, 2017
Measurement Date:	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarial determined contribution method:	Aggregate cost					
Actuarial cost method:	Entry age normal					
Amortization method:	Level percentage of payroll					
Inflation (post retirement COLA)	2.0%	2.0%	2.0%	2.0%	2.0%	2.5%
Discount rate	6.0%	6.0%	7.0%	7.0%	7.0%	7.0%
Salary growth assumption:	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Investment rate of return (net of expenses):	6.0%	6.0%	7.0%	7.0%	7.0%	7.0%
Mortality assumptions:	Pub-2010 General employees table	RP-2014, adjusted to 2006	RP-2014, adjusted to 2006			
Medical inflation rate:	6.5% in 2022-23, declining annually by 0.1% until 2042; 4.5% thereafter	6.5% in 2022-23, declining annually by 0.1% until 2042; 4.5% thereafter	6.7% in 2021-22, declining annually by 0.1% until 2038; 5.0% thereafter	6.8% in 2020-21, declining annually by 0.1% until 2038; 5.0% thereafter	6.8% in 2019-20, declining annually by 0.1% until 2037; 5.0% thereafter	6.9% in 2018-19, declining annually by 0.1% until 2037; 5.0% thereafter

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



## Supplemental Information



**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final</b>
	<b>Original</b>	<b>Final</b>		
<b>BOARD OF DIRECTORS:</b>				
Part time salaries	\$ 12,000	\$ 12,000	\$ 4,600	\$ 7,400
Payroll taxes	1,860	1,860	700	1,160
<b>Personnel services</b>	<u>13,860</u>	<u>13,860</u>	<u>5,300</u>	<u>8,560</u>
Professional and technical services	378,500	378,500	284,398	94,102
Elections	82,650	82,650	46,471	36,179
Supplies	5,895	5,895	3,155	2,740
Training, travel and memberships	32,850	32,850	11,764	21,086
<b>Materials and services</b>	<u>499,895</u>	<u>499,895</u>	<u>345,788</u>	<u>154,107</u>
<b>TOTAL BOARD OF DIRECTORS</b>	<u>513,755</u>	<u>513,755</u>	<u>351,088</u>	<u>162,667</u>
<b>ADMINISTRATION:</b>				
<b>General Manager</b>				
Full time salaries	357,838	357,838	379,348	(21,510)
Employee benefits	128,872	128,872	130,219	(1,347)
Payroll taxes	49,463	49,463	43,496	5,967
<b>Personnel services</b>	<u>536,173</u>	<u>536,173</u>	<u>553,063</u>	<u>(16,890)</u>
Professional and technical services	-	-	2,750	(2,750)
Communications	2,600	2,600	952	1,648
Supplies	13,467	13,467	4,835	8,632
Training, travel and memberships	66,231	66,231	33,617	32,614
Small furniture & equipment	1,000	1,000	-	1,000
<b>Materials and services</b>	<u>83,298</u>	<u>83,298</u>	<u>42,154</u>	<u>41,144</u>
<b>Total General Manager</b>	<u>619,471</u>	<u>619,471</u>	<u>595,217</u>	<u>24,254</u>
<b>Communications</b>				
Full time salaries	609,914	609,914	609,150	764
Part time salaries	14,523	14,523	7,087	7,436
Employee benefits	299,604	299,604	251,176	48,428
Payroll taxes	94,451	94,451	81,785	12,666
<b>Personnel services</b>	<u>1,018,492</u>	<u>1,018,492</u>	<u>949,198</u>	<u>69,294</u>
Professional and technical services	189,203	189,203	123,852	65,351
Communications	375,668	375,668	195,812	179,856
Supplies	65,750	65,750	62,750	3,000
Training, travel and memberships	18,605	18,605	11,841	6,764
Small furniture & equipment	2,500	2,500	-	2,500
<b>Materials and services</b>	<u>651,726</u>	<u>651,726</u>	<u>394,255</u>	<u>257,471</u>
<b>Total Communications</b>	<u>1,670,218</u>	<u>1,670,218</u>	<u>1,343,453</u>	<u>326,765</u>
<b>Community programs</b>				
Full time salaries	367,549	367,549	327,712	39,837
Part time salaries	181,438	181,438	84,653	96,785
Employee benefits	176,581	176,581	149,552	27,029
Payroll taxes	87,997	87,997	57,983	30,014
<b>Personnel services</b>	<u>813,565</u>	<u>813,565</u>	<u>619,900</u>	<u>193,665</u>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final</b>
	<b>Original</b>	<b>Final</b>		
Professional and technical services	\$ 71,185	\$ 71,185	\$ 51,427	\$ 19,758
Rental facility	2,400	2,400	2,400	-
Communications	1,538	1,538	1,014	524
Supplies	59,026	59,026	23,265	35,761
Training, travel and memberships	9,768	9,768	4,150	5,618
<b>Materials and services</b>	<b>143,917</b>	<b>143,917</b>	<b>82,256</b>	<b>61,661</b>
<b>Total Community Programs</b>	<b>957,482</b>	<b>957,482</b>	<b>702,156</b>	<b>255,326</b>
<b>Safety Services</b>				
Full time salaries	183,752	183,752	207,266	(23,514)
Part time salaries	140,719	140,719	163,236	(22,517)
Employee benefits	88,222	88,222	74,620	13,602
Payroll taxes	53,726	53,726	54,536	(810)
<b>Personnel services</b>	<b>466,419</b>	<b>466,419</b>	<b>499,658</b>	<b>(33,239)</b>
Professional and technical services	60,169	60,169	59,458	711
Other services	2,500	2,500	4,864	(2,364)
Communications	6,467	6,467	4,912	1,555
Supplies	12,677	12,677	12,298	379
Training, travel and memberships	9,250	9,250	6,697	2,553
Small furniture & equipment	350	350	339	11
<b>Materials and services</b>	<b>91,413</b>	<b>91,413</b>	<b>88,568</b>	<b>2,845</b>
<b>Total Safety Services</b>	<b>557,832</b>	<b>557,832</b>	<b>588,226</b>	<b>(30,394)</b>
<b>Information Services</b>				
Full time salaries	785,235	785,235	630,022	155,213
Employee benefits	363,365	363,365	249,314	114,051
Payroll taxes	120,175	120,175	85,646	34,529
<b>Personnel services</b>	<b>1,268,775</b>	<b>1,268,775</b>	<b>964,982</b>	<b>303,793</b>
Professional and technical services	805,491	805,491	679,166	126,325
Communications	138,000	138,000	125,787	12,213
Supplies	5,000	5,000	12,150	(7,150)
Training, travel and memberships	9,478	9,478	-	9,478
Small furniture & equipment	4,000	4,000	2,231	1,769
<b>Materials and services</b>	<b>961,969</b>	<b>961,969</b>	<b>819,334</b>	<b>142,635</b>
Computer technology replacement	285,000	285,000	287,042	(2,042)
<b>Capital outlay</b>	<b>285,000</b>	<b>285,000</b>	<b>287,042</b>	<b>(2,042)</b>
<b>Total Information Services</b>	<b>2,515,744</b>	<b>2,515,744</b>	<b>2,071,358</b>	<b>444,386</b>
<b>Human Resources</b>				
Full time salaries	666,826	666,826	707,661	(40,835)
Part time salaries	53,972	53,972	59,116	(5,144)
Employee benefits	565,729	565,729	265,043	300,686
Payroll taxes	108,832	108,832	102,734	6,098
<b>Personnel services</b>	<b>1,395,359</b>	<b>1,395,359</b>	<b>1,134,554</b>	<b>260,805</b>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final
	Original	Final		
Professional and technical services	\$ 218,289	\$ 218,289	\$ 184,147	\$ 34,142
Communications	19,890	19,890	12,950	6,940
Supplies	17,000	17,000	10,965	6,035
Training, travel and memberships	56,000	56,000	37,491	18,509
Small furniture & equipment	4,000	4,000	1,163	2,837
<b>Materials and services</b>	<u>315,179</u>	<u>315,179</u>	<u>246,716</u>	<u>68,463</u>
<b>Total Human Resources</b>	<u>1,710,538</u>	<u>1,710,538</u>	<u>1,381,270</u>	<u>329,268</u>
<b>Risk and Contract Management</b>				
Full time salaries	234,112	234,112	254,743	(20,631)
Part time salaries	10,184	10,184	-	10,184
Employee benefits	99,762	99,762	93,122	6,640
Payroll taxes	37,306	37,306	34,293	3,013
<b>Personnel services</b>	<u>381,364</u>	<u>381,364</u>	<u>382,158</u>	<u>(794)</u>
Professional and technical services	16,200	16,200	7,990	8,210
Insurance	497,914	497,914	474,474	23,440
Communications	2,480	2,480	2,424	56
Supplies	41,820	41,820	7,038	34,782
Training, travel and memberships	8,713	8,713	6,163	2,550
Small furniture & equipment	-	-	497	(497)
<b>Materials and services</b>	<u>567,127</u>	<u>567,127</u>	<u>498,586</u>	<u>68,541</u>
<b>Total Risk and Contract Management</b>	<u>948,491</u>	<u>948,491</u>	<u>880,744</u>	<u>67,747</u>
<b>Safety</b>				
Full time salaries	87,588	87,588	101,402	(13,814)
Employee benefits	42,847	42,847	36,890	5,957
Payroll taxes	13,392	13,392	13,765	(373)
<b>Personnel services</b>	<u>143,827</u>	<u>143,827</u>	<u>152,057</u>	<u>(8,230)</u>
Professional and technical services	1,500	1,500	6,338	(4,838)
Supplies	2,600	2,600	1,945	655
Training, travel and memberships	6,200	6,200	5,641	559
Small furniture & equipment	500	500	-	500
<b>Materials and services</b>	<u>10,800</u>	<u>10,800</u>	<u>13,924</u>	<u>(3,124)</u>
<b>Total Safety</b>	<u>154,627</u>	<u>154,627</u>	<u>165,981</u>	<u>(11,354)</u>
<b>Office of the Finance Director</b>				
Full time salaries	163,864	163,864	167,625	(3,761)
Employee benefits	61,101	61,101	53,632	7,469
Payroll taxes	24,707	24,707	23,206	1,501
<b>Personnel services</b>	<u>249,672</u>	<u>249,672</u>	<u>244,463</u>	<u>5,209</u>
Professional and technical services	142,900	142,900	190,379	(47,479)
Rental equipment	65,000	65,000	44,190	20,810
Other services	12,000	12,000	605	11,395
Communications	39,380	39,380	15,201	24,179
Supplies	3,500	3,500	6,690	(3,190)
Training, travel and memberships	14,745	14,745	9,803	4,942
Small furniture & equipment	2,000	2,000	1,120	880
<b>Materials and services</b>	<u>279,525</u>	<u>279,525</u>	<u>267,988</u>	<u>11,537</u>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final</b>
	<b>Original</b>	<b>Final</b>		
Principal	\$ 517,114	\$ 517,114	\$ 547,756	\$ (30,642)
Interest	528,744	528,744	329,647	199,097
<b>Debt service</b>	<u>1,045,858</u>	<u>1,045,858</u>	<u>877,403</u>	<u>168,455</u>
<b>Total Office of the Finance Director</b>	<u>1,575,055</u>	<u>1,575,055</u>	<u>1,389,854</u>	<u>185,201</u>
<b>Finance Operations</b>				
Full time salaries	585,700	585,700	660,957	(75,257)
Part time salaries	235,086	235,086	-	235,086
Employee benefits	294,040	294,040	243,273	50,767
Payroll taxes	125,610	125,610	88,950	36,660
<b>Personnel services</b>	<u>1,240,436</u>	<u>1,240,436</u>	<u>993,180</u>	<u>247,256</u>
Professional and technical services	21,280	21,280	84,449	(63,169)
Rental facility	46,032	46,032	2,474	43,558
Other services	18,000	18,000	24,810	(6,810)
Communications	7,627	7,627	4,050	3,577
Supplies	5,500	5,500	204	5,296
Training, travel and memberships	16,530	16,530	961	15,569
Small furniture & equipment	1,250	1,250	-	1,250
<b>Materials and services</b>	<u>116,219</u>	<u>116,219</u>	<u>116,948</u>	<u>(729)</u>
<b>Total Finance Operations</b>	<u>1,356,655</u>	<u>1,356,655</u>	<u>1,110,128</u>	<u>246,527</u>
<b>Accounting &amp; Budget</b>				
Full time salaries	299,166	299,166	332,672	(33,506)
Employee benefits	137,371	137,371	112,956	24,415
Payroll taxes	45,592	45,592	44,825	767
<b>Personnel services</b>	<u>482,129</u>	<u>482,129</u>	<u>490,453</u>	<u>(8,324)</u>
Professional and technical services	2,300	2,300	-	2,300
Communications	2,400	2,400	2,133	267
Supplies	200	200	-	200
Training, travel and memberships	9,825	9,825	3,111	6,714
Small furniture & equipment	500	500	-	500
<b>Materials and services</b>	<u>15,225</u>	<u>15,225</u>	<u>5,244</u>	<u>9,981</u>
<b>Total Accounting &amp; Budget</b>	<u>497,354</u>	<u>497,354</u>	<u>495,697</u>	<u>1,657</u>
<b>TOTAL ADMINISTRATION</b>	<u>12,563,467</u>	<u>12,563,467</u>	<u>10,724,084</u>	<u>1,839,383</u>
<b>PARK SERVICES:</b>				
<b>Director of Park Services</b>				
Full time salaries	274,452	274,452	310,243	(35,791)
Employee benefits	109,146	109,146	99,559	9,587
Payroll taxes	38,860	38,860	37,887	973
<b>Personnel services</b>	<u>422,458</u>	<u>422,458</u>	<u>447,689</u>	<u>(25,231)</u>
Professional and technical services	229,150	229,150	102,229	126,921
Communications	3,900	3,900	832	3,068
Supplies	2,200	2,200	6,312	(4,112)
Training, travel and memberships	19,900	19,900	18,727	1,173
<b>Materials and services</b>	<u>255,150</u>	<u>255,150</u>	<u>128,100</u>	<u>127,050</u>
<b>Total Director of Park Services</b>	<u>677,608</u>	<u>677,608</u>	<u>575,789</u>	<u>101,819</u>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final</b>
	<b>Original</b>	<b>Final</b>		
<b>Manager of Maintenance Operations</b>				
Full time salaries	\$ 217,028	\$ 217,028	\$ 243,900	\$ (26,872)
Part time salaries	23,868	23,868	-	23,868
Employee benefits	95,675	95,675	82,796	12,879
Payroll taxes	36,670	36,670	32,170	4,500
<b>Personnel services</b>	<b>373,241</b>	<b>373,241</b>	<b>358,866</b>	<b>14,375</b>
Professional and technical services	-	-	1,922	(1,922)
Communications	5,500	5,500	1,290	4,210
Supplies	8,301	8,301	2,250	6,051
Training, travel and memberships	4,554	4,554	636	3,918
<b>Materials and services</b>	<b>18,355</b>	<b>18,355</b>	<b>6,098</b>	<b>12,257</b>
<b>Total Manager of Maintenance Operations</b>	<b>391,596</b>	<b>391,596</b>	<b>364,964</b>	<b>26,632</b>
<b>Park Maintenance North</b>				
Full time salaries	1,025,319	1,025,319	1,028,720	(3,401)
Part time salaries	540,185	540,185	415,957	124,228
Employee benefits	553,423	553,423	457,220	96,203
Payroll taxes	259,715	259,715	214,432	45,283
<b>Personnel services</b>	<b>2,378,642</b>	<b>2,378,642</b>	<b>2,116,329</b>	<b>262,313</b>
Professional and technical services	495,816	495,816	420,945	74,871
Rental equipment	2,500	2,500	-	2,500
Communication	39,800	39,800	43,295	(3,495)
Supplies	482,930	482,930	256,990	225,940
Training, travel and memberships	5,540	5,540	9,479	(3,939)
Utilities	1,012,515	1,012,515	821,903	190,612
<b>Materials and services</b>	<b>2,039,101</b>	<b>2,039,101</b>	<b>1,552,612</b>	<b>486,489</b>
<b>Total Park Maintenance North</b>	<b>4,417,743</b>	<b>4,417,743</b>	<b>3,668,941</b>	<b>748,802</b>
<b>Park Maintenance South</b>				
Full time salaries	974,933	974,933	1,049,090	(74,157)
Part time salaries	421,650	421,650	148,820	272,830
Employee benefits	519,186	519,186	438,251	80,935
Payroll taxes	232,385	232,385	175,566	56,819
<b>Personnel services</b>	<b>2,148,154</b>	<b>2,148,154</b>	<b>1,811,727</b>	<b>336,427</b>
Professional and technical services	271,610	271,610	211,781	59,829
Rental equipment	9,000	9,000	6,398	2,602
Communication	21,000	21,000	20,280	720
Supplies	231,415	231,415	205,890	25,525
Training, travel and memberships	6,800	6,800	8,580	(1,780)
Utilities	453,830	453,830	335,651	118,179
Small furniture & equipment	500	500	-	500
<b>Materials and services</b>	<b>994,155</b>	<b>994,155</b>	<b>788,580</b>	<b>205,575</b>
<b>Total Park Maintenance South</b>	<b>3,142,309</b>	<b>3,142,309</b>	<b>2,600,307</b>	<b>542,002</b>
<b>Facility Maintenance</b>				
Full time salaries	672,046	672,046	739,209	(67,163)
Part time salaries	12,164	12,164	-	12,164
Employee benefits	336,574	336,574	278,144	58,430
Payroll taxes	114,792	114,792	105,453	9,339
<b>Personnel services</b>	<b>1,135,576</b>	<b>1,135,576</b>	<b>1,122,806</b>	<b>12,770</b>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final</b>
	<b>Original</b>	<b>Final</b>		
Professional and technical services	\$ 136,968	\$ 136,968	\$ 73,010	\$ 63,958
Communication	51,471	51,471	49,810	1,661
Supplies	70,496	70,496	82,592	(12,096)
Training, travel and memberships	10,446	10,446	5,846	4,600
Small furniture & equipment	1,000	1,000	-	1,000
<b>Materials and services</b>	<b>270,381</b>	<b>270,381</b>	<b>211,258</b>	<b>59,123</b>
<b>Total Facility Maintenance</b>	<b>1,405,957</b>	<b>1,405,957</b>	<b>1,334,064</b>	<b>71,893</b>
<b>Fleet Maintenance</b>				
Full time salaries	324,102	324,102	336,893	(12,791)
Part time salaries	26,303	26,303	22,194	4,109
Employee benefits	165,300	165,300	136,102	29,198
Payroll taxes	60,380	60,380	52,779	7,601
<b>Personnel services</b>	<b>576,085</b>	<b>576,085</b>	<b>547,968</b>	<b>28,117</b>
Professional and technical services	152,800	152,800	128,115	24,685
Rental equipment	1,500	1,500	-	1,500
Communication	2,563	2,563	3,057	(494)
Supplies	11,001	11,001	7,111	3,890
Vehicle & equipment parts	22,904	22,904	13,669	9,235
Vehicle & equipment services	49,583	49,583	5,971	43,612
Gas & oil (vehicles)	201,079	201,079	154,559	46,520
Training, travel and memberships	3,739	3,739	436	3,303
<b>Materials and services</b>	<b>445,169</b>	<b>445,169</b>	<b>312,918</b>	<b>132,251</b>
Maintenance equipment	284,680	284,680	229,405	55,275
<b>Capital outlay</b>	<b>284,680</b>	<b>284,680</b>	<b>229,405</b>	<b>55,275</b>
<b>Total Fleet Maintenance</b>	<b>1,305,934</b>	<b>1,305,934</b>	<b>1,090,291</b>	<b>215,643</b>
<b>Nature and Trails</b>				
Full time salaries	823,889	823,889	840,964	(17,075)
Part time salaries	131,272	131,272	79,535	51,737
Employee benefits	416,621	416,621	347,543	69,078
Payroll taxes	158,526	158,526	133,162	25,364
<b>Personnel services</b>	<b>1,530,308</b>	<b>1,530,308</b>	<b>1,401,204</b>	<b>129,104</b>
Professional and technical services	281,316	281,316	295,174	(13,858)
Rental equipment	2,000	2,000	359	1,641
Communication	8,280	8,280	8,228	52
Supplies	88,629	88,629	72,023	16,606
Training, travel and memberships	10,520	10,520	4,356	6,164
Small furniture & equipment	1,900	1,900	864	1,036
<b>Materials and services</b>	<b>392,645</b>	<b>392,645</b>	<b>381,004</b>	<b>11,641</b>
<b>Total Nature and Trails</b>	<b>1,922,953</b>	<b>1,922,953</b>	<b>1,782,208</b>	<b>140,745</b>
<b>Planning</b>				
Full time salaries	421,539	421,539	417,758	3,781
Employee benefits	188,936	188,936	161,494	27,442
Payroll taxes	64,028	64,028	55,897	8,131
<b>Personnel services</b>	<b>674,503</b>	<b>674,503</b>	<b>635,149</b>	<b>39,354</b>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		
Professional and technical services	\$ 25,500	\$ 25,500	\$ 9,131	\$ 16,369
Communication	3,100	3,100	1,658	1,442
Supplies	500	500	2,173	(1,673)
Training, travel and memberships	9,653	9,653	2,306	7,347
<b>Materials and services</b>	<u>38,753</u>	<u>38,753</u>	<u>15,268</u>	<u>23,485</u>
<b>Total Planning</b>	<u>713,256</u>	<u>713,256</u>	<u>650,417</u>	<u>62,839</u>
<b>Design and Development</b>				
Full time salaries	730,607	730,607	579,866	150,741
Part time salaries	29,581	29,581	18,135	11,446
Employee benefits	327,987	327,987	278,922	49,065
Payroll taxes	115,583	115,583	80,376	35,207
<b>Personnel services</b>	<u>1,203,758</u>	<u>1,203,758</u>	<u>957,299</u>	<u>246,459</u>
Professional and technical services	12,800	12,800	2,073	10,727
Communication	4,010	4,010	3,648	362
Supplies	15,800	15,800	7,832	7,968
Training, travel and memberships	8,847	8,847	3,488	5,359
Small furniture & equipment	1,000	1,000	-	1,000
<b>Materials and services</b>	<u>42,457</u>	<u>42,457</u>	<u>17,041</u>	<u>25,416</u>
<b>Total Design and Development</b>	<u>1,246,215</u>	<u>1,246,215</u>	<u>974,340</u>	<u>271,875</u>
<b>TOTAL PARK SERVICES</b>	<u>15,223,571</u>	<u>15,223,571</u>	<u>13,041,321</u>	<u>2,182,250</u>
<b>RECREATION SERVICES:</b>				
<b>Office of the Director</b>				
Full time salaries	223,926	223,926	364,923	(140,997)
Part time salaries	90,749	90,749	47,945	42,804
Employee benefits	97,340	97,340	137,995	(40,655)
Payroll taxes	48,298	48,298	57,329	(9,031)
<b>Personnel services</b>	<u>460,313</u>	<u>460,313</u>	<u>608,192</u>	<u>(147,879)</u>
Professional and technical services	49,387	49,387	33,966	15,421
Fee reductions-scholarship program	305,490	305,490	497,193	(191,703)
Communication	1,500	1,500	843	657
Supplies	27,200	27,200	5,544	21,656
Training, travel and memberships	36,780	36,780	27,378	9,402
Small furniture & equipment	-	-	34	(34)
<b>Materials and services</b>	<u>420,357</u>	<u>420,357</u>	<u>564,958</u>	<u>(144,601)</u>
<b>Total Office of the Director</b>	<u>880,670</u>	<u>880,670</u>	<u>1,173,150</u>	<u>(292,480)</u>
<b>Manager of Aquatics</b>				
Full time salaries	123,431	123,431	7,468	115,963
Part time salaries	5,195	5,195	-	5,195
Employee benefits	51,560	51,560	-	51,560
Payroll taxes	19,668	19,668	726	18,942
<b>Personnel services</b>	<u>199,854</u>	<u>199,854</u>	<u>8,194</u>	<u>191,660</u>
Communication	5,000	5,000	3,673	1,327
Supplies	18,435	18,435	17,317	1,118
Training, travel and memberships	26,925	26,925	2,347	24,578
<b>Materials and services</b>	<u>50,360</u>	<u>50,360</u>	<u>23,337</u>	<u>27,023</u>
<b>Total Manager of Aquatics</b>	<u>250,214</u>	<u>250,214</u>	<u>31,531</u>	<u>218,683</u>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final</b>
	<b>Original</b>	<b>Final</b>		
<b>Aloha Swim Center</b>				
Full time salaries	\$ 286,820	\$ 286,820	\$ 201,356	\$ 85,464
Part time salaries	324,684	324,684	65,145	259,539
Employee benefits	156,740	156,740	116,272	40,468
Payroll taxes	97,002	97,002	36,640	60,362
<b>Personnel services</b>	<b>865,246</b>	<b>865,246</b>	<b>419,413</b>	<b>445,833</b>
Communication	-	-	2,712	(2,712)
Supplies	11,532	11,532	10,159	1,373
Maintenance services & supplies	42,794	42,794	37,410	5,384
Utilities	87,474	87,474	82,671	4,803
Bank charges and fees	8,461	8,461	2,357	6,104
Training, travel and memberships	-	-	316	(316)
<b>Materials and services</b>	<b>150,261</b>	<b>150,261</b>	<b>135,625</b>	<b>14,636</b>
<b>Total Aloha Swim Center</b>	<b>1,015,507</b>	<b>1,015,507</b>	<b>555,038</b>	<b>460,469</b>
<b>Tualatin Hills Aquatic Center</b>				
Full time salaries	644,247	644,247	760,285	(116,038)
Part time salaries	491,745	491,745	416,632	75,113
Employee benefits	352,492	352,492	289,359	63,133
Payroll taxes	182,575	182,575	170,550	12,025
<b>Personnel services</b>	<b>1,671,059</b>	<b>1,671,059</b>	<b>1,636,826</b>	<b>34,233</b>
Communication	500	500	-	500
Supplies	19,702	19,702	23,114	(3,412)
Maintenance services & supplies	98,331	98,331	104,954	(6,623)
Utilities	199,416	199,416	220,599	(21,183)
Bank charges and fees	10,501	10,501	13,781	(3,280)
<b>Materials and services</b>	<b>328,450</b>	<b>328,450</b>	<b>362,448</b>	<b>(33,998)</b>
<b>Total Tualatin Hills Aquatic Center</b>	<b>1,999,509</b>	<b>1,999,509</b>	<b>1,999,274</b>	<b>235</b>
<b>Beaverton Swim Center</b>				
Full time salaries	367,111	367,111	392,630	(25,519)
Part time salaries	352,258	352,258	297,939	54,319
Employee benefits	197,900	197,900	149,308	48,592
Payroll taxes	114,835	114,835	99,067	15,768
<b>Personnel services</b>	<b>1,032,104</b>	<b>1,032,104</b>	<b>938,944</b>	<b>93,160</b>
Communication	500	500	2,842	(2,342)
Supplies	23,318	23,318	11,957	11,361
Maintenance services & supplies	43,691	43,691	29,123	14,568
Utilities	93,083	93,083	110,905	(17,822)
Bank charges and fees	9,558	9,558	9,397	161
<b>Materials and services</b>	<b>170,150</b>	<b>170,150</b>	<b>164,224</b>	<b>5,926</b>
<b>Total Beaverton Swim Center</b>	<b>1,202,254</b>	<b>1,202,254</b>	<b>1,103,168</b>	<b>99,086</b>
<b>Harman Swim Center</b>				
Full time salaries	312,221	312,221	234,987	77,234
Part time salaries	293,637	293,637	93,059	200,578
Employee benefits	162,676	162,676	122,351	40,325
Payroll taxes	96,420	96,420	45,577	50,843
<b>Personnel services</b>	<b>864,954</b>	<b>864,954</b>	<b>495,974</b>	<b>368,980</b>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final
	Original	Final		
Communication	\$ -	\$ -	\$ 2,734	\$ (2,734)
Supplies	13,251	13,251	10,501	2,750
Maintenance services & supplies	42,993	42,993	34,331	8,662
Utilities	91,212	91,212	75,259	15,953
Bank charges and fees	7,469	7,469	2,504	4,965
<b>Materials and services</b>	<u>154,925</u>	<u>154,925</u>	<u>125,329</u>	<u>29,596</u>
<b>Total Harman Swim Center</b>	<u>1,019,879</u>	<u>1,019,879</u>	<u>621,303</u>	<u>398,576</u>
<b>Sunset Swim Center</b>				
Full time salaries	312,221	312,221	105,738	206,483
Part time salaries	285,086	285,086	27,273	257,813
Employee benefits	162,676	162,676	71,631	91,045
Payroll taxes	95,094	95,094	18,398	76,696
<b>Personnel services</b>	<u>855,077</u>	<u>855,077</u>	<u>223,040</u>	<u>632,037</u>
Supplies	17,247	17,247	4,828	12,419
Maintenance services & supplies	38,471	38,471	26,357	12,114
Utilities	101,850	101,850	55,170	46,680
Bank charges and fees	6,964	6,964	572	6,392
<b>Materials and services</b>	<u>164,532</u>	<u>164,532</u>	<u>86,927</u>	<u>77,605</u>
<b>Total Sunset Swim Center</b>	<u>1,019,609</u>	<u>1,019,609</u>	<u>309,967</u>	<u>709,642</u>
<b>Raleigh Swim Center</b>				
Part time salaries	83,270	83,270	35,424	47,846
Payroll taxes	12,907	12,907	4,994	7,913
<b>Personnel services</b>	<u>96,177</u>	<u>96,177</u>	<u>40,418</u>	<u>55,759</u>
Communication	-	-	1,263	(1,263)
Supplies	6,318	6,318	(674)	6,992
Maintenance services & supplies	14,508	14,508	18,923	(4,415)
Utilities	30,559	30,559	22,083	8,476
Bank charges and fees	1,997	1,997	455	1,542
<b>Materials and services</b>	<u>53,382</u>	<u>53,382</u>	<u>42,050</u>	<u>11,332</u>
<b>Total Raleigh Swim Center</b>	<u>149,559</u>	<u>149,559</u>	<u>82,468</u>	<u>67,091</u>
<b>Somerset Swim Center</b>				
Part time salaries	119,427	119,427	54,761	64,666
Payroll taxes	18,511	18,511	7,354	11,157
<b>Personnel services</b>	<u>137,938</u>	<u>137,938</u>	<u>62,115</u>	<u>75,823</u>
Communication	-	-	2,146	(2,146)
Supplies	7,845	7,845	2,198	5,647
Maintenance services & supplies	15,667	15,667	14,173	1,494
Utilities	29,857	29,857	24,819	5,038
Bank charges and fees	1,302	1,302	694	608
<b>Materials and services</b>	<u>54,671</u>	<u>54,671</u>	<u>44,030</u>	<u>10,641</u>
<b>Total Somerset Swim Center</b>	<u>192,609</u>	<u>192,609</u>	<u>106,145</u>	<u>86,464</u>
<b>Total Aquatics Expenditures</b>	<u>6,849,140</u>	<u>6,849,140</u>	<u>4,808,894</u>	<u>2,040,246</u>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		
<b>Sports &amp; Inclusion Services Manager</b>				
Full time salaries	\$ 143,086	\$ 143,086	\$ 126,540	\$ 16,546
Part time salaries	16,793	16,793	-	16,793
Employee benefits	56,002	56,002	49,046	6,956
Payroll taxes	24,425	24,425	17,230	7,195
<b>Personnel services</b>	<u>240,306</u>	<u>240,306</u>	<u>192,816</u>	<u>47,490</u>
Communication	7,287	7,287	14,175	(6,888)
Supplies	2,000	2,000	1,892	108
Training, travel and memberships	3,750	3,750	2,474	1,276
Small furniture & equipment	150	150	246	(96)
<b>Materials and services</b>	<u>13,187</u>	<u>13,187</u>	<u>18,787</u>	<u>(5,600)</u>
<b>Total Sports &amp; Inclusion Services Manager</b>	<u>253,493</u>	<u>253,493</u>	<u>211,603</u>	<u>41,890</u>
<b>Tualatin Hills Athletic Center</b>				
Full time salaries	727,830	727,830	818,172	(90,342)
Part time salaries	1,076,654	1,076,654	797,286	279,368
Employee benefits	405,814	405,814	360,290	45,524
Payroll taxes	289,671	289,671	236,625	53,046
<b>Personnel services</b>	<u>2,499,969</u>	<u>2,499,969</u>	<u>2,212,373</u>	<u>287,596</u>
Professional and technical services	79,900	79,900	65,857	14,043
Communication	405	405	-	405
Supplies	239,415	239,415	95,405	144,010
Utilities	86,855	86,855	123,593	(36,738)
Bank charges and fees	32,669	32,669	33,666	(997)
Training, travel and memberships	7,700	7,700	1,909	5,791
Small furniture & equipment	5,000	5,000	1,127	3,873
<b>Materials and services</b>	<u>451,944</u>	<u>451,944</u>	<u>321,557</u>	<u>130,387</u>
<b>Total Tualatin Hills Athletic Center</b>	<u>2,951,913</u>	<u>2,951,913</u>	<u>2,533,930</u>	<u>417,983</u>
<b>Babette Horenstein Tennis Center</b>				
Full time salaries	320,386	320,386	337,221	(16,835)
Part time salaries	343,687	343,687	341,387	2,300
Employee benefits	175,765	175,765	122,366	53,399
Payroll taxes	105,514	105,514	98,638	6,876
<b>Personnel services</b>	<u>945,352</u>	<u>945,352</u>	<u>899,612</u>	<u>45,740</u>
Professional and technical services	34,450	34,450	42,584	(8,134)
Rental equipment	1,891	1,891	-	1,891
Supplies	49,703	49,703	31,916	17,787
Utilities	131,542	131,542	132,551	(1,009)
Bank charges and fees	21,717	21,717	31,727	(10,010)
Training, travel and memberships	500	500	1,161	(661)
<b>Materials and services</b>	<u>239,803</u>	<u>239,803</u>	<u>239,939</u>	<u>(136)</u>
<b>Total Babette Horenstein Tennis Center</b>	<u>1,185,155</u>	<u>1,185,155</u>	<u>1,139,551</u>	<u>45,604</u>
<b>Elsie Stuhr Center</b>				
Full time salaries	489,655	489,655	522,168	(32,513)
Part time salaries	326,972	326,972	174,792	152,180
Employee benefits	282,556	282,556	231,974	50,582
Payroll taxes	133,312	133,312	98,835	34,477
<b>Personnel services</b>	<u>1,232,495</u>	<u>1,232,495</u>	<u>1,027,769</u>	<u>204,726</u>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final</b>
	<b>Original</b>	<b>Final</b>		
Professional and technical services	\$ 604	\$ 604	\$ 2,342	\$ (1,738)
Communication	1,000	1,000	3,350	(2,350)
Supplies	54,582	54,582	39,104	15,478
Utilities	67,392	67,392	60,326	7,066
Bank charges and fees	8,717	8,717	4,020	4,697
Training, travel and memberships	1,000	1,000	217	783
<b>Materials and services</b>	<b>133,295</b>	<b>133,295</b>	<b>109,359</b>	<b>23,936</b>
<b>Total Elsie Stuhr Center</b>	<b>1,365,790</b>	<b>1,365,790</b>	<b>1,137,128</b>	<b>228,662</b>
<b>Garden Home Recreation Center</b>				
Full time salaries	501,265	501,265	484,157	17,108
Part time salaries	872,764	872,764	445,486	427,278
Employee benefits	285,186	285,186	232,142	53,044
Payroll taxes	218,893	218,893	136,074	82,819
<b>Personnel services</b>	<b>1,878,108</b>	<b>1,878,108</b>	<b>1,297,859</b>	<b>580,249</b>
Professional and technical services	638	638	5,453	(4,815)
Communication	1,538	1,538	2,948	(1,410)
Supplies	162,582	162,582	121,495	41,087
Utilities	89,302	89,302	85,881	3,421
Bank charges and fees	24,088	24,088	17,806	6,282
Training, travel and memberships	1,654	1,654	489	1,165
Small furniture & equipment	-	-	63	(63)
<b>Materials and services</b>	<b>279,802</b>	<b>279,802</b>	<b>234,135</b>	<b>45,667</b>
<b>Total Garden Home Recreation Center</b>	<b>2,157,910</b>	<b>2,157,910</b>	<b>1,531,994</b>	<b>625,916</b>
<b>Camp Rivendale</b>				
Part time salaries	106,902	106,902	29,511	77,391
Payroll taxes	16,570	16,570	3,909	12,661
<b>Personnel services</b>	<b>123,472</b>	<b>123,472</b>	<b>33,420</b>	<b>90,052</b>
Rental equipment	29,000	29,000	-	29,000
Supplies	14,682	14,682	38,384	(23,702)
Utilities	11,548	11,548	-	11,548
<b>Materials and services</b>	<b>55,230</b>	<b>55,230</b>	<b>38,384</b>	<b>16,846</b>
<b>Total Camp Rivendale</b>	<b>178,702</b>	<b>178,702</b>	<b>71,804</b>	<b>106,898</b>
<b>Total Sports &amp; Inclusion Expenditures</b>	<b>8,092,963</b>	<b>8,092,963</b>	<b>6,626,010</b>	<b>1,466,953</b>
<b>Recreation Manager</b>				
Full time salaries	521,777	521,777	123,561	398,216
Part time salaries	143,224	143,224	-	143,224
Employee benefits	278,774	278,774	173,035	105,739
Payroll taxes	101,996	101,996	16,778	85,218
<b>Personnel services</b>	<b>1,045,771</b>	<b>1,045,771</b>	<b>313,374</b>	<b>732,397</b>
Communication	5,520	5,520	8,672	(3,152)
Supplies	26,768	26,768	2,321	24,447
Training, travel and memberships	12,097	12,097	3,749	8,348
<b>Materials and services</b>	<b>44,385</b>	<b>44,385</b>	<b>14,742</b>	<b>29,643</b>
<b>Total Recreation Manager</b>	<b>1,090,156</b>	<b>1,090,156</b>	<b>328,116</b>	<b>762,040</b>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final</u>
	<u>Original</u>	<u>Final</u>		
<b>Cedar Hills Recreation Center</b>				
Full time salaries	\$ 630,770	\$ 630,770	\$ 623,788	\$ 6,982
Part time salaries	1,317,638	1,317,638	778,004	539,634
Employee benefits	349,792	349,792	285,467	64,325
Payroll taxes	308,812	308,812	207,415	101,397
<b>Personnel services</b>	<u>2,607,012</u>	<u>2,607,012</u>	<u>1,894,674</u>	<u>712,338</u>
Professional and technical services	400	400	4,627	(4,227)
Communication	4,100	4,100	498	3,602
Supplies	202,215	202,215	125,240	76,975
Utilities	89,549	89,549	68,145	21,404
Bank charges and fees	39,540	39,540	46,556	(7,016)
Training, travel and memberships	850	850	-	850
Small furniture & equipment	3,400	3,400	847	2,553
<b>Materials and services</b>	<u>340,054</u>	<u>340,054</u>	<u>245,913</u>	<u>94,141</u>
<b>Total Cedar Hills Recreation Center</b>	<u>2,947,066</u>	<u>2,947,066</u>	<u>2,140,587</u>	<u>806,479</u>
<b>Conestoga Recreation &amp; Aquatic Center</b>				
Full time salaries	893,113	893,113	919,201	(26,088)
Part time salaries	1,683,258	1,683,258	1,207,744	475,514
Employee benefits	502,723	502,723	411,137	91,586
Payroll taxes	410,433	410,433	314,732	95,701
<b>Personnel services</b>	<u>3,489,527</u>	<u>3,489,527</u>	<u>2,852,814</u>	<u>636,713</u>
Professional and technical services	10,110	10,110	10,695	(585)
Communication	-	-	4,803	(4,803)
Supplies	268,522	268,522	224,764	43,758
Utilities	225,349	225,349	201,596	23,753
Bank charges and fees	49,076	49,076	42,605	6,471
Training, travel and memberships	-	-	707	(707)
Small furniture & equipment	4,800	4,800	460	4,340
<b>Materials and services</b>	<u>557,857</u>	<u>557,857</u>	<u>485,630</u>	<u>72,227</u>
<b>Total Conestoga Recreation &amp; Aquatic Center</b>	<u>4,047,384</u>	<u>4,047,384</u>	<u>3,338,444</u>	<u>708,940</u>
<b>Interpretive Programs</b>				
Full time salaries	649,184	649,184	707,944	(58,760)
Part time salaries	798,780	798,780	475,960	322,820
Employee benefits	356,717	356,717	310,359	46,358
Payroll taxes	228,765	228,765	172,707	56,058
<b>Personnel services</b>	<u>2,033,446</u>	<u>2,033,446</u>	<u>1,666,970</u>	<u>366,476</u>
Professional and technical services	3,850	3,850	1,108	2,742
Rental equipment	11,100	11,100	2,319	8,781
Communication	5,800	5,800	9,752	(3,952)
Supplies	103,483	103,483	58,791	44,692
Utilities	25,549	25,549	21,374	4,175
Bank charges and fees	10,408	10,408	3,028	7,380
Training, travel and memberships	6,000	6,000	8,462	(2,462)
Small furniture & equipment	1,500	1,500	409	1,091
<b>Materials and services</b>	<u>167,690</u>	<u>167,690</u>	<u>105,243</u>	<u>62,447</u>
<b>Total Interpretive Programs</b>	<u>2,201,136</u>	<u>2,201,136</u>	<u>1,772,213</u>	<u>428,923</u>
<b>Total Recreation Expenditures</b>	<u>10,285,742</u>	<u>10,285,742</u>	<u>7,579,360</u>	<u>2,706,382</u>

**Tualatin Hills Park & Recreation District**  
**General Fund**  
**Schedule of Expenditures - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final</b>
	<b>Original</b>	<b>Final</b>		
<b>Maintenance Coordination</b>				
Full time salaries	\$ 288,830	\$ 288,830	\$ 118,147	\$ 170,683
Part time salaries	289,060	289,060	114,965	174,095
Employee benefits	157,217	157,217	108,582	48,635
Payroll taxes	94,499	94,499	34,742	59,757
<b>Personnel services</b>	<u>829,606</u>	<u>829,606</u>	<u>376,436</u>	<u>453,170</u>
Professional and technical services	9,756	9,756	12,079	(2,323)
Communication	13,121	13,121	12,601	520
Supplies	31,854	31,854	18,353	13,501
Utilities	209,464	209,464	321,955	(112,491)
Training, travel and memberships	6,221	6,221	2,655	3,566
<b>Materials and services</b>	<u>270,416</u>	<u>270,416</u>	<u>367,643</u>	<u>(97,227)</u>
<b>Total Maintenance Coordination</b>	<u>1,100,022</u>	<u>1,100,022</u>	<u>744,079</u>	<u>355,943</u>
<b>TOTAL RECREATION SERVICES</b>	<u>27,208,537</u>	<u>27,208,537</u>	<u>20,931,493</u>	<u>6,277,044</u>
<b>CAPITAL OUTLAY</b>				
Carryforward projects	1,803,700	1,803,700	821,250	982,450
Athletic facility replacements	135,000	135,000	19,251	115,749
Park and trail replacement	404,800	404,800	79,550	325,250
Park and trail improvements	13,266,281	13,266,281	365,417	12,900,864
Building replacement	1,516,000	1,516,000	1,212,054	303,946
Building improvements	241,000	241,000	73,581	167,419
ADA projects	127,000	127,000	7,077	119,923
Program facility challenge grants	20,000	20,000	16,521	3,479
<b>TOTAL CAPITAL OUTLAY</b>	<u>17,513,781</u>	<u>17,513,781</u>	<u>2,594,701</u>	<u>14,919,080</u>
<b>TRANSFERS TO OTHER FUNDS</b>	350,000	350,000	-	350,000
<b>CONTINGENCY</b>	8,304,273	8,304,273	-	8,304,273
<b>CAPITAL REPLACEMENT RESERVE</b>	2,000,000	2,000,000	-	2,000,000
<b>Total General Fund Expenditures</b>	<u><u>\$ 83,677,384</u></u>	<u><u>\$ 83,677,384</u></u>	<u><u>\$ 47,642,687</u></u>	<u><u>\$ 36,034,697</u></u>

**Tualatin Hills Park & Recreation District**  
**Bonded Debt Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2023**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:			
Property taxes	\$ 8,181,550	\$ 8,290,928	\$ 109,378
Interest earned	25,000	152,436	127,436
Total revenues	<u>8,206,550</u>	<u>8,443,364</u>	<u>236,814</u>
Expenditures:			
Debt service	<u>8,406,550</u>	<u>8,406,549</u>	<u>1</u>
Total expenditures	<u>8,406,550</u>	<u>8,406,549</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	(200,000)	36,815	236,815
Fund balance at beginning of year	<u>200,000</u>	<u>439,309</u>	<u>239,309</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 476,124</u>	<u>\$ 476,124</u>

**Tualatin Hills Park & Recreation District**  
**Bond Capital Projects Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balance - Budget to Actual**  
**For the Year Ended June 30, 2023**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:			
Interest earned	\$ 8,000	\$ 57,965	\$ 49,965
Total revenues	<u>8,000</u>	<u>57,965</u>	<u>49,965</u>
Expenditures:			
Capital outlay	2,788,113	319,541	2,468,572
Total expenditures	<u>2,788,113</u>	<u>319,541</u>	<u>2,468,572</u>
Excess (deficiency) of revenues over (under) expenditures	(2,780,113)	(261,576)	2,518,537
Fund balances at beginning of year	<u>2,780,113</u>	<u>2,565,293</u>	<u>(214,820)</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 2,303,717</u>	<u>\$ 2,303,717</u>

**Tualatin Hills Park & Recreation District  
System Development Charges Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2023**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:			
System development charges	\$ 10,572,662	\$ 14,235,705	\$ 3,663,043
Interest earned	105,000	1,405,650	1,300,650
Total revenues	<u>10,677,662</u>	<u>15,641,355</u>	<u>4,963,693</u>
Expenditures:			
Materials and services	100,000	30,937	69,063
Capital outlay	50,435,099	1,073,208	49,361,891
Total expenditures	<u>50,535,099</u>	<u>1,104,145</u>	<u>49,430,954</u>
Excess (deficiency) of revenues over (under) expenditures	(39,857,437)	14,537,210	54,394,647
Other financing sources:			
Transfers in	<u>350,000</u>	-	<u>(350,000)</u>
Net change in fund balance	(39,507,437)	14,537,210	54,044,647
Fund balances at beginning of year	<u>39,507,437</u>	<u>38,384,563</u>	<u>(1,122,874)</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 52,921,773</u>	<u>\$ 52,921,773</u>

Tualatin Hills Park & Recreation District  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	<b>Mitigation Maintenance Fund</b>	<b>Metro Bond Local Share Capital Fund</b>	<b>Total Other Governmental Funds</b>
<b>Assets</b>			
Assets:			
Cash and cash equivalents	\$ 193,975	\$ (9,562)	\$ 184,413
Total assets	\$ 193,975	\$ (9,562)	\$ 184,413
<b>Liabilities and Fund Balances</b>			
Liabilities:			
Accounts payable	\$ -	\$ 39,820	\$ 39,820
Total liabilities	-	39,820	39,820
Fund balances:			
Committed - mitigation maintenance	193,975	-	193,975
Unassigned	-	(49,382)	(49,382)
Total fund balance	193,975	(49,382)	144,593
Total liabilities, deferred inflows of resources and fund balances	\$ 193,975	\$ (9,562)	\$ 184,413

**Tualatin Hills Park & Recreation District**  
**Combining Schedule of Revenues, Expenditures and Changes**  
**in Fund Balances -**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2023**

	<b>Mitigation Maintenance Fund</b>	<b>Metro Bond Local Share Capital Fund</b>	<b>Total Other Governmental Funds</b>
Revenues:			
Interest earned	\$ 5,524	\$ -	\$ 5,524
Miscellaneous revenues	1,198	-	1,198
Total revenues	<u>6,722</u>	<u>-</u>	<u>6,722</u>
Expenditures:			
Current:			
Capital outlay	-	49,382	49,382
Total expenditures	<u>-</u>	<u>49,382</u>	<u>49,382</u>
Net change in fund balances	6,722	(49,382)	(42,660)
Fund balances at beginning of year	<u>187,253</u>	<u>-</u>	<u>187,253</u>
Fund balances at end of year	<u>\$ 193,975</u>	<u>\$ (49,382)</u>	<u>\$ 144,593</u>

**Tualatin Hills Park & Recreation District  
Mitigation Maintenance Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2023**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:			
Interest earned	\$ 850	\$ 5,524	\$ 4,674
Miscellaneous income	-	1,198	1,198
Total revenues	<u>850</u>	<u>6,722</u>	<u>5,872</u>
Expenditures:			
Materials and services	<u>187,850</u>	<u>-</u>	<u>187,850</u>
Excess (deficiency) of revenues over (under) expenditures	(187,000)	6,722	193,722
Fund balance at beginning of year	<u>187,000</u>	<u>187,253</u>	<u>253</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 193,975</u>	<u>\$ 193,975</u>

**Tualatin Hills Park & Recreation District  
Metro Bond Local Share Capital Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2023**

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	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget- Positive (Negative)</b>
Revenues:			
Intergovernmental revenue	\$ 8,628,870	\$ -	\$ (8,628,870)
Expenditures:			
Capital outlay	8,628,870	49,382	8,579,488
Excess (deficiency) of revenues over (under) expenditures	-	(49,382)	(49,382)
Fund balance at beginning of year	-	-	-
Fund balance at end of year	\$ -	\$ (49,382)	\$ (49,382)

Tualatin Hills Park & Recreation District  
**Trust Funds**  
**Combining Balance Sheet**  
**June 30, 2023**

	<u>Pension Trust Fund</u>		<u>OPEB Trust Fund</u>	<u>Total Trust Funds</u>
	<u>Defined Benefit</u>	<u>Defined Contribution</u>		
<b>Assets</b>				
Cash	\$ 209,758	\$ 955	\$ 8,272	\$ 218,985
Investments @ fair value	32,017,962	3,765,884	1,791,370	37,575,216
Accrued interest	841	-	50	891
Loan receivable	-	24,014	-	24,014
	<u>32,228,561</u>	<u>3,790,853</u>	<u>1,799,692</u>	<u>37,819,106</u>
<b>Total assets</b>				
	<u>32,228,561</u>	<u>3,790,853</u>	<u>1,799,692</u>	<u>37,819,106</u>
<b>Net Position</b>				
Net position restricted for pension	32,228,561	3,790,853	-	36,019,414
Net position restricted for other post-employment benefits	-	-	1,799,692	1,799,692
	<u>32,228,561</u>	<u>3,790,853</u>	<u>1,799,692</u>	<u>37,819,106</u>
<b>Total net position</b>	<u>\$ 32,228,561</u>	<u>\$ 3,790,853</u>	<u>\$ 1,799,692</u>	<u>\$ 37,819,106</u>

**Tualatin Hills Park & Recreation District  
Trust Funds  
Schedule of Changes in Net Position  
For the Year Ended June 30, 2023**

	<u>Pension Trust Fund</u>			<u>Total Trust Funds</u>
	<u>Defined Benefit</u>	<u>Defined Contribution</u>	<u>OPEB Trust Fund</u>	
<b>Additions</b>				
Contributions				
Employer	\$ 3,900,000	\$ -	\$ -	\$ 3,900,000
Employee	326,919	691,160	960	1,019,039
Other	11,000,072	705	81	11,000,858
Total contributions	<u>15,226,991</u>	<u>691,865</u>	<u>1,041</u>	<u>15,919,897</u>
Investment earnings (loss)	<u>1,581,080</u>	<u>422,233</u>	<u>127,185</u>	<u>2,130,498</u>
Total additions	<u>16,808,071</u>	<u>1,114,098</u>	<u>128,226</u>	<u>18,050,395</u>
<b>Deductions</b>				
Benefits paid	(201,367)	(114,169)	(75,486)	(391,022)
Administrative expenses	<u>(40,984)</u>	<u>(814)</u>	<u>-</u>	<u>(41,798)</u>
Total deductions	<u>(242,351)</u>	<u>(114,983)</u>	<u>(75,486)</u>	<u>(432,820)</u>
Change in net position	16,565,720	999,115	52,740	17,617,575
Net position at beginning of year	<u>15,662,841</u>	<u>2,791,738</u>	<u>1,746,952</u>	<u>20,201,531</u>
Net position at end of year	<u><u>\$ 32,228,561</u></u>	<u><u>\$ 3,790,853</u></u>	<u><u>\$ 1,799,692</u></u>	<u><u>\$ 37,819,106</u></u>



## Other Financial Schedules



**Tualatin Hills Park & Recreation District**  
**Schedule of Property Tax Transactions and Outstanding Balances**  
**For the Year Ended June 30, 2023**

	Taxes Uncollected June 30, 2022	Add Levy as Extended by Assessor	Add (Deduct) Discounts Allowed	Add Interest Received	Add (Deduct) Cancellations and Adjustments	Deduct Interest and Tax Collected	Taxes Uncollected June 30, 2023
2022-2023	\$ -	\$ 48,133,095	\$ (1,314,141)	\$ 6,104	\$ (252,074)	\$ (46,135,772)	\$ 437,212
2021-2022	409,532	-	593	12,661	(7,986)	(285,064)	129,736
2020-2021	132,219	-	103	7,681	6,806	(75,880)	70,929
2019-2020	67,229	-	52	7,412	12,645	(56,498)	30,840
2018-2019	25,836	-	32	3,499	25,419	(43,166)	11,620
2017-2018	7,349	-	-	603	(95)	(2,486)	5,371
Prior Years	19,780	-	(1,407)	902	(622)	(3,986)	14,667
	<u>\$ 661,945</u>	<u>\$ 48,133,095</u>	<u>\$ (1,314,768)</u>	<u>\$ 38,862</u>	<u>\$ (215,907)</u>	<u>\$ (46,602,852)</u>	<u>700,375</u>
							June property tax receivable collected by the County 109,134
							Less allowance for uncollectibility (20,000)
							<u>\$ 789,509</u>
<b>General Fund</b>							
	\$ 539,150						\$ 574,121
							June property tax receivable collected by the County 89,637
							Less allowance for uncollectibility (15,000)
							<u>648,758</u>
<b>Debt Service Fund</b>							
	122,795						126,254
							June property tax receivable collected by the County 19,497
							Less allowance for uncollectibility (5,000)
							<u>140,751</u>
	<u>\$ 661,945</u>						<u>\$ 789,509</u>



# Statistical Section



This part of the Tualatin Hills Park & Recreation District's annual comprehensive financial report presents detail information as a context for understanding what the information in the financial statements and note disclosures say about the district's overall financial health.

<b>CONTENTS</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changed over time.</i>	97
Revenue Capacity <i>These schedules contain information to help the reader assess the district's most significant local revenue source, property tax revenue.</i>	101
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.</i>	107
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.</i>	111
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.</i>	114

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

Tualatin Hills Park & Recreation District  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<b>2014</b>	<b>2015 (as restated)</b>	<b>2016</b>	<b>2017 (as restated)</b>	<b>2018 (as restated)</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Governmental activities										
Net investment in capital assets	\$ 120,178,588	\$ 118,443,566	\$ 135,202,585	\$ 152,863,521	\$ 161,615,483	\$ 174,412,777	\$ 185,215,804	\$ 191,237,885	\$ 200,271,924	\$ 205,277,631
Restricted	8,113,102	13,104,560	12,350,287	9,760,567	17,307,632	22,307,182	29,300,471	33,701,226	38,823,872	53,397,897
Unrestricted	7,413,183	9,444,786	6,814,560	6,307,713	(40,874,234)	(40,145,774)	(32,400,756)	(14,856,727)	(5,958,958)	11,697,079
 Total primary government net position	 <u>\$ 135,704,873</u>	 <u>\$ 140,992,912</u>	 <u>\$ 154,367,432</u>	 <u>\$ 168,931,801</u>	 <u>\$ 138,048,881</u>	 <u>\$ 156,574,185</u>	 <u>\$ 182,115,519</u>	 <u>\$ 210,082,384</u>	 <u>\$ 233,136,838</u>	 <u>\$ 270,372,607</u>

**Tualatin Hills Park & Recreation District**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Board of Directors	\$ 154,475	\$ 218,847	\$ 178,381	\$ 209,412	\$ 183,678	\$ 287,244	\$ 239,325	\$ 202,902	\$ 199,592	\$ 351,088
Administration	1,963,226	1,860,162	2,048,290	2,210,239	2,313,893	2,465,436	2,090,232	1,894,447	3,245,954	14,657,122 <sup>6)</sup>
Business services <sup>(4)</sup>	15,126,974	14,575,963	16,447,289	23,818,025	24,953,742	25,269,252	21,184,639	19,577,534	11,587,219	- <sup>3) 5) 6) 7)</sup>
Planning and development	897,304	554,465	550,044	-	-	-	-	-	-	- <sup>2)</sup>
Recreation services <sup>(4)</sup>	19,758,250	19,188,743	21,180,758	15,186,213	16,186,439	20,303,450	16,108,717	9,894,243	14,368,060	7,392,144 <sup>3) 5)</sup>
Park services <sup>(4)</sup>	-	-	-	-	-	-	-	-	9,554,414	16,109,044 <sup>4) 5)</sup>
Interest on long-term debt	3,946,193	3,853,264	3,334,042	3,074,328	2,965,355	2,878,707	2,673,373	2,243,378	1,678,766	1,538,328
<b>Total expenses</b>	<b>\$ 41,846,422</b>	<b>\$ 40,251,444</b>	<b>\$ 43,738,804</b>	<b>\$ 44,498,217</b>	<b>\$ 46,603,107</b>	<b>\$ 51,204,089</b>	<b>\$ 42,296,286</b>	<b>\$ 33,812,504</b>	<b>\$ 40,634,005</b>	<b>\$ 40,047,726</b>
<b>Program Revenues</b>										
Park and recreation services:										
Charges for services	\$ 10,244,780	\$ 10,633,560	\$ 10,485,707	\$ 10,641,932	\$ 11,830,934	\$ 12,141,602	\$ 8,716,600	\$ 2,910,204	\$ 8,300,331	\$ 10,385,213
Operating grants and contributions	214,865	91,112	32,385	161,744	56,719	87,829	67,081	4,565,805	382,591	382,274
Capital grants and contributions	4,685,175	7,096,827	9,994,683	10,276,395	13,795,425	14,485,201	15,073,128	9,510,849	8,301,147	16,114,045
Rents and leases	-	-	648,897	635,913	591,040	548,759	573,847	557,072	598,733	575,863 <sup>1)</sup>
<b>Total program revenues</b>	<b>\$ 15,144,820</b>	<b>\$ 17,821,499</b>	<b>\$ 21,161,672</b>	<b>\$ 21,715,984</b>	<b>\$ 26,274,118</b>	<b>\$ 27,263,391</b>	<b>\$ 24,430,656</b>	<b>\$ 17,543,930</b>	<b>\$ 17,582,802</b>	<b>\$ 27,457,395</b>
<b>Total primary government net expense</b>	<b>\$ (26,701,602)</b>	<b>\$ (22,429,945)</b>	<b>\$ (22,577,132)</b>	<b>\$ (22,782,233)</b>	<b>\$ (20,328,989)</b>	<b>\$ (23,940,698)</b>	<b>\$ (17,865,630)</b>	<b>\$ (16,268,574)</b>	<b>\$ (23,051,203)</b>	<b>\$ (12,590,331)</b>
<b>General Revenues and Other Changes in Net Position</b>										
Property taxes	\$ 34,325,378	\$ 35,389,201	\$ 35,118,802	\$ 36,692,351	\$ 37,548,487	\$ 40,631,613	\$ 42,020,224	\$ 43,587,273	\$ 45,371,462	\$ 46,737,624
Unrestricted grants and contributions	237,636	261,528	185,805	183,894	184,024	184,637	92,506	-	-	-
Investment earnings	365,782	380,671	458,566	516,989	872,511	1,391,423	1,160,881	422,449	417,820	2,858,237
Gain on sale of capital assets	-	-	-	945,760	-	-	-	-	-	-
Miscellaneous	159,819	203,731	188,479	172,235	289,943	258,329	133,353	225,717	316,375	230,239
<b>Total general revenue and other changes in net position</b>	<b>\$ 35,088,615</b>	<b>\$ 36,235,131</b>	<b>\$ 35,951,652</b>	<b>\$ 38,511,229</b>	<b>\$ 38,894,965</b>	<b>\$ 42,466,002</b>	<b>\$ 43,406,964</b>	<b>\$ 44,235,439</b>	<b>\$ 46,105,657</b>	<b>\$ 49,826,100</b>
<b>Total change in net position</b>	<b>\$ 8,387,013</b>	<b>\$ 13,805,186</b>	<b>\$ 13,374,520</b>	<b>\$ 15,728,996</b>	<b>\$ 18,565,976</b>	<b>\$ 18,525,304</b>	<b>\$ 25,541,334</b>	<b>\$ 27,966,865</b>	<b>\$ 23,054,454</b>	<b>\$ 37,235,769</b>

<sup>1)</sup> In FY 2016, revenues from Rents and Leases was reported separately (previously in Grants & Contributions, Program and Miscellaneous revenues).

<sup>2)</sup> In FY 2017, the Planning and Design & Development departments were moved into Business and facilities.

<sup>3)</sup> In FY 2017, capital outlay and depreciation expenses were moved from Park and recreation services to Business and facilities.

<sup>4)</sup> In FY 2022, the Business and facilities division was renamed to Business services. Additionally, the Park and Recreation services division was split into Park services and Recreation services.

<sup>5)</sup> In FY 2022, the Maintenance, Planning, and Design & Development departments were moved from Business services to Park services. Nature & Trails and Community Programs were moved from Recreation Services to Park Services.

<sup>6)</sup> In FY 2022, the Human Resources department was moved from Business Services to Administration.

<sup>7)</sup> In FY 2023, the remaining departments were moved from Business Services to Administration.

Tualatin Hills Park & Recreation District  
**Fund Balance Of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
General fund										
Nondisposable	\$ 225,668	\$ 172,449	\$ 316,161	\$ 179,842	\$ 182,432	\$ 383,337	\$ 250,319	\$ 241,886	\$ 312,940	\$ 287,858
Unassigned	5,302,635	8,264,609	8,955,176	9,740,569	12,401,382	14,456,882	10,884,501	21,026,267	25,296,956	29,500,447
<b>Total general fund</b>	<b>\$ 5,528,303</b>	<b>\$ 8,437,058</b>	<b>\$ 9,271,337</b>	<b>\$ 9,920,411</b>	<b>\$ 12,583,814</b>	<b>\$ 14,840,219</b>	<b>\$ 11,134,820</b>	<b>\$ 21,268,153</b>	<b>\$ 25,609,896</b>	<b>\$ 29,788,305</b>
All other governmental funds										
Restricted, reported in:										
Debt service fund	\$ 477,206	\$ 450,745	\$ 286,350	\$ 153,507	\$ -	\$ 509,991	\$ 727,829	\$ 502,683	\$ 439,309	\$ 476,124
Capital project funds	42,117,723	42,833,171	39,290,859	25,899,989	31,956,484	31,285,596	33,830,367	36,072,538	40,949,856	55,225,490
Committed, reported in:										
Special revenue fund	163,989	166,364	164,356	166,052	168,952	178,481	184,762	186,196	187,253	193,975
Unassigned, reported in:										
Debt service fund	-	-	-	-	(44,480)	-	-	-	-	-
Capital project fund	-	-	-	-	-	-	-	-	-	(49,382)
<b>Total all other governmental funds</b>	<b>\$ 42,758,918</b>	<b>\$ 43,450,280</b>	<b>\$ 39,741,565</b>	<b>\$ 26,219,548</b>	<b>\$ 32,080,956</b>	<b>\$ 31,974,068</b>	<b>\$ 34,742,958</b>	<b>\$ 36,761,417</b>	<b>\$ 41,576,418</b>	<b>\$ 55,846,207</b>

**Tualatin Hills Park & Recreation District**  
**Changes In Fund Balances Of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Property taxes	\$ 34,203,849	\$ 35,471,678	\$ 34,952,393	\$ 36,541,016	\$ 38,014,442	\$ 41,267,126	\$ 41,990,380	\$ 43,641,694	\$ 45,360,356	\$ 46,692,398
Aquatic programs	2,567,782	2,761,776	2,450,847	2,732,311	3,028,311	3,207,755	2,086,197	581,351	1,508,034	2,243,678
Tennis center	952,762	1,025,969	1,017,285	978,178	1,062,214	1,061,398	886,052	264,137	1,079,714	1,197,210
Sports programs	1,424,626	1,423,992	1,565,716	1,631,316	1,840,300	1,913,715	1,280,082	1,112,604	1,818,627	2,273,431
Recreation programs	5,177,432	5,060,475	5,451,861	5,300,127	5,900,109	5,958,734	4,464,269	952,112	3,893,956	4,670,894
Grants and sponsorships	1,275,106	1,300,759	279,707	806,995	1,718,491	611,325	1,264,767	5,192,604	1,199,718	844,590
Rents and leases	-	-	648,896	635,913	591,040	548,759	573,847	557,072	598,733	575,863 <sup>1)</sup>
System development charges	3,858,370	5,855,512	5,367,366	9,631,364	12,287,677	8,500,336	12,716,580	8,290,454	6,374,376	14,235,705
Interest earned	365,782	380,671	458,566	516,988	872,511	1,391,423	1,160,881	422,449	417,820	2,858,237
Charges for services	579,099	511,362	328,170	367,696	337,469	294,820	312,357	415,568	181,148	133,581
Miscellaneous	281,997	565,079	188,479	172,235	289,943	258,329	157,029	183,013	316,375	230,239
<b>Total revenues</b>	<b>50,686,805</b>	<b>54,357,273</b>	<b>52,709,286</b>	<b>59,314,139</b>	<b>65,942,507</b>	<b>65,013,720</b>	<b>66,892,441</b>	<b>61,613,058</b>	<b>62,748,857</b>	<b>75,955,826</b>
<b>Expenditures</b>										
Board of Directors	154,475	218,847	178,381	274,731	226,289	287,244	239,325	202,902	199,592	351,088
Administration	1,953,992	2,028,622	2,104,826	2,193,086	2,334,048	2,379,832	2,923,275	2,443,312	4,159,208	9,590,576 <sup>5)</sup>
Business services <sup>(3)</sup>	14,901,004	15,621,414	16,074,842	17,489,302	18,502,519	17,816,512	19,480,998	16,731,341	5,202,235	- <sup>4) 5) 6)</sup>
Planning and development	1,497,804	1,211,690	1,262,721	-	-	-	-	-	-	- <sup>2)</sup>
Recreation services <sup>(3)</sup>	14,593,069	14,725,729	15,501,975	15,022,217	16,152,894	19,625,019	21,322,667	12,856,307	16,747,616	20,931,493 <sup>4)</sup>
Park services <sup>(3)</sup>	-	-	-	-	-	-	-	-	12,250,007	12,811,916 <sup>4)</sup>
Capital outlay	22,563,320	9,421,194	12,539,440	30,504,743	11,841,833	18,141,926	14,937,760	8,180,257	5,673,276	4,553,279
Debt service										
Principal	5,018,988	5,390,327	3,961,090	4,436,876	4,817,686	5,208,520	5,784,379	6,270,264	6,727,988	6,987,756
Interest	4,195,779	4,225,622	3,960,447	3,789,741	3,542,427	3,405,150	3,116,870	2,819,587	2,632,191	2,296,196
<b>Total expenditures</b>	<b>64,878,431</b>	<b>52,843,445</b>	<b>55,583,722</b>	<b>73,710,696</b>	<b>57,417,696</b>	<b>66,864,203</b>	<b>67,805,274</b>	<b>49,503,970</b>	<b>53,592,113</b>	<b>57,522,304</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(14,191,626)</b>	<b>1,513,828</b>	<b>(2,874,436)</b>	<b>(14,396,557)</b>	<b>8,524,811</b>	<b>(1,850,483)</b>	<b>(912,833)</b>	<b>12,109,088</b>	<b>9,156,744</b>	<b>18,433,522</b>
<b>Other financing sources (uses)</b>										
Proceeds from debt issuance	-	37,880,000	-	8,710,000	-	4,000,000	9,900,000	14,390,000	-	-
Premiums on debt issuance	-	6,987,825	-	1,283,919	-	-	1,294,716	2,527,984	-	-
Proceeds from sale of capital assets	-	399,283	-	1,404,391	-	-	-	-	-	-
Additional leases	-	-	-	-	-	-	-	-	-	14,676
Payment to escrow	-	(43,180,819)	-	(9,874,696)	-	-	(11,218,392)	(16,875,280)	-	-
Transfer in	-	-	-	-	-	-	-	-	650,000	-
Transfer out	-	-	-	-	-	-	-	-	(650,000)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>2,086,289</b>	<b>-</b>	<b>1,523,614</b>	<b>-</b>	<b>4,000,000</b>	<b>(23,676)</b>	<b>42,704</b>	<b>-</b>	<b>14,676</b>
<b>Net change in fund balances</b>	<b>\$ (14,191,626)</b>	<b>\$ 3,600,117</b>	<b>\$ (2,874,436)</b>	<b>\$ (12,872,943)</b>	<b>\$ 8,524,811</b>	<b>\$ 2,149,517</b>	<b>\$ (936,509)</b>	<b>\$ 12,151,792</b>	<b>\$ 9,156,744</b>	<b>\$ 18,448,198</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>21.5%</b>	<b>21.9%</b>	<b>18.0%</b>	<b>18.8%</b>	<b>18.1%</b>	<b>17.4%</b>	<b>16.9%</b>	<b>21.9%</b>	<b>19.2%</b>	<b>17.2%</b>

<sup>1)</sup> In FY 2016, revenues from Rents and Leases was reported separately (previously in Grants & Contributions, Program and Miscellaneous revenues).

<sup>2)</sup> In FY 2017, Planning and Development expenditures were moved to Business and Facilities.

<sup>3)</sup> In FY 2022, the Business and facilities division was renamed to Business services. Additionally, the Park and Recreation services division was split into Park services and Recreation services.

<sup>4)</sup> In FY 2022, the Maintenance, Planning, and Design & Development departments were moved from Business services to Park services. Nature & Trails and Community Programs were moved from Recreation Services to Park Services

<sup>5)</sup> In FY 2022, the Human Resources department was moved from Business Services to Administration.

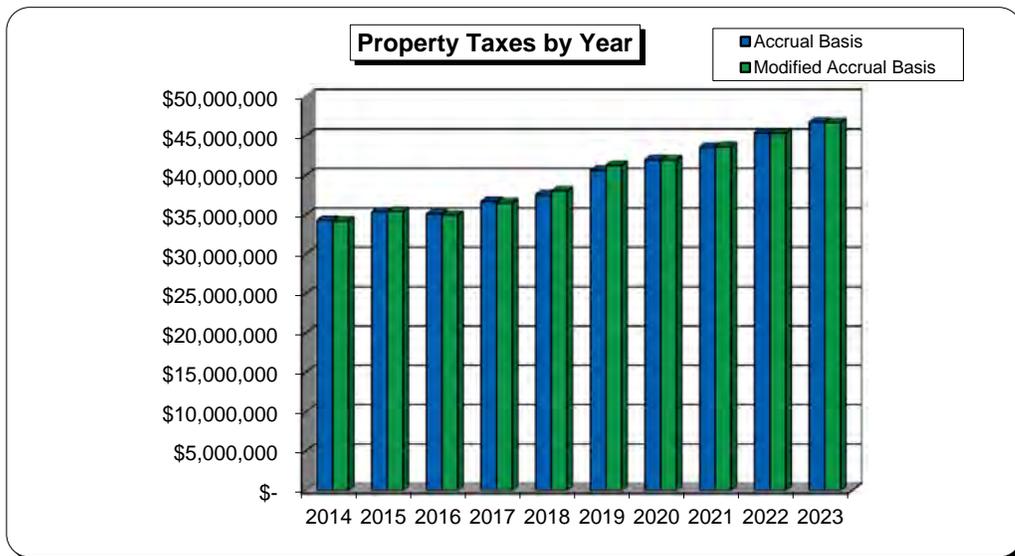
<sup>6)</sup> In FY 2023, the remaining departments were moved from Business Services to Administration.

**Tualatin Hills Park & Recreation District  
Governmental Activities Tax Revenues By Source  
Last Ten Fiscal Years  
(accrual basis of accounting)**

<u>Fiscal Year</u>	<u>Property Tax</u>
2014	\$ 34,325,378
2015	35,389,201
2016	35,118,802
2017	36,692,351
2018	37,548,487
2019	40,631,613
2020	42,020,224
2021	43,587,273
2022	45,371,462
2023	46,737,624

**Governmental Activities Tax Revenues By Source  
(modified accrual basis of accounting)**

<u>Fiscal Year</u>	<u>Property Tax</u>
2014	\$ 34,203,849
2015	35,471,678
2016	34,952,393
2017	36,541,016
2018	38,014,442
2019	41,267,126
2020	41,990,380
2021	43,641,694
2022	45,360,356
2023	46,692,398



**Tualatin Hills Park & Recreation District  
Assessed Values And Estimated Actual Value  
Of Taxable Property  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Real Property		Personal Property and Manufactured Structures		Public Utilities		Total		Assessed Value as a	Direct Tax Rate per \$1,000
	Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value	Percentage of Market Value	
2014	\$ 25,100,916,650	\$ 19,261,563,030	\$ 607,228,905	\$ 600,748,735	\$ 637,019,227	\$ 565,666,850	\$ 26,345,164,782	\$ 20,427,978,615	77.54%	\$ 1.7282
2015	27,933,899,694	20,049,326,753	610,281,231	603,605,791	647,433,574	592,184,300	29,191,614,499	21,245,116,844	72.78	1.7167
2016	30,055,910,584	21,034,184,283	661,326,115	652,465,905	701,056,667	598,739,300	31,418,293,366	22,285,389,488	70.93	1.6246
2017	33,870,049,729	22,045,761,923	697,114,641	683,052,351	721,904,470	704,324,200	35,289,068,840	23,433,138,474	66.40	1.6192
2018	37,964,311,493	23,143,902,554	736,600,520	712,522,070	736,796,581	712,342,161	39,437,708,594	24,568,766,785	62.30	1.6111
2019	42,018,755,716	24,394,680,474	788,727,155	746,681,555	643,170,899	642,837,559	43,450,653,770	25,784,199,588	59.34	1.6241
2020	43,446,117,853	25,553,688,704	913,544,961	859,280,751	617,118,119	616,705,600	44,976,780,933	27,029,675,055	60.10	1.6141
2021	48,929,480,488	26,821,395,980	971,453,085	856,536,938	708,812,991	708,263,500	50,609,746,564	28,386,196,418	56.09	1.5936
2022	52,389,758,350	27,821,862,220	975,702,040	889,373,503	713,237,896	712,265,500	54,078,698,286	29,423,501,223	54.41	1.5978
2023	61,824,622,075	29,028,595,580	935,347,478	840,041,091	759,299,634	757,853,400	63,519,269,187	30,626,490,071	48.22	1.5849

Source: Washington County, Department of Assessment and Taxation

**Tualatin Hills Park & Recreation District  
Property Tax Rates  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Direct Government:										
Tualatin Hills Park and Recreation District										
Permanent Tax Rate	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073
Bond Levy Tax Rate	0.4209	0.4094	0.3173	0.3119	0.3038	0.3168	0.3068	0.2863	0.2905	0.2776
Total Tax Rate	1.7282	1.7167	1.6246	1.6192	1.6111	1.6241	1.6141	1.5936	1.5978	1.5849
Overlapping Government:										
Washington County	2.9605	2.8254	2.8235	2.9354	2.9584	2.9583	2.8918	2.8767	2.9123	2.8564
Washington County - Enhanced Patrol	1.3165	1.3165	1.3165	1.3165	1.3165	1.3165	1.3165	1.3165	1.3165	1.3165
Washington County - Road Maintenance	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456
Washington County - RFPD #2	1.6919	1.6919	1.6919	1.6919	1.6919	-	-	-	-	-
Washington County - North Bethany SD	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500
Northwest Regional ESD	0.1534	0.1530	0.1528	0.1523	0.1538	0.1538	0.1494	0.1485	0.1475	0.1438
Multnomah ESD	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576
Portland Community College	0.7329	0.7199	0.5837	0.6756	0.6756	0.6874	0.6769	0.6700	0.6514	0.6509
School District No. 48, Beaverton	8.0537	8.0368	7.9571	7.9205	8.0527	8.0205	7.9075	8.0257	8.0299	8.1909
School District No. 1J, Hillsboro	7.3794	7.3812	7.1812	7.1268	7.1512	7.1388	7.0178	7.0560	6.8779	6.6036
School District No. 1J, Portland	8.3571	8.3535	8.3632	8.3304	8.8052	9.7571	9.6734	9.6698	9.6016	9.5681
Tualatin Valley Fire and Rescue District	1.9061	1.8911	2.1078	2.0978	2.0457	2.0839	2.0725	2.1167	2.1163	2.1127
Port of Portland	0.0699	0.0697	0.0697	0.0694	0.0693	0.0701	0.0681	0.0677	0.0673	0.0655
City of Beaverton	4.3662	4.3517	4.3279	4.3109	4.2851	4.3196	4.3037	4.2793	4.2775	4.2616
Urban Renewal - Beaverton	0	0.0929	0.1731	0.2233	0.2961	0.3718	0.4052	0.4525	0.4904	0.5400
City of Hillsboro	5.3755	5.3652	5.3621	5.3485	5.3387	5.3147	5.2823	5.2614	5.2338	5.1441
Urban Renewal - Hillsboro	0.0415	0.0776	0.0867	0.1374	0.0856	0.1296	0.3514	0.4223	0.5035	0.7980
City of Portland	7.2043	7.1759	7.0455	6.9712	4.7097	4.7353	4.6867	7.3130	8.4871	8.2575
Urban Renewal - Portland	1.1727	1.0878	1.0608	1.1069	3.5073	3.5890	3.5492	1.1896	0.7600	0.6893
Metro Service District	0.4667	0.4575	0.3876	0.3960	0.3777	0.4342	0.6601	0.5867	0.5660	0.5597

Rate per \$1,000 of assessed valuation

Source: Washington County, Department of Assessment and Taxation

**Tualatin Hills Park & Recreation District  
District Principal Property Taxpayers  
Current Year and Nine Years Ago**

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Nike, Inc.	\$ 1,422,971,981	1	4.65 %	\$ 426,976,709	1	2.09 %
Portland General Electric	227,459,510	2	0.74	128,238,880	2	0.63
Northwest Natural Gas Co.	165,443,000	3	0.54	108,006,000	6	0.53
Maxim Integrated Products, Inc.	163,182,940	4	0.53	110,266,160	7	0.54
Comcast Corporation	144,468,000	5	0.47	143,952,400	3	0.70
Beaverton LLC	124,021,660	6	0.40	99,800,090	8	0.49
Northwest Fiber LLC	92,241,000	7	0.30			
Portland 2 LLC	74,492,400	8	0.24			
G+I X Nimbus Corp Ctr LLC	72,569,472	9	0.24			
MG Pallas Apartments MOS LLC	69,947,770	10	0.23			
PS Business Parks LP				103,984,552	4	0.51
Frontier Communications				100,024,000	5	0.49
Bernard Properties Partnership				60,089,000	9	0.29
Nimbus Center LLC				52,949,980	10	0.26
All other taxpayers	28,069,692,338		91.66	19,093,690,844		93.47
Totals	<u>\$ 30,626,490,071</u>		<u>100.00 %</u>	<u>\$ 20,427,978,615</u>		<u>100.00 %</u>

Source: Washington County, Department of Assessment and Taxation

**Tualatin Hills Park & Recreation District  
Property Tax Levies And Collections  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 35,308,500	\$ 33,590,906	95.1 %	\$ 719,005	\$ 34,309,911	97.2 %
2015	36,433,185	34,828,560	95.6	592,945	35,421,505	97.2
2016	36,088,203	34,488,930	95.6	471,661	34,960,591	96.9
2017	37,804,820	36,089,763	95.5	440,708	36,530,471	96.6
2018	39,400,040	37,551,090	95.3	496,995	38,048,085	96.6
2019	41,606,766	39,939,463	96.0	443,173	40,382,636	97.1
2020	43,274,691	41,507,632	95.9	447,094	41,954,726	96.9
2021	44,818,066	43,047,680	96.0	394,467	43,442,147	96.9
2022	46,552,271	44,765,361	96.2	272,403	45,037,764	96.7
2023	48,133,095	46,129,668	95.8	-	46,129,668	95.8

**Tualatin Hills Park & Recreation District**  
**System Development Charge Revenue Schedule**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Rate per Type of Dwelling Unit		
	Single Family	Multi-Family	Non-residential
2014	\$ 5,524	\$ 4,131	\$ 143
2015	6,450	4,824	167
2016	6,450	4,824	167
2017	10,800	8,619	360
2018	10,800	8,619	360
2019	11,545	9,214	385
2020	11,895	9,494	397
2021	11,787	8,840	466
2022	11,787	8,840	466
2023	12,264	9,198	574

Source: Tualatin Hills Park and Recreation District

**Tualatin Hills Park & Recreation District  
Ratios Of Outstanding Debt By Type  
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income <sup>a)</sup>	Per Capita <sup>b)</sup>
	General Obligation Bonds	Full Faith & Credit Obligations	Direct Borrowing	Lease Payable			
2014	\$ 88,345,559	\$ 9,634,002	\$ 433,112	\$ -	\$ 98,412,673	0.374 %	\$ 418.73
2015	89,388,275	9,407,542	407,785	-	99,203,602	0.333	417.09
2016	84,691,847	9,161,865	381,695	-	94,235,407	0.298	391.51
2017	80,802,769	8,907,017	354,819	-	90,064,605	0.267	369.74
2018	75,200,647	8,633,003	327,133	-	84,160,783	0.231	341.41
2019	69,241,413	8,349,901	4,298,613	-	81,889,927	0.215	328.26
2020	62,922,793	12,395,037	269,235	-	75,587,065	0.187	299.40
2021	55,883,275	11,882,833	238,971	-	68,005,079	0.158	266.44
2022	48,383,569	11,301,410	207,796	27,545	59,920,320	0.136	219.09
2023	40,806,831	10,708,958	175,682	15,391	51,706,862	n/a	186.81

n/a - not available at time of printing

<sup>a)</sup> based on Washington County total population

<sup>b)</sup> based on estimated population of district

Sources: State of Oregon, OLMIS  
Portland State University Center for Population Research and Census  
U.S. Department of Commerce, Bureau of Economic Analysis

**Tualatin Hills Park & Recreation District  
Ratios Of General Bonded Debt Outstanding  
Last Ten Fiscal Years**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Assessed Taxable Value of Property	Per Capita <sup>a)</sup>
2014	\$ 88,345,559	\$ 477,206	\$ 87,868,353	0.43 %	\$ 373.87
2015	89,388,275	450,745	88,937,530	0.42	373.93
2016	84,691,847	286,350	84,405,497	0.38	350.67
2017	80,802,769	153,507	80,649,262	0.34	331.09
2018	75,200,647	-	75,200,647	0.31	305.06
2019	69,241,413	509,991	68,731,422	0.27	275.51
2020	62,922,793	727,829	62,194,964	0.23	246.35
2021	55,883,275	502,683	55,380,592	0.20	216.76
2022	48,383,569	439,309	47,944,260	0.16	175.38
2023	40,806,831	476,124	40,330,707	0.13	145.71

<sup>a)</sup> per capita based on estimated district population

Source: Portland State University Center for Population Research and Census

**Tualatin Hills Park & Recreation District**  
**Direct And Overlapping Governmental Activities Debt**  
**June 30, 2023**

<u>Overlapping Government</u>	<u>Overlapping Debt</u>	<u>Percentage Applicable</u>	<u>Estimated Share of Overlapping Net Direct Debt</u>
Debt repaid with property taxes:			
Tualatin Hills Park & Recreation District	\$ 40,806,831	100.00 %	\$ 40,806,831
Direct debt	<u>40,806,831</u>		<u>40,806,831</u>
City of Beaverton	30,045,000	98.97	29,736,408
City of Hillsboro	80,890,000	0.02	13,023
City of Portland	689,700,080	0.01	77,936
City of Tigard	18,078,168	0.00	36
Metro	833,428,920	14.02	116,873,404
Multnomah County SD 1J, Portland	2,008,774,288	0.46	9,186,125
Multnomah ESD	79,158,416	0.34	268,347
Northwest Regional ESD	14,486,819	32.17	4,659,830
Port of Portland	39,375,000	12.79	5,036,889
Portland Community College	714,955,000	17.59	125,768,449
Tualatin Valley Fire & Rescue	60,945,000	43.89	26,747,907
Washington County	164,628,758	40.93	67,375,965
Washington County SD 1J Hillsboro	497,841,362	2.99	14,882,470
Washington County SD 23J Tigard Tualatin	298,969,280	0.03	94,773
Washington County SD 48J Beaverton	1,155,458,918	83.11	960,245,289
Overlapping debt	<u>6,686,735,009</u>		<u>1,360,966,851</u>
Other Debt:			
Tualatin Hills Park & Recreation District	10,900,031	100.00	10,900,031
Direct debt	<u>10,900,031</u>		<u>10,900,031</u>
City of Beaverton	254,768,431	98.97	252,144,316
City of Hillsboro	404,673,713	0.02	80,935
City of Portland	3,439,389,281	0.01	343,939
Clean Water Services	119,730,000	42.65	51,064,845
HFA Hillsboro	10,890,000	0.02	2,178
Home Forward	182,292,150	0.01	18,229
Metro	59,116,000	14.02	8,288,063
Multnomah County SD 1J, Portland	685,284,288	0.46	3,152,308
Multnomah ESD	79,158,416	0.34	269,139
Northwest Regional ESD	14,486,819	32.17	4,660,410
Port Of Portland	2,385,421,318	12.79	305,095,387
Portland Community College	200,820,000	17.59	35,324,238
Tri-Met	996,030,000	13.71	136,555,713
Tualatin Valley Water District	523,164,551	63.63	332,889,604
Washington County	100,983,758	40.93	41,332,652
Washington County Housing Authority	166,461,106	43.89	73,059,779
Washington Cty SD 1J (Hillsboro)	89,545,501	2.99	2,677,410
Washington County SD 23J Tigard Tualatin	21,759,280	0.03	6,528
Washington County SD 48J Beaverton	176,511,500	83.11	146,698,708
West Slope Water District	1,620,000	100.00	1,620,000
Overlapping debt	<u>10,037,872,280</u>		<u>1,395,284,381</u>
Total Tualatin Hills Park & Recreation District	51,706,862		51,706,862
Total overlapping debt	<u>16,724,607,289</u>		<u>2,756,251,232</u>
Total direct and overlapping debt	<u>\$ 16,776,314,151</u>		<u>\$ 2,807,958,094</u>

Note: Overlapping taxing jurisdictions are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the district.

Source: Oregon State Treasury, Municipal Debt Information System

**Tualatin Hills Park & Recreation District  
Legal Debt Margin Information  
Last Ten Fiscal Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt limit	\$ 658,629,120	\$ 729,790,362	\$ 785,457,334	\$ 882,226,721	\$ 985,942,715	\$ 1,086,266,344	\$ 1,124,419,523	\$ 1,265,243,664	\$ 1,351,967,457	\$ 1,587,981,730
Total net debt application to limit	<u>88,345,559</u>	<u>89,388,275</u>	<u>84,691,847</u>	<u>80,802,769</u>	<u>75,200,647</u>	<u>69,241,413</u>	<u>62,922,793</u>	<u>55,883,275</u>	<u>48,383,569</u>	<u>40,806,831</u>
Legal debt margin	<u>\$ 570,283,561</u>	<u>\$ 640,402,087</u>	<u>\$ 700,765,487</u>	<u>\$ 801,423,952</u>	<u>\$ 910,742,068</u>	<u>\$ 1,017,024,931</u>	<u>\$ 1,061,496,730</u>	<u>\$ 1,209,360,389</u>	<u>\$ 1,303,583,888</u>	<u>\$ 1,547,174,899</u>
Total net debt applicable to the limit as a percentage of debt limit	13.41%	12.25%	10.78%	9.16%	7.63%	6.37%	5.60%	4.42%	3.58%	2.57%

**Legal Debt Margin Calculation for Fiscal Year 2023**

Real market value (2022/23)	\$ 63,519,269,187
General obligation debt capacity (2.5% of Real market value)	1,587,981,730
Less: Outstanding debt	<u>40,806,831</u>
Remaining legal debt capacity	<u>\$ 1,547,174,899</u>

Source: Tualatin Hills Park and Recreation District

**Tualatin Hills Park & Recreation District  
Demographic And Economic Statistics  
Last Ten Fiscal Years**

<b>Washington County</b>						
Fiscal Year	District Population (estimated)	Population (estimated) <sup>a)</sup>	Personal Income		Unemployment Rate <sup>c)</sup>	School Enrollment <sup>d)</sup>
			(amounts expressed in thousands) <sup>b)</sup>	Per Capita Personal Income <sup>b)</sup>		
2014	235,026	562,998	28,387,146	50,542	5.8	39,088
2015	237,847	574,326	30,840,797	53,878	5.0	40,725
2016	240,701	582,779	32,076,558	55,044	4.6	40,715
2017	243,589	589,957	33,765,596	57,331	3.7	40,912
2018	246,512	597,695	36,442,209	60,999	3.6	41,016
2019	249,470	600,933	38,114,149	63,425	3.4	40,860
2020	252,464	603,514	40,333,177	66,831	10.4	41,215
2021	255,493	604,845	43,096,551	71,530	4.4	39,515
2022	273,375	609,219	44,040,839	72,291	3.6	38,975
2023	276,792	n/a	n/a	n/a	3.4	38,704

- Source: <sup>a)</sup> U.S. Census Bureau  
<sup>b)</sup> U.S. Dept. of Commerce, Bureau of Economic Analysis  
<sup>c)</sup> U.S. Dept. of Labor, Metropolitan District  
<sup>d)</sup> Beaverton School District

n/a data not available at time of printing

**Tualatin Hills Park & Recreation District  
Major Employment Industries In Washington County  
Current Year and Nine Years Ago**

Industry	2023		2014	
	Annual Average	Percentage of Total County Employment	Annual Average	Percentage of Total County Employment
Mining and logging	300	0.1 %	300	0.1 %
Construction	19,300	5.4	12,700	5.0
Manufacturing:				
Computer and electronic products	31,600		26,600	
Other durable goods	46,200		12,100	
Non-durable goods	<u>8,500</u>		<u>5,500</u>	
	86,300	24.3	44,200	17.2
Trade, transportation and utilities:				
Wholesale trade	14,600		12,500	
Retail trade	31,500		29,000	
Transportation, warehousing and utilities	<u>7,200</u>		<u>3,800</u>	
	53,300	15.0	45,300	17.7
Information	7,500	2.1	7,400	2.9
Financial activities	17,100	4.8	16,300	6.4
Professional and business services:				
Professional and technical services	16,800		13,400	
Management of companies and enterprises	17,900		11,700	
Administrative and waste services	<u>22,600</u>		<u>22,700</u>	
	57,300	16.1	47,800	18.7
Educational and health services	40,300	11.3	31,300	12.2
Leisure and hospitality	27,400	7.7	21,400	8.3
Other services	10,800	3.0	7,600	3.0
Government:				
Federal government	1,000		700	
State government	2,900		2,800	
Local government	20,800		7,600	
Local education	<u>11,700</u>		<u>10,900</u>	
	36,400	10.2	22,000	8.5
Total non-farm employment	<u>356,000</u>	<u>100.0 %</u>	<u>256,300</u>	<u>100.0 %</u>

Source: Oregon Labor Market Information System

**Tualatin Hills Park & Recreation District  
Full-Time Equivalent Employees By Function  
Last Ten Fiscal Years**

<b>Function</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Administration</b>										
Office of the General Manager	2	3	3	3	3	3	3	3	2	2
Human resources	-	-	-	-	-	-	-	-	6	8
Risk and contract management	-	-	-	-	-	-	-	-	-	3
Communications	7	7	7	8	8	8	8	8	6	7
Safety services	4	4	4	4	5	5	5	5	6	6
Information services	-	-	-	-	-	-	-	-	-	8
Community programs	-	-	-	-	-	-	-	-	9	9
Finance Director	-	-	-	-	-	-	-	-	-	1
Finance Services	-	-	-	-	-	-	-	-	-	9
Accounting & Budget	-	-	-	-	-	-	-	-	-	3
Community partnerships	-	1	1	1	1	1	1	1	-	-
<b>Business and facilities</b>										
Director	4	4	4	3	3	3	3	3	2	-
Finance services	7	7	7	6	7	7	10	10	8	-
Information services	5	5	5	5	6	6	6	6	6	-
Human resources	3	4	4	4	4	4	5	5	-	-
Risk and contract management	2	2	2	2	2	2	3	3	3	-
Budget and accounting	-	-	-	2	2	2	2	2	3	-
<b>Maintenance</b>										
Operations Manager	5	6	7	7	7	7	5	5	-	-
Park maintenance	43	45	45	46	-	-	-	-	-	-
Fleet maintenance	6	6	6	6	6	6	6	6	-	-
Athletic facilities	25	26	26	27	-	-	-	-	-	-
Building and pool maintenance	51	49	48	48	27	27	25	23	-	-
Park and athletic facilities north	-	-	-	-	35	35	36	36	-	-
Park and athletic facilities south	-	-	-	-	31	31	31	28	-	-
Planning	3	3	3	3	4	4	4	4	-	-
Design and development	9	8	7	6	7	7	7	7	-	-
<b>Park services</b>										
Director	-	-	-	-	-	-	-	-	2	2
Planning	-	-	-	-	-	-	-	-	4	4
Design and development	-	-	-	-	-	-	-	-	8	8
Nature and trails	-	-	-	-	-	-	-	-	15	14
<b>Maintenance</b>										
Operations Manager	-	-	-	-	-	-	-	-	2	3
Facility maintenance	-	-	-	-	-	-	-	-	8	8
Fleet maintenance	-	-	-	-	-	-	-	-	6	5
Park and athletic facilities north	-	-	-	-	-	-	-	-	35	30
Park and athletic facilities south	-	-	-	-	-	-	-	-	28	25
<b>Recreation services</b>										
Director	3	3	3	4	3	3	3	3	3	5
Maintenance coordination	-	-	-	-	-	-	-	-	10	13
Aquatics	77	79	83	78	78	78	80	76	79	81
Sports and Inclusion	29	30	45	58	62	62	63	61	105	106
Community programs	42	38	23	14	18	4	7	9	-	-
Recreation	100	100	101	108	130	144	151	149	135	147
Nature and trails	25	27	29	29	38	38	38	37	-	-
<b>Total full-time equivalent employees</b>	<b>452</b>	<b>457</b>	<b>463</b>	<b>472</b>	<b>487</b>	<b>487</b>	<b>502</b>	<b>490</b>	<b>491</b>	<b>507</b>

Source: Tualatin Hills Park and Recreation District

**Tualatin Hills Park & Recreation District  
Operating Indicators By Function  
Last Ten Fiscal Years**

	<b>2014 actual</b>	<b>2015 actual</b>	<b>2016 actual</b>	<b>2017 actual</b>	<b>2018 actual</b>	<b>2019 actual</b>	<b>2020 actual</b>	<b>2021 actual</b>	<b>2022 actual</b>	<b>2023 estimate</b>
<b>Recreation</b>										
<b>Cultural and recreational activities:</b>										
Aquatics										
Attendance at open/drop-in programs and classes	531,824	539,836	511,251	481,665	524,137	496,844	323,044	63,190	188,943	215,997
Number of classes held	4,823	5,029	5,237	4,289	4,128	5,347	3,816	-	957	1,403
Sports										
Attendance at open/drop-in programs and classes	607,130	781,490	792,878	652,680	750,272	755,094	608,480	93,949	501,494	570,630
Number of classes held	537	1,985	2,205	2,030	2,331	2,177	1,695	428	2,255	1,954
Recreation										
Attendance at open/drop-in programs and classes	1,022,117	929,397	983,487	984,343	995,770	973,541	941,337	455,732	423,127	779,910
Number of classes held	4,199	4,184	3,919	4,111	4,379	3,611	3,745	697	1,458	2,767
Community programs										
Attendance at open/drop-in programs and classes	265,174	140,440	141,000	143,000	145,000	148,198	21,050	-	51,689	100,281
Number of classes held	2,283	575	580	580	591	575	16	-	45	162
Nature and trails										
Attendance at open/drop-in programs and classes	197,877	233,790	234,967	249,189	250,310	249,407	279,528	239,012	226,139	232,295
Number of classes held	707	664	720	678	711	691	471	219	311	305
<b>Maintenance activities:</b>										
Buildings maintained (shown per 1,000 sq. ft)	461	461	461	461	461	461	461	461	461	461
Cost per sq. ft. of buildings	\$6.61	\$6.63	\$7.07	\$7.00	\$6.55	\$6.52	\$8.83	\$8.76	\$8.76	\$10.13
Pool facilities maintained (shown per 1,000 sq. ft.)	117	117	125	125	125	125	125	125	125	125
Cost per sq. ft. of pools	\$16.29	\$17.28	\$15.35	\$15.34	\$16.66	\$16.42	\$18.49	\$20.33	\$22.50	\$24.99
Parks maintained - developed acres	1,052	1,062	1,067	1,089	1,089	1,098	1,103	1,114	1,124	1,127
Cost per developed acre	\$2,740	\$2,892	\$3,133	\$3,288	\$3,288	\$2,737	\$2,843	\$2,433	\$2,952	\$2,282
Parks maintained - undeveloped acres	1,236	1,244	1,276	1,290	1,290	1,308	1,346	1,371	1,371	1,377
Cost per undeveloped acre	\$260	\$274	\$293	\$308	\$308	\$255	\$259	\$224	\$269	\$207
Vehicle and equipment units maintained	490	490	502	514	530	540	657	651	654	670
Cost per vehicle and equipment unit	\$1,801	\$1,768	\$1,653	\$1,720	\$1,709	\$1,677	\$1,564	\$1,579	\$1,859	\$1,524

Source: Tualatin Hills Park & Recreation District

**Tualatin Hills Park & Recreation District  
Capital Asset Statistics By Function  
June 30, 2023**

**Parks and Recreation:**

Number of parks	305
Park acreage:	
Developed sites (neighborhood, community and regional parks)	1,127
Undeveloped sites (wetlands and natural areas)	1,377
Pathways and trails mileage	68
Lakes	3
Stream corridor mileage	27

**Facilities:**

Swim Centers:	
Indoor	5
Outdoor	2
Recreation Centers	2
Combined Recreation/Aquatic Center	1
Athletic Center	1
Senior Center	1
Historical Facilities (weddings, meetings, community events)	3
Interpretive Centers/Nature Parks	2
Tennis Center	1
Camp Rivendale (developmentally disabled patrons)	1

**Fields and courts:**

Tennis:	
Indoor	6
Outdoor <sup>1)</sup>	104
Basketball:	
Indoor	10
Outdoor <sup>1)</sup>	50
Volleyball <sup>1)</sup>	6
Sports fields: <sup>1)</sup>	
Soccer/football/lacrosse	147
Softball/baseball	104
Bocce	4
Hockey	1
Indoor running track	1
Skate park	3

<sup>1)</sup> these facilities are maintained either through direct ownership or joint use agreement

Source: Tualatin Hills Park and Recreation District



## Audit Comments and Disclosures





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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL  
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
OREGON STATE REGULATIONS**

Board of Directors  
Tualatin Hills Park & Recreation District  
Beaverton, Oregon

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Tualatin Hills Park & Recreation District, Beaverton, Oregon (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 19, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

**Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).



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In connection with our testing, nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, except as follows:

- The District's deposits in the Local Government Investment Pool exceeded the limit set by ORS 294.810 of no more than 10 consecutive business days by one day.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### **Other Disclosures**

The District reported a deficit fund balance of \$49,382 in the Metro Bond Local Share Capital Fund.

### **Purpose of This Report**

This report is intended solely for the information and use of the Board of Directors, Oregon Secretary of State Audits Division, and management and is not intended to be and should not be used by anyone other than these specified parties.

*Talbot, Kowolot Warwick, LLP*

Portland, Oregon  
December 19, 2023