

**CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2015



12700 SW 72nd Ave.
Tigard, OR 97223

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2015

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

2014-15 FINANCIAL REPORT

Don Loving, President	June 30, 2015
Peter Siderius, Vice President	June 30, 2017
Bart Rierson, Secretary / Treasurer	June 30, 2015
Mike McBride	June 30, 2017
Mike Ragsdale	June 30, 2017

Board members receive mail at the District address listed below

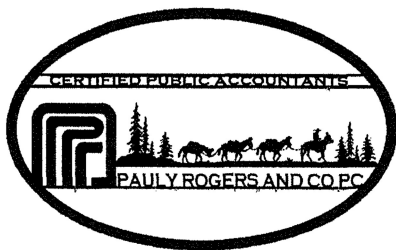
ADMINISTRATION

W. Don Clements, Superintendent and Registered Agent
125 S Elliott Road
Newberg, Oregon 97132

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
 <u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Management's Discussion and Analysis	3
 <u>BASIC FINANCIAL STATEMENTS</u>	
Government-wide Financial Statements	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements	
Balance Sheet – Governmental Funds	9
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	11
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	12
Notes to Basic Financial Statements	13
 <u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	24
 <u>SUPPLEMENTARY INFORMATION</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual –	
System Development Fund	25
Debt Service Fund	26
Reserve for Equipment and Major Maintenance Fund	27
Pool Bond Fund	28
Schedule of Property Tax Transactions and Balances of Taxes Uncollected	29
 <u>OTHER INFORMATION</u>	
Schedule of Expenditures by Department – Budget and Actual – General Fund	30
 <u>REPORTS ON LEGAL AND OTHER REGULATORY REQUIREMENTS</u>	
Independent Auditors' Report Required by Oregon State Regulations	31



PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcpcpas.com

March 17, 2016

To the Board of Directors
Chehalem Parks and Recreation District
Yamhill County, Oregon

INDEPENDENT AUDITORS' REPORT

Report on the Basic Financial Statements

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Chehalem Parks and Recreation District, as of and for the year ended June 30, 2015, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Basic Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the basic financial statements 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 internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Chehalem Parks and Recreation District, as of June 30, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 management's discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison schedule presented as Required Supplementary Information, as listed in the table of contents, 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 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, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary Information

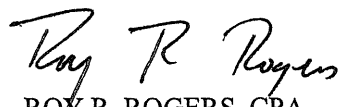
Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, 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. Such 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The listing of board members containing their term expiration dates, located before the table of contents, and the other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated March 17, 2016, on our consideration of 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.


ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

**CHEHALEM PARKS AND RECREATION DISTRICT
NEWBERG, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

This section of Chehalem Parks and Recreation District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2015. Please read it in conjunction with the District's financial statements and notes, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position was \$16,280,468 at June 30, 2015.
- During the year, the District's net position increased by \$322,312.
- The general fund reported a fund balance this year of \$704,640.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

This annual report consists of three parts: *management's discussion and analysis* (this section), the *basic financial statements* and *supplementary information*. The basic financial statements include two kinds of statements that present different views of the District:

Government-wide Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. These statements include:

The *Statement of Net Position*: The Statement of Net Position presents information on all of the assets and liabilities of the District at year-end. Net position is what remains after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net position serves as a useful indicator of whether the financial position of the District is improving or deteriorating. It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

The *Statement of Activities*: The Statement of Activities presents information showing how the net position of the District changed over the year tracking revenues, expenses and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

In the government-wide financial statements the District's activities are shown in one category:

- *Governmental activities* - The District's basic functions are shown here, such as parks and facilities expense. These activities are primarily financed through user fees and property taxes.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's *funds* - not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. The District has four funds, three of which are considered to be major funds under the provisions of GASB 34.

The District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's main sources of revenue are taxes. The District's main disbursements are personnel services.

	2014-15	2013-14
ASSETS		
Current Assets	\$ 21,492,038	\$ 13,110,527
Capital Assets	19,649,396	8,224,879
Total Assets	41,141,434	21,335,406
LIABILITIES		
Current Liabilities	1,025,674	217,250
Noncurrent Liabilities	23,884,018	5,290,000
Total Liabilities	24,909,692	5,507,250
Net Position		
Net Investment in Capital Assets	(5,020,604)	14,759,690
Restricted	20,416,714	236,047
Unrestricted	884,358	886,018
Total Net Position	\$ 16,280,468	\$ 15,881,755

	<u>2014-15</u>	<u>2013-14</u>
REVENUES		
General Revenues		
Charges for Services	\$ 3,572,406	\$ 2,682,967
Property Taxes	2,593,595	2,367,166
Interest and Investment Earnings	<u>11,096</u>	<u>3,468</u>
Total Revenues	<u>6,177,097</u>	<u>5,053,601</u>
EXPENSES		
Parks	5,343,836	5,343,836
Interest on Long-Term Debt	<u>510,949</u>	<u>510,949</u>
Total Expenses	<u>5,854,785</u>	<u>5,854,785</u>
Change in Net Position	322,312	(801,184)
Prior period adjustment	130,000	-
Beginning Net Position	<u>15,828,156</u>	<u>16,326,859</u>
Ending Net Position	<u>\$ 16,280,468</u>	<u>\$ 15,525,675</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental fund balances totaled \$823,184 at June 30, 2014. A summary of changes in governmental fund balances follows:

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Change</u>
General Fund	\$ 704,640	\$ 587,137	\$ 117,503
System Development Fund	342,550	205,545	137,005
Pool Bond Fund	20,043,521		20,043,521
Debt Service	<u>30,643</u>	<u>30,502</u>	<u>141</u>
	<u>\$ 21,121,354</u>	<u>\$ 823,184</u>	<u>\$ 20,298,170</u>

CAPITAL ASSETS

At June 30, 2015, the District had \$19,649,396 invested in capital assets net of depreciation. More detailed information about the District's capital assets is presented in the notes to the financial statements.

LONG-TERM DEBT

At June 30, 2015, the District had outstanding debt payable of \$24,755,888. More detailed information about the District's long-term debt is presented in the notes to the financial statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our taxpayers, ratepayers, investors and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please contact Don Clements at the Chehalem Parks and Recreation District. Our address is 125 S Elliott Rd., Newberg, OR 97132.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2015

ASSETS

Cash and Cash Equivalents	\$ 21,051,752
Accounts Receivable	82,083
Taxes Receivable	250,785
Supply Inventory	56,384
Prepaid Expenses	51,034
Capital Assets not being depreciated	12,115,425
Capital Assets, net of accumulated depreciation	<u>7,533,971</u>
 Total Assets	 <u>41,141,434</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred Charge on Refunding	<u>48,726</u>
------------------------------	---------------

LIABILITIES

Current Liabilities:

Accounts Payable	35,724
Unearned Revenue	42,747
Compensated Absences	75,333
Long-term Debt – Current Portion	<u>871,870</u>

Total Current Liabilities	<u>1,025,674</u>
---------------------------	------------------

Noncurrent Liabilities:

Long-term Debt	<u>23,884,018</u>
----------------	-------------------

Total Liabilities	<u>24,909,692</u>
-------------------	-------------------

NET POSITION

Net Investment in Capital Assets	(5,020,604)
Restricted	20,416,714
Unrestricted	<u>884,358</u>
 Total Net Position	 <u><u>\$ 16,280,468</u></u>

See accompanying notes to basic financial statements

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

STATEMENT OF ACTIVITIES

June 30, 2015

<u>FUNCTIONS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES CHARGES FOR SERVICES</u>	<u>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION</u>
Parks	\$ 5,343,836	\$ 3,572,406	\$ (1,771,430)
Interest on Long-term Debt	<u>510,949</u>	<u>-</u>	<u>(510,949)</u>
Total Governmental Activities	<u>\$ 5,854,785</u>	<u>\$ 3,572,406</u>	<u>\$ (2,282,379)</u>
General Revenues:			
Property Taxes			2,593,595
Interest and Investment Earnings			<u>11,096</u>
Total General Revenues			<u>2,604,691</u>
Changes in Net Position			322,312
Prior Period Adjustment			130,000
Net Position – Beginning			<u>15,828,156</u>
Net Position – Ending			<u>\$ 16,280,468</u>

See accompanying notes to basic financial statements

**CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON**

BALANCE SHEET – GOVERNMENTAL FUNDS

June 30, 2015

	GENERAL FUND	SYSTEM DEVELOPMENT FUND	DEBT SERVICE FUND	POOL BOND FUND	TOTAL
ASSETS					
Cash and Investments	\$ 659,159	\$ 318,429	\$ 30,643	\$ 20,043,521	\$ 21,051,752
Accounts Receivable	57,962	24,121	-	-	82,083
Taxes Receivable	250,785	-	-	-	250,785
Prepaid Expenditures	51,034	-	-	-	51,034
Total Assets	\$ 1,018,940	\$ 342,550	\$ 30,643	\$ 20,043,521	\$ 21,435,654
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities					
Accounts Payable	\$ 35,724	\$ -	\$ -	\$ -	\$ 35,724
Unearned Revenue	42,747	-	-	-	42,747
Total Liabilities	78,471	-	-	-	78,471
Deferred Inflows of Resources					
Unavailable Revenue-Property Taxes	235,829	-	-	-	235,829
Fund Balance					
Nonspendable	51,034	-	-	-	51,034
Restricted for Acquisition and Development	-	342,550	-	20,043,521	20,386,071
Restricted for Debt Service	-	-	30,643	-	30,643
Committed for Maintenance	-	-	-	-	-
Unassigned	653,606	-	-	-	653,606
Total Fund Balance	704,640	342,550	30,643	20,043,521	21,121,354
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,018,940	\$ 342,550	\$ 30,643	\$ 20,043,521	\$ 21,435,654

See accompanying notes to basic financial statements

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2015

Total Fund Balances - Governmental Funds	\$ 21,121,354
--	---------------

The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets as a whole.

Net Capital Assets	19,649,396
--------------------	------------

Inventory is not accounted for in the governmental funds as it is recorded on the purchase method instead of the consumption method.	56,384
--	--------

Long-term liabilities applicable to the governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.

Long term Liabilities			
Bonds payable		(24,670,000)	
Bond premium		(85,888)	
Deferred charge on refunding		<u>48,726</u>	(24,707,162)

Compensated Absences Payable not accounted for in governmental funds	(75,333)
--	----------

Property taxes receivable and other receivables will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.	<u>235,829</u>
--	----------------

Net Position	<u><u>\$ 16,280,468</u></u>
--------------	-----------------------------

See accompanying notes to basic financial statements

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015

	GENERAL FUND	SYSTEM DEVELOPMENT FUND	DEBT SERVICE FUND	POOL BOND FUND	TOTALS
REVENUES					
Taxes	\$ 2,601,163	\$ -	\$ -	\$ -	2,601,163
Earnings on Investments	3,296	26	141	7,633	11,096
Parks	30,648	-	-	-	30,648
Concession Income	13,900	-	-	-	13,900
Sports Receipts	292,474	-	-	-	292,474
Recreation	109,480	-	-	-	109,480
Preschool	34,418	-	-	-	34,418
Community School	40,957	-	-	-	40,957
Community Center/Scout House	99,764	-	-	-	99,764
Paddle Launch	16,294	-	-	-	16,294
Pool Receipts	454,478	-	-	-	454,478
Playgrounds/Centers	471,746	-	-	-	471,746
Golf Club House	1,340,445	-	-	-	1,340,445
SDC Income	-	314,139	-	-	314,139
Miscellaneous Income	353,663	-	-	-	353,663
Total Revenues	5,862,726	314,165	141	7,633	6,184,665
EXPENDITURES					
Current:					
Personal Services	2,227,553	-	-	-	2,227,553
Materials and Services	2,085,398	-	-	-	2,085,398
Capital Outlay	432,597	177,160	-	-	609,757
Debt Service	-	-	949,675	-	949,675
Total Expenditures	4,745,548	177,160	949,675	-	5,872,383
Excess of Revenues Over (Under) Expenditures	1,117,178	137,005	(949,534)	7,633	312,282
OTHER FINANCING SOURCES (USES)					
Bond Proceeds	-	-	-	19,900,000	19,900,000
Bond Premium	-	-	-	85,888	85,888
Transfers In	-	-	949,675	50,000	999,675
Transfers Out	(999,675)	-	-	-	(999,675)
Total Other Financing Sources (Uses)	(999,675)	-	949,675	20,035,888	19,985,888
Net Change in Fund Balance	117,502	137,005	141	20,043,521	20,298,169
Beginning Fund Balance	587,137	205,545	30,502	-	823,184
Ending Fund Balance	\$ 704,640	\$ 342,550	\$ 30,643	\$ 20,043,521	\$ 21,121,354

See accompanying notes to basic financial statements

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
For the Year Ended June 30, 2015**

Total Net Changes in Fund Balances - Governmental Funds	\$ 20,298,169
---	---------------

Repayment of bond principal, capital leases and post-retirement obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Additions to bond principal, capital leases and post-retirement obligations is an expense for the Statement of Net Position, but not the governmental funds.

Additions to Long-Term Debt	\$ (19,985,888)	
Long-term Debt Principal Reduction	390,000	
Compensated Absences	<u>(8,464)</u>	(19,555,626)

Capital asset additions are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions exceeds depreciation.

Capital Asset Additions	290,615	
Depreciation Expense	<u>(690,908)</u>	(400,293)

In the governmental funds, inventory is accounted for with a reserve account. In the Statement of Activities, the changes in inventory during the year is recognized as an expense. In prior years, prepaids was handled the same way, but is removed in this reconciliation as it is reported in the governmental funds.

Change in Inventory		(12,370)
---------------------	--	----------

Because some property taxes and other receivables will not be collected for several months after the District's fiscal year end, they are not considered as "available" revenues in the governmental funds, and are instead recorded as unavailable revenue. They are, however, recorded as revenue in the Statement of Activities.

(7,568)

Change in Net Position of Governmental Activities	<u><u>\$ 322,312</u></u>
---	--------------------------

See accompanying notes to basic financial statements

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

The Chehalem Parks and Recreation District is a municipal corporation governed by an elected five-member board. Accounting principles general accepted in the United States of America require that these financial statements present Chehalem Parks and Recreation District (the primary government) and all component units, if any. Component units, as established by the GASB Statement No. 61, are separate organizations that are included in the reporting entity because of the significance of their operational or financial relationships with the District. All significant activities and organizations with which the District exercises oversight responsibility have been considered for inclusion in the basic financial statements. There are no component units.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and Statement of Activities display information about the District as a whole.

The Statement of Net Position and Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting for exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting for nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the general revenues.

All direct expenses are reported by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

In the process of aggregating data for the Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

FUND EQUITY

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, is followed. The objective of this statement was to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, there are five balance classifications: *non-spendable*, *restricted*, *committed*, *assigned* and *unassigned*.

- Non-spendable represents amounts that are not in a spendable form. The Non-spendable fund balance represents prepaid items.
- Restricted represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirement or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as *restricted* or *committed*. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned 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 District 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 *unassigned*.

There were no assigned fund balances as of June 30, 2015.

GOVERNMENTAL FUNDS

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 measureable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a 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 payment is due.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

GOVERNMENTAL FUNDS (continued)

Property taxes, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable that is due within the current fiscal period is considered to be measureable to accrue as revenue of the current period. All other revenue items are considered to be measureable and available only when cash is received.

There are the following major funds:

GENERAL FUND

This fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund. The principal revenue sources are property taxes, pool receipts, golf receipts, recreational income and state grants.

SYSTEM DEVELOPMENT FUND

The System Development Fund was established to handle monies received from new homes built within the District limits. It helps fund expansions due to a larger volume of residents in the area utilizing the facilities.

DEBT SERVICE FUND

The Debt Service Fund was established to account for payments made to retire lease purchases. The principal financing source is transfers from the General Fund.

C. BUDGET

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles, except for budgetary purposes, depreciation is not recorded; capital outlay, prepaid items and supply inventory are expensed when purchased; taxes are recorded as revenue when received and debt is an expenditure when paid.

Expenditure budgets are appropriated at the following levels for each fund:

- Personnel Services
- Materials and Services
- Capital Outlay, Development, Improvement and Acquisition
- Interfund Transfers
- Debt Service
- Contingency

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. BUDGET (continued)

Expenditures cannot legally exceed appropriations except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year-end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal levels of control) are not changed. Supplemental appropriations may occur if the Board approves them due to a need which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements include the original budget amounts and approved transfers between appropriations. Appropriations lapse at the end of the year.

Expenditures of the various funds were within authorized appropriations.

D. PROPERTY TAXES RECEIVABLE

In the government-wide financial statements, uncollected property taxes are recorded on the Statement of Net Position. In the fund financial statements, property taxes that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as unavailable revenue because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary by management, as uncollectible taxes become a lien on the property. Property taxes are levied on all taxable property as of July 1, the beginning of the fiscal year, and become a lien on that date. Property taxes are payable on November 15, February 15 and May 15. 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.

E. CAPITAL ASSETS

Capital assets are recorded at their original or estimated cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial cost of more than \$5,000 and an estimated life in excess of one year. Interest incurred during construction, maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. Costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings	30 years
Equipment	10 to 20 years

F. PENSION PLAN

A defined contribution 401(k) pension plan is participated in through Principal Mutual Life Insurance Company. Employees may contribute 1 to 10 percent of their salary to the plan, and the District will pay up to 8 percent of the employee's salary, based on the amount the employee elects to contribute.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. VESTED COMPENSATED ABSENCES

It is the policy to permit employees to accumulate earned unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when employees separate from service. All unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirement.

H. SUPPLY INVENTORIES

Inventories purchased are valued at cost (first-in, first-out method). Any donated inventories are valued at their estimated fair market value. Inventories purchased have been charged as expenditures in the financial statements when purchased in the budgetary statements.

I. ESTIMATES

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

J. LONG-TERM DEBT

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, bond premiums and discounts are recognized when incurred and not deferred. The face amount of the debt issued, premiums received on debt issuances and discounts are reported as other financing sources and uses.

K. NET POSITION

Net position comprises the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

Net Investment in Capital Assets – consists of all capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. NET POSITION (continued)

When both restricted and unrestricted assets are available, it is policy to first use restricted assets, then unrestricted as needed.

L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods, and so will not be recognized as an outflow of resources (expenditure) until then. The District has only one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

2. CASH AND INVESTMENTS

Cash and investments at June 30, 2015 (recorded at fair value) consisted of:

Deposits with Financial Institutions	
Demand Deposits	\$ 478,793
Investments	<u>20,572,970</u>
Total	<u>\$ 21,051,763</u>

There are the following investments and maturities:

Investment Type	Fair Value	Maturity (in months)		
		Less than 3	3 - 17	18 - 59
State Treasurer's Investment Pool	<u>\$ 20,572,970</u>	<u>\$ 20,572,970</u>	<u>\$ -</u>	<u>\$ -</u>

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (Continued)

DEPOSITS

Deposits with financial institutions consist of bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. Effective July 1, 2008, state statutes (ORS 295.002) allow public officials to deposit public funds in one or more depositories currently qualified pursuant to ORS 295.001 to 295.108. As long as the bank depository has entered in an agreement [ORS 295.008(2)(b)] and has deposited securities pursuant to state statutes [ORS 295.015(1)], there may now be on deposit at any one bank depository and its branches a sum in excess of the amount insured by the Federal Deposit Insurance Corporation.

CREDIT RISK – DEPOSITS

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2015, the bank balance of \$633,3390 was fully insured or collateralized under the Oregon Public Funds Collateralization Program.

INVESTMENTS

State statutes governing cash management are followed. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities and the Oregon State Treasurer's Local Government Investment Pool.

The State Treasurer's Local Government Investment Pool is not registered with the U. S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the state's investment policies. The State Treasurer is the investment office for the Council and is responsible for all funds in the State Treasury. These funds must be invested, and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the Fund are further governed by portfolio guidelines issued by the Oregon Short-term Fund Board (OSTFB), which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions, as well as investments in repurchase agreements and reverse repurchase agreements.

Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. As of June 30, 2015, there is not material difference between the fair value of the District's position in the State Treasurer's Local Investment Pool and the value of the pool shares.

INTEREST RATE RISK

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date beyond three months.

CUSTODIAL CREDIT RISK

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from U. S. Government agencies or USGSE. The State Investment Pool is not rated.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (continued)

CONCENTRATION OF CREDIT RISK

At June 30, 2015, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in either of these instruments. Oregon Revised Statutes require no more than 25% of the monies of local government to be invested in banker's acceptances or any qualified financial institution. At June 30, 2015, investments were compliant with all percentage restrictions.

3. CAPITAL ASSETS

The changes in capital assets for the year ended June 30, 2015 are as follows:

	Balance July 1, 2014	Adjustments	Additions	Deletions	Balance June 30, 2015
Land	\$ 11,824,811	\$ -	\$ 290,614	\$ -	\$ 12,115,425
Land Improvements	597,769	(12,145)	-	-	585,624
Buildings and Improvements	7,505,411	(410,625)	-	(22,100)	7,072,686
Golf Course	5,332,132	1,019,099	-	-	6,351,231
Vehicles and Equipment	2,481,023	(596,329)	-	(72,476)	1,812,218
 Total Capital Assets	 27,741,146	 -	 290,614	 (94,576)	 27,937,184
 Accumulated Depreciation					
Land and Improvements	-	108,145	20,693	-	128,838
Buildings and Improvements	4,485,531	(553,018)	214,386	(22,100)	4,124,799
Golf Course	469,113	1,917,550	309,057	-	2,695,720
Vehicles and Equipment	2,736,812	(1,416,220)	90,315	(72,476)	1,338,431
 Total Accumulated Depreciation	 7,691,456	 56,457	 634,451	 (94,576)	 8,287,788
 Capital Assets, Net	 <u>\$ 20,049,690</u>	 <u>\$ (56,457)</u>	 <u>\$ (343,837)</u>	 <u>\$ -</u>	 <u>\$ 19,649,396</u>

Depreciation of \$634,451 was allocated to the Parks function.

Adjustments were made to reconcile account differences with the books. A total of \$94,576 was disposed of in the current year.

4. PENSION PLAN

Pension benefits are provided to all full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. A 401(k) plan offered through Principal Mutual Life Insurance is available to employees. Employees may contribute 1 to 10 percent of their salary to the plan. In addition, the District will pay 8 percent of the employee's salary if the employee contributes 4 or more percent. If the employee contributes less than 4 percent, the District will pay according to a sliding scale. Contributions paid by the District were \$122,430, \$117,570, and \$114,604, respectively, for the years ended June 30, 2015, 2014, and 2013. The plan was fully funded on June 30, 2015.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. JOINT VENTURES

During the year ended June 30, 1995, an inter-governmental agreement was entered into with the Newberg School District and the City of Newberg. The agreement was made to undertake the Combined Crater Site Projects, which includes, among other things, construction of an elementary school, a middle school, a Senior Center and four official tournament-sized softball fields on property owned by the School District and the District. The District is responsible for costs related to operation of the Senior Center and softball fields. The agreement also includes an operating lease whereby the District leases the property for the Senior Center from the School District for \$1 per year for a term of 99 years.

The School District shall have sole responsibility for the cost of maintenance of the facilities located upon the school site, except that the District shall have the sole responsibility for the cost of maintenance for the Senior Center on property leased from the School District. The District and the School District have each capitalized their own portion of the above projects; therefore, there is no separate financial statement for the joint venture.

6. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omission; injuries to employees; or natural disasters. Commercial insurance is purchased to minimize exposure to these risks. Settled claims for the last three years have not exceeded this commercial coverage.

7. PROPERTY TAX LIMITATIONS

The State of Oregon imposes a constitutional limit on property taxes for schools and non-school government operations. School operations include community colleges, local school districts and education service districts. The limitation provides that property taxes for non-school operations are limited to \$10.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

The State further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values, less 10%, and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirement for most tax and many fee increases and now bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

8. POST-EMPLOYMENT BENEFITS

The actuary has determined that there is no implicit rate subsidy required to be recognized under GASB 45.

9. LONG-TERM DEBT

All long-term debt obligations are payable from the General Fund and the Debt Service Fund. Interest rates vary between 4.0 percent and 6.5 percent. The following changes occurred in long-term debt for the year ended June 30, 2015:

	Capital Leases	Deferred Charge on Refunding	GO Bond	Full Faith and Credit	Total
Balance at July 1, 2014	\$ 95,000	\$ 53,599	\$ -	\$ 5,195,000	\$ 5,343,599
Additions	-	-	19,900,000	-	19,900,000
Reductions	95,000	4,873	-	425,000	524,873
Balance at June 30, 2015	<u>\$ -</u>	<u>\$ 48,726</u>	<u>\$19,900,000</u>	<u>\$4,770,000</u>	<u>\$24,718,726</u>

**CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

9. LONG-TERM DEBT (CONTINUED)

	Deferred Charge on Refunding	GO Bond	Full Faith and Credit	Total	Interest
Amounts Payable in Fiscal Year					
2015-16	\$ 4,873	\$ 390,000	\$ 425,000	\$ 819,873	\$ 928,278
2016-17	4,872	485,000	440,000	929,872	877,288
2017-18	4,873	525,000	455,000	984,873	846,100
2018-19	4,872	570,000	460,000	1,034,872	812,688
2019-20	4,873	610,000	485,000	1,099,873	777,038
2020-25	24,363	3,855,000	2,260,000	6,139,363	3,168,881
2025-30	-	5,570,000	245,000	5,815,000	2,022,888
	-	7,895,000	-	7,895,000	886,200
Total	<u>\$ 48,726</u>	<u>\$19,900,000</u>	<u>\$4,770,000</u>	<u>\$24,718,726</u>	<u>\$10,319,361</u>

REFUNDING CERTIFICATES OF PARTICIPATION

In February 2002, a refunding certificate of participation was issued. The proceeds of the new debt were placed in an irrevocable trust to provide for future debt service payments on the 1995, 1996 and 1997 capital leases. Accordingly, the trust account assets and liability for the defeased capital leases are not included in the basic financial statements.

FULL FAITH AND CREDIT BONDS

Full faith and credit obligation bonds are direct obligations and pledge the full faith and credit of the District. Full faith and credit obligation bonds are issued to provide funds for the acquisition and construction of a golf course.

In May 2014, \$1,735,000 of full faith and credit obligation bonds were issued to refinance \$1,640,000 of the 2004 full faith and credit obligation bonds. A portion of the net proceeds of \$1,676,528 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds.

The following full faith and credit obligations were outstanding at June 30, 2015:

Amount	Rates	Maturity	Balance
\$ 1,665,000	4.00%	2022	\$ 905,000
3,200,000	4.25-5.00%	2026	2,165,000
2,750,000	2.00-4.75%	2024	-
1,735,000	4.00-4.75%	2024	1,700,000

POOL GENERAL OBLIGATION BOND 2015

In April of 2015 general obligation bonds-Series 2015 were issued in the amount of \$19,900,000 with current interest bonds at 4%. Bond 2015 interest payments begin June 15, 2016 and end June 15, 2035. The premium for the G.O. Bond is \$537,391.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

FLEX LEASE

The following flex lease issue was outstanding at June 30, 2015:

<u>Original Amount</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Principal Balance</u>
\$ 775,000	4.50-6.50%	1/1/2015	\$ -

10. OPERATING AND OTHER LEASES

Several parks are leased from the City of Newberg at no cost. During the year ended June 30, 1995 these leases were extended for 99 years. Crabtree Park is leased from Yamhill County at no cost for a 25-year period ending on May 9, 2018. Leasehold improvements made to these parks will revert to the owners of the property in the event of non-renewal of the lease.

Operating lease agreements have been entered into for six copiers and printers. The monthly payments range from \$46 to \$917.

The future minimum operating lease payments are as follows:

<u>Year Ended June 30,</u>	<u>Amount</u>
2016	\$ 8,077
2017	2,484
2018	2,484
2019	828
Total	<u>\$ 13,873</u>

11. INTERFUND TRANSFERS

The following transfers occurred during fiscal year 2014-15 to fund debt payments and fund operations:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 999,675
Debt Service Fund	949,675	-
Pool Bond Fund	<u>50,000</u>	<u>-</u>
Total	<u>\$ 999,675</u>	<u>\$ 999,675</u>

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Property Tax:				
Current Year	\$ 2,349,530	\$ 2,349,530	\$ 2,425,949	\$ 76,419
Prior Years	60,000	60,000	175,214	115,214
Earnings on Investments	3,500	3,500	3,273	(227)
Parks	35,737	35,737	30,648	(5,089)
Sports:				
Concession Income	50,240	50,240	13,900	(36,340)
Sports Receipts	323,833	323,833	292,474	(31,359)
Recreation:				
Recreation	147,700	147,700	109,480	(38,220)
Preschool	48,450	48,450	34,418	(14,032)
Community School	68,100	68,100	40,957	(27,143)
Community Center/Scout House	145,800	145,800	99,764	(46,036)
Paddle Launch	-	-	16,294	16,294
Pool Receipts	426,925	426,925	454,478	27,553
Playgrounds/Centers	376,900	376,900	471,746	94,846
Golf Club House	1,442,500	1,442,500	1,340,445	(102,055)
Rec Adjustment	61,500	61,500	258	(61,242)
Miscellaneous Income	550,000	550,000	353,405	(196,595)
 Total Revenues	 6,090,715	 6,090,715	 5,862,703	 (228,012)

Continued on page 24a

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES				
Personnel Services	\$ 2,428,637	\$ 2,428,637 (1)	\$ 2,227,553	\$ 201,084
Materials and Services	2,568,307	2,568,307 (1)	2,085,398	482,909
Capital Outlay, Development, Improvement and Acquisition	433,808	433,808 (1)	432,597	1,211
Contingency	-	- (1)	-	-
Total Expenditures *	<u>5,430,752</u>	<u>5,430,752</u>	<u>4,745,548</u>	<u>685,204</u>
Excess of Revenues Over (Under) Expenditures	659,963	659,963	1,117,155	457,192
OTHER FINANCING SOURCES (USES)				
Short Term Loan Repayment	-	-	-	-
Transfers Out	<u>(1,214,238)</u>	<u>(1,214,238)</u>	<u>(946,119)</u>	<u>268,119</u>
Total Other Financing Sources (Uses)	<u>(1,214,238)</u>	<u>(1,214,238) (1)</u>	<u>(946,119)</u>	<u>268,119</u>
Net Change in Fund Balance	(554,275)	(554,275)	171,035	725,310
Beginning Fund Balance	<u>554,275</u>	<u>554,275</u>	<u>533,604</u>	<u>(20,671)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>704,640</u>	<u>\$ 704,640</u>
Reconciliation to Governmental Fund Balance as required by GASB 54				
Ending Fund Balance:				
Reserve for Equipment			<u>-</u>	
			<u>\$ 704,640</u>	

(1) Appropriation level

Continued from page 24

* Expenditure detail by Department follows on pages 29a through 29n.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SUPPLEMENTARY INFORMATION

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2015

SYSTEM DEVELOPMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
SDC Income	\$ 157,000	\$ 157,000	\$ 314,139	\$ 157,139
Interest Earned	160	160	26	(134)
Total Revenues	157,160	157,160	314,165	157,005
EXPENDITURES:				
Capital, Development, Improvement & Acquisition	177,160	177,160 (1)	177,160	-
Net Change in Fund Balance	(20,000)	(20,000)	137,005	157,005
Beginning Fund Balance	20,000	20,000	205,545	185,545
Ending Fund Balance	\$ -	\$ -	\$ 342,550	\$ 342,550

(1) Appropriation level

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2015

DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Interest Earned	\$ 175	\$ 175	\$ 141	\$ (34)
Total Revenue	175	175	141	(34)
EXPENDITURES:				
Capital Outlay	30,510	30,510 (1)	-	30,510
Debt Service	1,214,238	1,214,238 (1)	949,675	264,563
Total Expenditures	1,244,748	1,244,748	949,675	295,073
Excess of Revenues Over (Under) Expenditures	(1,244,573)	(1,244,573)	(949,534)	295,039
OTHER FINANCING SOURCES (USES):				
Transfers In	714,238	714,238	949,675	235,437
Loan Proceeds	500,000	500,000	-	(500,000)
Total Other Financing Sources (Uses)	1,214,238	1,214,238	949,675	(264,563)
Net Change in Fund Balance	(30,335)	(30,335)	141	30,476
Beginning Fund Balance	30,335	30,335	30,502	167
Ending Fund Balance	\$ -	\$ -	\$ 30,643	\$ 30,643

(1) Appropriation level

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2015

RESERVE FOR EQUIPMENT AND MAJOR MAINTENANCE FUND

no budget for this fund in 2015

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Interest Earned	\$ -	\$ -	\$ 23	\$ -
EXPENDITURES				
Capital, Development, Improvement & Acquisition	-	- (1)	-	-
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(53,556)	(53,556)
Net Change in Fund Balance	-	-	(53,533)	(53,533)
Beginning Fund Balance	-	-	53,533	53,533
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB 54 because there are no restricted or committed revenues.

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>POOL BOND FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Interest Earned	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,633</u>	<u>\$ 7,633</u>
Total Revenue	<u>-</u>	<u>-</u>	<u>7,633</u>	<u>7,633</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	50,000	50,000
Bond Proceeds	-	-	19,900,000	19,900,000
Bond Premium	<u>-</u>	<u>-</u>	<u>85,888</u>	<u>85,888</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>20,035,888</u>	<u>20,035,888</u>
Net Change in Fund Balance	-	-	20,043,521	20,043,521
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 20,043,521</u></u>	<u><u>\$ 20,043,521</u></u>

(1) Appropriation level

**CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the Year Ended June 30, 2015**

<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2014</u>	<u>DEDUCT DISCOUNTS</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>ADD INTEREST</u>	<u>CASH COLLECTION BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED/ UNSEGREGATED 06/30/15</u>
<u>GENERAL FUND</u>						
CURRENT						
2014-15	\$ 2,614,445	\$ 66,485	\$ (9,453)	\$ 1,545	\$ 2,433,631	\$ 106,421
PRIOR YEARS						
2013-14	103,302	-	(5,653)	3,668	42,238	59,079
2012-13	58,514	-	(4,464)	3,988	19,242	38,796
2011-12	32,562	-	(5,349)	5,183	16,020	16,376
2010-11	18,082	-	(2,790)	2,901	7,232	10,961
Prior	21,161	-	(1,573)	1,526	1,962	19,152
Total Prior	233,621	-	(19,829)	17,266	86,694	144,364
Total	<u>\$ 2,848,066</u>	<u>\$ 66,485</u>	<u>\$ (29,282)</u>	<u>\$ 18,811</u>	<u>\$ 2,520,325</u>	<u>\$ 250,785</u>

RECONCILIATION OF REVENUE

Cash Collections by County Treasurer Above
Accrual of Receivables
Taxes in Lieu
June 30, 2014
June 30, 2015

<u>GENERAL FUND</u>	
\$	2,520,325
	78,724
	(12,842)
	14,956
<u>\$</u>	<u>2,601,163</u>

Total Revenue

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

OTHER INFORMATION

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
EXPENDITURES - Department 413				
ADMINISTRATION				
Personnel Services				
Superintendent	\$ 99,986	\$ 99,986	\$ 99,836	\$ 150
Administrative Coordinator	31,087	31,087	30,400	687
Public Information Coordinator	44,533	44,533	44,373	160
Part-time Clerk	10,400	10,400	8,394	2,006
Payroll Taxes and Benefits	90,355	90,355	88,744	1,611
Total Personnel Services	276,361	276,361	271,747	4,614
Materials and Services				
Office Supplies	7,000	7,000	7,451	(451)
Postage Supplies	1,000	1,000	279	721
Program Supplies	2,500	2,500	3,974	(1,474)
Promotional Supplies	3,250	3,250	374	2,876
Classifieds	1,200	1,200	556	644
Brochures	750	750	4,185	(3,435)
Flyers and Schedules	200	200	807	(607)
Directors Fees	360	360	-	360
Professional Dues	8,000	8,000	5,491	2,509
Conferences/Workshops	5,250	5,250	9,496	(4,246)
Staff Mileage	750	750	484	266
Staff Expenses	7,500	7,500	7,447	53
Telephone	4,750	4,750	4,064	686
Miscellaneous	1,500	1,500	292	1,208
Fees	5,000	5,000	3,208	1,792
Maintenance	1,500	1,500	310	1,190
Legal Services	65,000	65,000	56,020	8,980
Audit Services	27,000	27,000	23,540	3,460
Program Contracts	16,000	16,000	12,677	3,323
Insurance Services	7,750	7,750	3,140	4,610
Interest	1,500	1,500	-	1,500
Equipment Maintenance Contracts	2,500	2,500	-	2,500
Consultants	35,000	35,000	-	35,000
Property Taxes	7,500	7,500	14,221	(6,721)
Elections	6,000	6,000	1,659	4,341
Rental/Lease	1,500	1,500	569	931
Total Materials and Services	220,260	220,260	160,244	60,016
TOTAL ADMINISTRATION	496,621	496,621	431,991	64,630

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 450				
PARKS DEPARTMENT				
Personnel Services				
Park Supervisor	\$ 67,455	\$ 67,455	\$ 67,213	\$ 242
Park Lead Man	37,579	37,579	37,432	147
Park Technicians	32,458	32,458	32,332	126
Maintenance Supervisor	58,282	58,282	58,073	209
Park Laborer/Secretaries	92,728	92,728	72,404	20,324
Payroll Taxes and Benefits	132,966	132,966	104,136	28,830
Total Personnel Services	421,468	421,468	371,590	49,878
Materials and Services				
Office Supplies	2,200	2,200	1,897	303
Postage Supplies	550	550	329	221
Program Supplies	2,200	2,200	2,029	171
Small Tools	2,500	2,500	2,458	42
Janitorial Supplies	17,000	17,000	14,532	2,468
Chemical and Agricultural Supplies	6,000	6,000	4,671	1,329
Gas and Oil Supplies	17,000	17,000	10,607	6,393
Classifieds	225	225	259	(34)
Brochures	750	750	483	267
Flyers	2,500	2,500	2,420	80
Professional Dues	4,000	4,000	3,240	760
Conferences/Workshops	1,500	1,500	1,429	71
Staff Mileage	600	600	288	312
Staff Expense	600	600	702	(102)
Electricity	46,000	46,000	52,404	(6,404)
Natural Gas	29,000	29,000	21,300	7,700
Water/Sewer	160,000	160,000	113,686	46,314
Telephone	4,200	4,200	3,432	768
Fees	1,600	1,600	2,193	(593)
Garbage Expense	7,500	7,500	6,462	1,038
Building Maintenance	20,000	20,000	17,024	2,976
Structure Maintenance	12,000	12,000	4,379	7,621
Equipment Maintenance	40,000	40,000	34,417	5,583
Grounds Maintenance	30,000	30,000	25,431	4,569
Program Contracts	134,685	134,685	124,620	10,065
Insurance Services	24,838	24,838	23,336	1,502
Equipment Rental	1,500	1,500	451	1,049
Buildings and Structures	19,050	19,050	23,188	(4,138)
Total Materials and Services	587,998	587,998	497,667	90,331
TOTAL PARKS DEPARTMENT	1,009,466	1,009,466	869,257	140,209

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
EXPENDITURES - Department 451	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
AQUATICS				
Personnel Services				
Aquatic Coordinator	\$ 37,579	\$ 37,579	\$ 37,431	\$ 148
Secretary	26,695	26,695	26,796	(101)
Guards, Instructors and Cashiers	148,370	148,370	140,847	7,523
Coaches	5,812	5,812	5,098	714
Payroll Taxes and Benefits	<u>75,607</u>	<u>75,607</u>	<u>73,224</u>	<u>2,383</u>
Total Personnel Services	294,063	294,063	283,396	10,667
Materials and Services				
Office Supplies	2,500	2,500	2,523	(23)
Postage Supplies	1,450	1,450	3,712	(2,262)
Program Supplies	10,200	10,200	9,203	997
Chemical and Agricultural Supplies	15,000	15,000	18,572	(3,572)
Store Supplies	6,000	6,000	4,308	1,692
Classifieds	625	625	50	575
Flyers	2,700	2,700	2,111	589
Professional Dues	2,500	2,500	1,882	618
Conferences/Workshops	750	750	350	400
Staff Mileage	350	350	248	102
Staff Expenses	400	400	153	247
Electricity	52,400	52,400	44,756	7,644
Natural Gas	70,050	70,050	57,998	12,052
Water/Sewer	30,000	30,000	27,357	2,643
Telephone	7,730	7,730	3,992	3,738
Fees	20,750	20,750	23,991	(3,241)
Program Contracts	22,000	22,000	13,017	8,983
Insurance Services	23,500	23,500	27,052	(3,552)
Refunds	<u>450</u>	<u>450</u>	<u>494</u>	<u>(44)</u>
Total Materials and Services	<u>269,355</u>	<u>269,355</u>	<u>241,769</u>	<u>27,586</u>
TOTAL AQUATICS	<u>563,418</u>	<u>563,418</u>	<u>525,165</u>	<u>38,253</u>

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			<u>VARIANCE</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
EXPENDITURES - Department 452				
RECREATION - ADULT SPORTS				
Personnel Services				
Sports Supervisor	\$ 10,118	\$ 10,118	\$ 10,085	\$ 33
Sports Technician	7,878	7,878	7,879	(1)
Sports Assistant	3,021	3,021	896	2,125
Payroll Taxes and Benefits	11,970	11,970	10,505	1,465
Total Personnel Services	32,987	32,987	29,365	3,622
Materials and Services				
Office Supplies	1,100	1,100	1,129	(29)
Postage Supplies	320	320	19	301
Program Supplies	2,886	2,886	2,177	709
Classifieds	100	100	-	100
Brochures	600	600	299	301
Flyers and Schedules	325	325	835	(510)
Professional Dues	315	315	227	88
Conferences/Workshops	100	100	106	(6)
Staff Mileage	225	225	13	212
Staff Expenses	125	125	84	41
Electricity	2,000	2,000	1,228	772
Telephone	1,000	1,000	364	636
Fees	1,000	1,000	932	68
Equipment Maintenance	225	225	-	225
Program Contracts	9,430	9,430	3,649	5,781
Insurance	3,400	3,400	2,951	449
Refunds	550	550	1,774	(1,224)
Equipment Rental	225	225	-	225
Buildings and Structures	250	250	-	250
Total Materials and Services	24,176	24,176	15,787	8,389
TOTAL ADULT SPORTS	57,163	57,163	45,152	12,011

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
EXPENDITURES - Department 453				
RECREATION - YOUTH SPORTS				
Personnel Services				
Sports Supervisor	\$ 35,077	\$ 35,077	\$ 34,861	\$ 216
Sports Technician	23,634	23,634	23,634	-
Sports Leaders/Secretaries	31,395	31,395	30,590	805
Payroll Taxes and Benefits	41,025	41,025	37,741	3,284
Total Personnel Services	131,131	131,131	126,826	4,305
Materials and Services				
Office Supplies	2,300	2,300	2,846	(546)
Postage Supplies	700	700	127	573
Program Supplies	51,567	51,567	53,277	(1,710)
Gas and Oil Supplies	800	800	301	499
Classifieds	100	100	-	100
Brochures	1,850	1,850	299	1,551
Flyers	1,400	1,400	835	565
Professional Dues	1,350	1,350	288	1,062
Conferences/Workshops	300	300	524	(224)
Staff Mileage	275	275	93	182
Staff Expenses	375	375	420	(45)
Electricity	2,100	2,100	255	1,845
Telephone	2,300	2,300	1,338	962
Fees	6,100	6,100	8,882	(2,782)
Equipment Maintenance	375	375	-	375
Program Contracts	41,934	41,934	36,620	5,314
Insurance Services	5,000	5,000	5,681	(681)
Refunds	2,000	2,000	1,320	680
Equipment Rental	2,000	2,000	5,419	(3,419)
Total Materials and Services	122,826	122,826	118,525	4,301
TOTAL YOUTH SPORTS	253,957	253,957	245,351	8,606

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
EXPENDITURES - Department 454				
RECREATION - CLASSES & ACTIVITIES				
Personnel Services				
Recreation Supervisor	\$ 11,467	\$ 11,467	\$ 11,514	\$ (47)
Recreation Coordinator	30,016	30,016	29,324	692
Special Events Staff/Secretaries	41,483	41,483	32,259	9,224
Payroll Taxes and Benefits	38,217	38,217	37,669	548
Total Personnel Services	121,183	121,183	110,766	10,417
Materials and Services				
Office Supplies	2,000	2,000	2,264	(264)
Postage Supplies	400	400	480	(80)
Program Supplies	3,700	3,700	3,675	25
Gas and Oil Supplies	50	50	-	50
Classifieds	150	150	165	(15)
Brochures	1,200	1,200	1,165	35
Flyers	800	800	779	21
Professional Dues	200	200	117	83
Conferences/Workshops	550	550	133	417
Staff Mileage	300	300	318	(18)
Staff Expenses	400	400	422	(22)
Telephone	1,600	1,600	1,143	457
Fees	4,400	4,400	4,175	225
Equipment Maintenance	400	400	-	400
Program Contracts	17,600	17,600	25,118	(7,518)
Insurance Services	4,800	4,800	4,360	440
Equipment Maintenance Contract	50	50	-	50
Refunds	150	150	211	(61)
Total Materials and Services	38,750	38,750	44,525	(5,775)
TOTAL CLASSES & ACTIVITIES	159,933	159,933	155,291	4,642

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
EXPENDITURES - Department 455				
RECREATION - PLAYGROUNDS & CENTERS				
Personnel Services				
Recreation Supervisor	\$ 10,793	\$ 10,793	\$ 10,753	\$ 40
Recreation Coordinator	37,579	37,579	34,301	3,278
Care Technician	-	-	3,131	(3,131)
After School Staff	190,817	190,817	194,208	(3,391)
Payroll Taxes and Benefits	50,880	50,880	51,473	(593)
Total Personnel Services	290,069	290,069	293,866	(3,797)
Materials and Services				
Office Supplies	3,000	3,000	2,583	417
Postage Supplies	400	400	75	325
Program Supplies	29,000	29,000	30,553	(1,553)
Gas and Oil Supplies	2,100	2,100	1,421	679
Classifieds	300	300	132	168
Brochures	1,800	1,800	2,657	(857)
Flyers	1,200	1,200	399	801
Professional Dues	266	266	134	132
Conferences/Workshops	670	670	129	541
Staff Mileage	50	50	85	(35)
Staff Expenses	425	425	307	118
Telephone	4,000	4,000	4,020	(20)
Fees	9,900	9,900	9,979	(79)
Equipment Maintenance	100	100	-	100
Program Contracts	2,400	2,400	454	1,946
Insurance Services	2,700	2,700	2,795	(95)
Refunds	100	100	-	100
Contracts - Admissions	6,500	6,500	7,739	(1,239)
Rental/Lease	-	-	230	(230)
Equipment Rental	6,500	6,500	5,542	958
Total Materials and Services	71,411	71,411	69,234	2,177
TOTAL PLAYGROUNDS & CENTERS	361,480	361,480	363,100	(1,620)

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 456				
COMMUNITY CENTER/SCOUT HOUSE				
Personnel Services				
Senior Center Specialist	\$ 28,580	\$ 28,580	\$ 27,748	\$ 832
Building Leaders	19,148	19,148	18,492	656
Payroll Taxes and Benefits	31,718	31,718	32,410	(692)
Total Personnel Services	79,446	79,446	78,650	796
Materials and Services				
Office Supplies	1,800	1,800	1,734	66
Postage Supplies	300	300	421	(121)
Program Supplies	3,800	3,800	3,615	185
Gas and Oil Supplies	950	950	794	156
Classifieds	500	500	299	201
Brochures	1,800	1,800	1,408	392
Flyers	1,800	1,800	1,150	650
Professional Dues	400	400	117	283
Conferences/Workshops	550	550	350	200
Staff Mileage	200	200	102	98
Staff Expense	400	400	286	114
Electricity	8,200	8,200	7,723	477
Natural Gas	2,200	2,200	1,191	1,009
Water/Sewer	10,000	10,000	11,481	(1,481)
Telephone	1,400	1,400	1,752	(352)
Fees	900	900	879	21
Equipment Maintenance	150	150	550	(400)
Program Contracts	10,000	10,000	10,901	(901)
Equipment Maintenance Contracts	200	200	-	200
Insurance Services	24,500	24,500	25,094	(594)
Senior Trips	5,000	5,000	3,818	1,182
Refunds	150	150	-	150
Total Materials and Services	75,200	75,200	73,665	1,535
TOTAL COMMUNITY CENTER/ SCOUT HOUSE	154,646	154,646	152,315	2,331

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
EXPENDITURES - Department 457				
COMMUNITY SCHOOLS				
Personnel Services				
Part-time, Temporary and Full-time	\$ 38,245	\$ 38,245	\$ 20,392	\$ 17,853
Payroll Taxes and Benefits	5,308	5,308	2,783	2,525
Total Personnel Services	43,553	43,553	23,175	20,378
Materials and Services				
Office Supplies	1,800	1,800	2,265	(465)
Postage Supplies	600	600	5	595
Program Supplies	4,400	4,400	1,194	3,206
Snacks and Food	700	700	39	661
Classifieds	200	200	-	200
Brochures	800	800	1,163	(363)
Flyers	800	800	735	65
Professional Dues	100	100	13	87
Conferences/Workshops	220	220	46	174
Staff Mileage	150	150	151	(1)
Telephone	1,200	1,200	308	892
Fees	1,300	1,300	615	685
Program Contracts	9,000	9,000	6,150	2,850
Insurance Services	1,400	1,400	1,791	(391)
Refunds	100	100	-	100
Total Materials and Services	22,770	22,770	14,475	8,295
TOTAL COMMUNITY SCHOOLS				
PROGRAM	66,323	66,323	37,650	28,673

**CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON**

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 458				
GOLF COURSE MAINTENANCE				
Personnel Services				
Golf Course Supervisor	\$ 67,455	\$ 67,455	\$ 67,376	\$ 79
Golf Course Technician	25,168	25,168	25,062	106
Golf Mechanic	27,230	27,230	24,847	2,383
Golf Course Landscaper	51,418	51,418	51,357	61
Part-time and Temporary	138,563	138,563	110,071	28,492
Payroll Taxes and Benefits	115,263	115,263	112,351	2,912
Total Personnel Services	425,097	425,097	391,064	34,033
Materials and Services				
Office Supplies	1,484	1,484	1,572	(88)
Postage Supplies	350	350	-	350
Program Supplies	16,093	16,093	20,162	(4,069)
Small Tools	7,104	7,104	6,341	763
Janitorial Supplies	1,543	1,543	635	908
Chemical and Agricultural Supplies	123,313	123,313	92,736	30,577
Gas and Oil Supplies	42,582	42,582	27,983	14,599
Snacks and Food	660	660	213	447
Uniforms	400	400	-	400
Classifieds	200	200	-	200
Professional Dues	1,540	1,540	1,820	(280)
Conferences & Workshops	2,800	2,800	-	2,800
Staff Mileage	100	100	-	100
Staff Expense	240	240	86	154
Electric	16,050	16,050	15,248	802
Water & Sewer	196,754	196,754	128,582	68,172
Telephone	2,280	2,280	3,779	(1,499)
Fees	600	600	-	600
Buildings	2,730	2,730	-	2,730
Equipment	47,726	47,726	39,444	8,282
Grounds	107,826	107,826	103,061	4,765
Vehicles	2,050	2,050	5,075	(3,025)
Program Contracts	37,185	37,185	43,053	(5,868)
Insurance Services	11,000	11,000	6,084	4,916
Equipment Maintenance Contracts	5,690	5,690	3,169	2,521
Consultant Services	9,600	9,600	11,000	(1,400)
Equipment Rentals	3,800	3,800	-	3,800
Buildings and Structures	-	-	3,922	(3,922)
Total Materials and Services	641,700	641,700	513,965	127,735
TOTAL GOLF COURSE MAINTENANCE	1,066,797	1,066,797	905,029	161,768

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
EXPENDITURES - Department 459	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
GOLF CLUB HOUSE				
Personnel Services				
Club House Supervisor	\$ 67,455	\$ 67,455	\$ 65,502	\$ 1,953
Club House Assistants	34,751	34,751	-	34,751
Part-time and Temporary	101,241	101,241	113,319	(12,078)
Payroll Taxes and Benefits	71,885	71,885	50,099	21,786
Total Personnel Services	275,332	275,332	228,920	46,412
Materials and Services				
Supplies	-	-	409	(409)
Office Supplies	1,800	1,800	1,147	653
Postage Supplies	900	900	334	566
Program Supplies	42,700	42,700	54,155	(11,455)
Small Tools	600	600	11	589
Janitorial Supplies	2,400	2,400	2,102	298
Store Supplies	137,500	137,500	129,664	7,836
Gas and Oil Supplies	600	600	-	600
Snacks and Food	1,000	1,000	192	808
Uniforms	3,600	3,600	-	3,600
Classifieds	200	200	62	138
Brochures	1,000	1,000	332	668
Flyers	29,900	29,900	12,069	17,831
Professional Dues	3,900	3,900	4,052	(152)
Conferences/Workshops	4,750	4,750	2,223	2,527
Staff Mileage	750	750	515	235
Staff Expense	750	750	635	115
Electric	18,000	18,000	11,863	6,137
Water/Sewer	1,800	1,800	238	1,562
Telephone	3,600	3,600	1,918	1,682
Fees	5,400	5,400	33,366	(27,966)
Computer and Cable	31,395	31,395	2,629	28,766
Garbage Expense	-	-	5,283	(5,283)
Buildings Maintenance	6,000	6,000	1,712	4,288
Structures	3,000	3,000	240	2,760
Equipment	11,520	11,520	41,873	(30,353)
Program Contracts	22,500	22,500	6,150	16,350
Insurance Services	7,500	7,500	6,068	1,432
Consultant Services	10,000	10,000	955	9,045
Refunds	6,000	6,000	5,346	654
Equipment Rentals	43,356	43,356	-	43,356
Total Materials and Services	402,421	402,421	325,543	76,878
TOTAL GOLF CLUB HOUSE	<u>677,753</u>	<u>677,753</u>	<u>554,463</u>	<u>123,290</u>

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
EXPENDITURES - Department 472				
JAQUITH CONCESSION				
Personnel Services				
Concession Attendant	\$ 14,091	\$ 14,091	\$ -	\$ (14,091)
Payroll Taxes and Benefits	1,984	1,984	-	1,984
Total Personnel Services	16,075	16,075	-	16,075
Materials and Services				
Office Supplies	60	60	-	60
Postage	30	30	-	30
Program Supplies	14,500	14,500	-	14,500
Classifieds	75	75	-	75
Flyers	125	125	-	125
Conferences/Workshops	675	675	-	675
Professional Dues	1,000	1,000	-	1,000
Concession Mileage	200	200	-	200
Concession Insurance	1,600	1,600	958	642
Concession Electricity	1,600	1,600	-	1,600
Equipment Maintenance	300	300	-	300
Total Materials and Services	20,165	20,165	958	19,207
TOTAL JAQUITH CONCESSION	36,240	36,240	958	35,282

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 474				
PRESCHOOL				
Personnel Services				
Head Instructor	\$ 19,694	\$ 19,694	\$ -	\$ 19,694
Preschool Instructors	-	-	16,367	(16,367)
Payroll Taxes and Benefits	2,178	2,178	1,821	357
Total Personnel Services	21,872	21,872	18,188	3,684
Materials and Services				
Office Supplies	900	900	524	376
Postage	100	100	21	79
Program Supplies	1,900	1,900	1,461	439
Classifieds	200	200	107	93
Brochures	1,200	1,200	1,453	(253)
Flyers	75	75	247	(172)
Dues	50	50	52	(2)
Conferences/Workshops	100	100	46	54
Electricity	500	500	326	174
Natural Gas	850	850	922	(72)
Water/Sewer	800	800	872	(72)
Telephone	850	850	760	90
Refunds	50	50	42	8
Fees	1,100	1,100	841	259
Insurance	1,100	1,100	1,342	(242)
Total Materials and Services	9,775	9,775	9,016	759
TOTAL PRESCHOOL	31,647	31,647	27,204	4,443
MISCELLANEOUS DEPARTMENTS				
Materials and Services				
Babe Ruth League - Department 504	8,000	8,000	-	8,000
Bambino League - Department 503	22,000	22,000	-	22,000
Chehalem Volleyball Club - Department 505	1,500	1,500	-	1,500
Quilt Club - Department 506	10,000	10,000	25	9,975
Community Progress Team - Department 501	20,000	20,000	-	20,000
TOTAL MISCELLANEOUS DEPARTMENTS	61,500	61,500	25	61,475

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 470				
ACQUISITION AND IMPROVEMENT				
Capital Outlay, Development, Improvement, and Acquisition	<u>\$ 433,808</u>	<u>\$ 433,808</u>	<u>432,597</u>	<u>\$ 1,211</u>
TOTAL ACQUISITION AND IMPROVEMENT	<u>433,808</u>	<u>433,808</u>	<u>432,597</u>	<u>1,211</u>
TOTAL EXPENDITURES	<u><u>\$ 5,430,752</u></u>	<u><u>\$ 5,430,752</u></u>	<u><u>\$ 4,745,548</u></u>	<u><u>685,204</u></u>

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS



PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcpcpas.com

March 17, 2016

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Chehalem Parks and Recreation District as of and for the year ended June 30, 2015 and have issued our report thereon dated March 17, 2016. 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 basic financial statement are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts and grants, including the provision of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 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**
- **Authorized investment of surplus funds (ORS Chapter 294)**
- **Public contracts and purchasing (ORS Chapters 279A, 279B and 279C)**

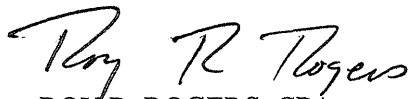
In connection with our testing, nothing came to our attention that caused us to believe the Chehalem Parks and Recreation District was not in substantial compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specific in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures 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 internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

We noted matters involving the internal control structure and its operation that we consider to be significant deficiencies under standards established by the American Institute of Certified Public Accountants, which are noted in our management letter dated March 17, 2016.

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


ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.