

CHEHALEM PARKS AND RECREATION DISTRICT  
YAMHILL COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2014

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CHEHALEM PARKS AND RECREATION DISTRICT  
YAMHILL COUNTY, OREGON

2013-14 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

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CHEHALEM PARKS AND RECREATION DISTRICT  
YAMHILL COUNTY, OREGON

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**PAULY, ROGERS, AND CO., P.C.**  
12700 SW 72<sup>nd</sup> Ave. Tigard, OR 97223  
(503) 620-2632 (503) 684-7523 FAX  
[www.paulyrogersandcocpas.com](http://www.paulyrogersandcocpas.com)

December 29, 2014

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 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, 2014, 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 Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 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, 2014, 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.

### **Emphasis of Matter**

The District adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended June 30, 2014. Our opinion is not modified with respect to this matter.

## **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 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 December 29, 2014, 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, 2014. 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 \$15,881,755 at June 30, 2014.
- During the year, the District's net position decreased by \$445,104.
- The general fund reported a fund balance this year of \$587,137.

**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.

	<u>2013-14</u>	<u>2012-13</u>
ASSETS		
Current Assets	\$ 13,110,527	\$ 1,639,988
Capital Assets	<u>8,224,879</u>	<u>20,694,549</u>
Total Assets	<u>21,335,406</u>	<u>22,334,537</u>
LIABILITIES		
Current Liabilities	217,250	812,678
Noncurrent Liabilities	<u>5,290,000</u>	<u>5,195,000</u>
Total Liabilities	<u>5,507,250</u>	<u>6,007,678</u>
Net Position		
Net Investment in Capital Assets	14,759,690	14,999,549
Restricted	236,047	179,220
Unrestricted	<u>886,018</u>	<u>1,148,090</u>
Total Net Position	<u>\$ 15,881,755</u>	<u>\$ 16,326,859</u>

	<u>2013-14</u>	<u>2012-13</u>
REVENUES		
General Revenues		
Charges for Services	\$ 2,682,967	\$ 2,971,075
Property Taxes	2,367,166	2,354,949
Interest and Investment Earnings	3,468	4,897
Loan Proceeds	-	130,000
Miscellaneous	-	728,962
	<u>5,053,601</u>	<u>6,189,883</u>
Total Revenues		
EXPENSES		
Parks	5,199,977	5,547,349
Interest on Long-Term Debt	298,728	399,296
	<u>5,498,705</u>	<u>5,946,645</u>
Total Expenses		
Change in Net Position	(445,104)	243,238
Beginning Net Position	<u>16,326,859</u>	<u>16,083,621</u>
Ending Net Position	<u>\$ 15,881,755</u>	<u>\$ 16,326,859</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, 2014</u>	<u>June 30, 2013</u>	<u>Change</u>
General Fund	\$ 587,137	\$ 940,409	\$ (353,272)
System Development Fund	205,545	91,183	114,362
Debt Service	30,502	30,259	243
	<u>\$ 823,184</u>	<u>\$ 1,061,851</u>	<u>\$ (238,667)</u>

#### **CAPITAL ASSETS**

At June 30, 2014, the District had \$20,049,690 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, 2014, the District had outstanding debt payable of \$5,290,000. 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

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

**STATEMENT OF NET POSITION**

**June 30, 2014**

**ASSETS**

Cash and Cash Equivalents	\$ 801,624
Accounts Receivable	134,586
Taxes Receivable	233,622
Supply Inventory	68,754
Prepaid Expenses	47,129
Capital Assets not being depreciated	11,824,811
Capital Assets, net of accumulated depreciation	<u>8,224,879</u>

Total Assets	<u>21,335,406</u>
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**DEFERRED OUTFLOWS OF RESOURCES**

Deferred Charge on Refunding	<u>53,599</u>
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**LIABILITIES**

Current Liabilities:

Accounts Payable	118,200
Unearned Revenue	32,181
Compensated Absences	66,869
Long-term Debt – Current Portion	<u>390,000</u>

Total Current Liabilities	<u>607,250</u>
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Noncurrent Liabilities:

Long-term Debt	<u>4,900,000</u>
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Total Liabilities	<u>5,507,250</u>
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**NET POSITION**

Net Investment in Capital Assets	14,759,690
Restricted	236,047
Unrestricted	<u>886,018</u>

Total Net Position	<u><u>\$ 15,881,755</u></u>
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See accompanying notes to basic financial statements

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

**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2014**

FUNCTIONS	EXPENSES	PROGRAM REVENUES CHARGES FOR SERVICES	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
Parks	\$ 5,199,977	\$ 2,682,967	\$ (2,517,010)
Interest on Long-term Debt	298,728	-	(298,728)
Total Governmental Activities	<u>\$ 5,498,705</u>	<u>\$ 2,682,967</u>	<u>\$ (2,815,738)</u>
General Revenues:			
Property Taxes			2,367,166
Interest and Investment Earnings			<u>3,468</u>
Total General Revenues			<u>2,370,634</u>
Changes in Net Position			(445,104)
Net Position – Beginning			<u>16,326,859</u>
Net Position – Ending			<u>\$ 15,881,755</u>

See accompanying notes to basic financial statements

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

**BALANCE SHEET – GOVERNMENTAL FUNDS**

**June 30, 2014**

	GENERAL FUND	SYSTEM DEVELOPMENT FUND	DEBT SERVICE FUND	TOTAL
<b>ASSETS</b>				
Cash and Investments	\$ 573,484	\$ 197,638	\$ 30,502	\$ 801,624
Accounts Receivable	126,679	7,907	-	134,586
Taxes Receivable	233,622	-	-	233,622
Prepaid Expenditures	47,129	-	-	47,129
<b>Total Assets</b>	<b>\$ 980,915</b>	<b>\$ 205,545</b>	<b>\$ 30,502</b>	<b>\$ 1,216,962</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 118,200	\$ -	\$ -	\$ 118,200
Unearned Revenue	54,798	-	-	54,798
<b>Total Liabilities</b>	<b>172,998</b>	<b>-</b>	<b>-</b>	<b>172,998</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue-Property Taxes	220,780	-	-	220,780
<b>Fund Balance</b>				
Nonspendable	47,129	-	-	47,129
Restricted for Acquisition and Development	-	205,545	-	205,545
Restricted for Debt Service	-	-	30,502	30,502
Committed for Maintenance	53,533	-	-	53,533
Unassigned	486,475	-	-	486,475
<b>Total Fund Balance</b>	<b>587,137</b>	<b>205,545</b>	<b>30,502</b>	<b>823,184</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 980,915</b>	<b>\$ 205,545</b>	<b>\$ 30,502</b>	<b>\$ 1,216,962</b>

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, 2014**

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Total Fund Balances - Governmental Funds	\$	823,184
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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		20,049,690
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Inventory is not accounted for in the governmental funds as it is recorded on the purchase method instead of the consumption method.		68,754
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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	\$	(5,195,000)	
Deferred charge on refunding		53,599	
Capital lease obligations payable		<u>(95,000)</u>	(5,236,401)

Compensated Absences Payable not accounted for in governmental funds		(66,869)
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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>243,397</u>
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Net Position	\$	<u><u>15,881,755</u></u>
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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, 2014**

	GENERAL FUND	SYSTEM DEVELOPMENT FUND	DEBT SERVICE FUND	TOTALS
<b>REVENUES</b>				
Taxes	\$ 2,387,179	\$ -	\$ -	\$ 2,387,179
Earnings on Investments	3,152	73	243	3,468
Parks	15,553	-	-	15,553
Concession Income	13,560	-	-	13,560
Sports Receipts	243,191	-	-	243,191
Recreation	97,449	-	-	97,449
Preschool	20,299	-	-	20,299
Community School	56,307	-	-	56,307
Community Center/Scout House	115,624	-	-	115,624
Paddle Launch	9,190	-	-	9,190
Pool Receipts	393,737	-	-	393,737
Playgrounds/Centers	348,140	-	-	348,140
Golf Club House	1,173,589	-	-	1,173,589
SDC Income	-	114,370	-	114,370
Miscellaneous Income	81,959	-	-	81,959
Total Revenues	4,958,928	114,443	243	5,073,614
<b>EXPENDITURES</b>				
Current:				
Personal Services	2,179,036	-	-	2,179,036
Materials and Services	1,996,543	-	-	1,996,543
Capital Outlay	379,293	81	-	379,374
Debt Service	-	-	757,327	757,327
Total Expenditures	4,554,873	81	757,327	5,312,281
Excess of Revenues Over (Under) Expenditures	404,055	114,362	(757,084)	(238,667)
<b>OTHER FINANCING SOURCES (USES)</b>				
Payment to Refunded Bond Escrow Agent	-	-	(1,676,528)	(1,676,528)
Refunding Bond Proceeds	-	-	1,735,000	1,735,000
Loss on Refunding	-	-	(58,472)	(58,472)
Transfers In	-	-	757,327	757,327
Transfers Out	(757,327)	-	-	(757,327)
Total Other Financing Sources (Uses)	(757,327)	-	757,327	-
Net Change in Fund Balance	(353,272)	114,362	243	(238,667)
Beginning Fund Balance	940,409	91,183	30,259	1,061,851
Ending Fund Balance	\$ 587,137	\$ 205,545	\$ 30,502	\$ 823,184

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, 2014**

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Total Net Changes in Fund Balances - Governmental Funds	\$ (238,667)
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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	\$ (1,735,000)	
Long-term Debt Principal Reduction	2,140,000	
Deferred Charge on Refunding	53,599	
Compensated Absences	<u>(4,239)</u>	454,360

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.

Depreciation Expense	(644,859)
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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	4,075
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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.

(20,013)

Change in Net Position of Governmental Activities	<u>\$ (445,104)</u>
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See accompanying notes to basic financial statements



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

**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.

**FUND EQUITY**

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. 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: *nonspendable*, *restricted*, *committed*, *assigned* and *unassigned*.

- Nonspendable represents amounts that are not in a spendable form. The Nonspendable 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, 2014.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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

**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 measurable 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.

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 measurable to accrue as revenue of the current period. All other revenue items are considered to be measurable 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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. BUDGET (continued)**

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

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.



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. CAPITAL ASSETS (continued)**

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.

**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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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.

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, 2014 (recorded at fair value) consisted of:

Deposits with Financial Institutions	
Cash on Hand	\$ 25
Demand Deposits	536,941
Investments	<u>264,658</u>
Total	<u>\$ 801,624</u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**2. CASH AND INVESTMENTS (continued)**

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	\$ 264,658	\$ 264,658	\$ -	\$ -

**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 on 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, 2014, the bank balance of \$713,854 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, 2014, 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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**2. CASH AND INVESTMENTS (continued)**

**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.

**CONCENTRATION OF CREDIT RISK**

At June 30, 2014, 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, 2014, investments were compliant with all percentage restrictions.

**3. CAPITAL ASSETS**

The changes in capital assets for the year ended June 30, 2014 are as follows:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Land	\$ 11,824,811	\$ -	\$ -	\$ 11,824,811
Land Improvements	597,769	-	-	597,769
Buildings and Improvements	7,505,411	-	-	7,505,411
Golf Course	5,332,132	-	-	5,332,132
Vehicles and Equipment	2,481,023	-	-	2,481,023
<b>Total Capital Assets</b>	<b>27,741,146</b>	<b>-</b>	<b>-</b>	<b>27,741,146</b>
<b>Accumulated Depreciation</b>				
Buildings and Improvements	4,226,284	259,247	-	4,485,531
Golf Course	469,113	-	-	469,113
Vehicles and Equipment	2,351,200	385,612	-	2,736,812
<b>Total Accumulated Depreciation</b>	<b>7,046,597</b>	<b>644,859</b>	<b>-</b>	<b>7,691,456</b>
<b>Capital Assets, net</b>	<b>\$ 20,694,549</b>	<b>\$ (644,859)</b>	<b>\$ -</b>	<b>\$ 20,049,690</b>

Depreciation of \$644,859 was allocated to the Parks function.



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**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 \$117,570 and \$114,604, respectively, for the years ended June 30, 2014 and 2013. The plan was fully funded on June 30, 2014.

**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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**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, 2014:

	Capital Leases	Deferred Charge on Refunding	Refunding COP	Full Faith and Credit Bonds	Total	Interest
Balance at July 1, 2013	\$ 185,000	\$ -	\$ 35,000	\$ 5,475,000	\$ 5,695,000	
Additions	-	58,472	-	1,735,000	1,793,472	
Reductions	90,000	4,873	35,000	2,015,000	2,144,873	
Balance at June 30, 2014	<u>\$ 95,000</u>	<u>\$ 53,599</u>	<u>\$ -</u>	<u>\$ 5,195,000</u>	<u>\$ 5,343,599</u>	

**Amounts Payable in Fiscal Year**

2014-15	\$ 95,000	\$ 4,873	\$ -	\$ 425,000	\$ 524,873	\$ 159,745
2015-16	-	4,873	-	425,000	429,873	145,288
2016-17	-	4,872	-	440,000	444,872	134,313
2017-18	-	4,873	-	455,000	459,873	122,925
2018-19	-	4,872	-	460,000	464,872	110,913
2019-24	-	24,364	-	2,315,000	2,339,364	319,519
2024-28	-	4,872	-	675,000	679,872	71,500
Total	<u>\$ 95,000</u>	<u>\$ 53,599</u>	<u>\$ -</u>	<u>\$ 5,195,000</u>	<u>\$ 5,343,599</u>	<u>\$ 1,064,203</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.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**9. LONG-TERM DEBT (CONTINUED)**

The following full faith and credit obligations were outstanding at June 30, 2014:

Original Amount	Interest Rates	Final Maturity	Principal Balance
\$ 1,665,000	4.00%	2022	\$ 1,015,000
3,200,000	4.25-5.00%	2026	2,315,000
2,750,000	2.00-4.75%	2024	130,000
1,725,000	4.00-4.75%	2024	1,735,000

**FLEX LEASE**

The following flex lease issue was outstanding at June 30, 2014:

Original Amount	Interest Rates	Final Maturity	Principal Balance
\$ 775,000	4.50-6.50%	1/1/2015	\$ 95,000

**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:

Year Ended June 30,	Amount
2015	\$ 15,016
2016	5,593
Total	<u>\$ 20,609</u>

**11. INTERFUND TRANSFERS**

The following transfers occurred during fiscal year 2013-14 to fund debt payments:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 757,327
Debt Service Fund	<u>757,327</u>	<u>-</u>
Total	<u>\$ 757,327</u>	<u>\$ 757,327</u>

**12. SUBSEQUENT EVENTS**

The District was issued a non-revolving line of credit in a maximum aggregate principal amount of \$500,000 on August 26, 2014. This is expected to be repaid in full before June 30, 2015.

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CHEHALEM PARKS AND RECREATION DISTRICT  
YAMHILL COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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**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, 2014**

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Property Tax:				
Current Year	\$ 2,252,139	\$ 2,252,139	\$ 2,256,451	\$ 4,312
Prior Years	60,000	60,000	130,728	70,728
Earnings on Investments	3,500	3,500	2,983	(517)
Parks	18,337	18,337	15,553	(2,784)
Sports:				
Concession Income	43,100	43,100	13,560	(29,540)
Sports Receipts	337,760	337,760	243,191	(94,569)
Recreation:				
Recreation	157,700	157,700	97,449	(60,251)
Preschool	47,980	47,980	20,299	(27,681)
Community School	70,100	70,100	56,307	(13,793)
Community Center/Scout House	143,300	143,300	115,624	(27,676)
Paddle Launch	-	-	9,190	9,190
Pool Receipts	437,550	437,550	393,737	(43,813)
Playgrounds/Centers	384,900	384,900	348,140	(36,760)
Golf Club House	1,538,745	1,538,745	1,173,589	(365,156)
Rec Adjustment	81,500	81,500	-	(81,500)
Miscellaneous Income	550,000	550,000	81,959	(468,041)
 Total Revenues	 6,126,611	 6,126,611	 4,958,759	 (1,167,852)

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, 2014**

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
EXPENDITURES				
Personnel Services	\$ 2,452,170	\$ 2,452,170 (1)	\$ 2,179,036	\$ 273,134
Materials and Services	2,410,733	2,410,733 (1)	1,996,543	414,190
Capital Outlay, Development, Improvement and Acquisition	464,901	464,901 (1)	379,293	85,608
Contingency	100,000	100,000 (1)	-	100,000
Total Expenditures *	<u>5,427,804</u>	<u>5,427,804</u>	<u>4,554,873</u>	<u>872,931</u>
Excess of Revenues Over (Under) Expenditures	698,807	698,807	403,886	(294,921)
OTHER FINANCING SOURCES (USES)				
Short Term Loan Repayment	(500,000)	(500,000)	-	500,000
Transfers Out	<u>(748,807)</u>	<u>(748,807)</u>	<u>(757,327)</u>	<u>(8,520)</u>
Total Other Financing Sources (Uses)	<u>(1,248,807)</u>	<u>(1,248,807) (1)</u>	<u>(757,327)</u>	<u>491,480</u>
Net Change in Fund Balance	(550,000)	(550,000)	(353,441)	196,559
Beginning Fund Balance	<u>550,000</u>	<u>550,000</u>	<u>887,045</u>	<u>337,045</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>533,604</u>	<u>\$ 533,604</u>
Reconciliation to Governmental Fund Balance as required by GASB 54				
Ending Fund Balance:				
Reserve for Equipment			<u>53,533</u>	
			<u>\$ 587,137</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

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**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, 2014**

SYSTEM DEVELOPMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
SDC Income	\$ 107,000	\$ 107,000	\$ 114,370	\$ 7,370
Interest Earned	160	160	73	(87)
Total Revenues	107,160	107,160	114,443	7,283
EXPENDITURES:				
Capital, Development, Improvement & Acquisition	127,160	177,160 (1)	81	177,079
Net Change in Fund Balance	(20,000)	(70,000)	114,362	184,362
Beginning Fund Balance	20,000	70,000	91,183	21,183
Ending Fund Balance	\$ -	\$ -	\$ 205,545	\$ 205,545

(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, 2014**

	<u>DEBT SERVICE FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Interest	\$ 175	\$ 175	\$ 243	\$ 68
EXPENDITURES:				
Capital Outlay	30,432	30,432 (1)	-	30,432
Debt Service	<u>1,248,807</u>	<u>1,248,807 (1)</u>	<u>757,327</u>	<u>491,480</u>
Total Expenditures	<u>1,279,239</u>	<u>1,279,239</u>	<u>757,327</u>	<u>521,912</u>
Excess of Revenues Over (Under) Expenditures	(1,279,064)	(1,279,064)	(757,084)	521,980
OTHER FINANCING SOURCES (USES):				
Transfers In	748,807	748,807	757,327	8,520
Payment to Refunded Bond Escrow Agent	-	-	(1,676,528)	(1,676,528)
Loss on Refunding	-	-	(58,472)	(58,472)
Refunding Bond Proceeds	<u>500,000</u>	<u>500,000</u>	<u>1,735,000</u>	<u>1,235,000</u>
Total Other Financing Sources (Uses)	<u>1,248,807</u>	<u>1,248,807</u>	<u>757,327</u>	<u>(491,480)</u>
Net Change in Fund Balance	(30,257)	(30,257)	243	30,500
Beginning Fund Balance	<u>30,257</u>	<u>30,257</u>	<u>30,259</u>	<u>2</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,502</u>	<u>\$ 30,502</u>

(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, 2014

RESERVE FOR EQUIPMENT AND MAJOR MAINTENANCE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Interest Earned	\$ 120	\$ 120	\$ 169	\$ 49
EXPENDITURES				
Capital, Development, Improvement & Acquisition	53,418	53,418 (1)	-	53,418
Net Change in Fund Balance	(53,298)	(53,298)	169	53,467
Beginning Fund Balance	53,298	53,298	53,364	66
Ending Fund Balance	\$ -	\$ -	\$ 53,533	\$ 53,533

(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 PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED**

**For the Year Ended June 30, 2014**

<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2013</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 06/30/14</u>
<u>GENERAL FUND</u>						
CURRENT						
2013-14	\$ 2,471,481	\$ 62,252	\$ (9,418)	\$ 1,547	\$ 2,298,056	\$ 103,302
PRIOR YEARS						
2012-13	111,540	-	(8,517)	3,516	48,025	58,514
2011-12	51,085	-	(3,943)	3,593	18,173	32,562
2010-11	32,874	-	(5,489)	4,496	13,800	18,081
2009-10	16,653	-	(2,843)	2,109	5,167	10,752
Prior	15,301	-	(4,658)	2,079	2,311	10,411
Total Prior	227,453	-	(25,450)	15,793	87,476	130,320
Total	\$ 2,698,934	\$ 62,252	\$ (34,868)	\$ 17,340	\$ 2,385,532	\$ 233,622

	<u>GENERAL FUND</u>
RECONCILIATION OF REVENUE	
Cash Collections by County Treasurer Above	\$ 2,385,532
Accrual of Receivables	
Taxes in Lieu	
June 30, 2013	(11,195)
June 30, 2014	12,842
Total Revenue	\$ 2,387,179

CHEHALEM PARKS AND RECREATION DISTRICT  
YAMHILL COUNTY, OREGON

OTHER INFORMATION



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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 413				
ADMINISTRATION				
Personnel Services				
Superintendent	\$ 98,759	\$ 98,759	\$ 98,643	\$ 116
Administrative Coordinator	31,087	31,087	30,185	902
Public Information Coordinator	44,429	44,429	43,245	1,184
Part-time Clerk	17,597	17,597	9,262	8,335
Payroll Taxes and Benefits	90,023	90,023	86,467	3,556
Total Personnel Services	281,895	281,895	267,801	14,094
Materials and Services				
Office Supplies	5,500	5,500	6,274	(774)
Postage Supplies	1,000	1,000	922	78
Program Supplies	2,500	2,500	1,816	684
Promotional Supplies	1,000	1,000	2,519	(1,519)
Classifieds	1,200	1,200	369	831
Brochures	2,500	2,500	1,092	1,408
Flyers and Schedules	200	200	65	135
Directors Fees	360	360	-	360
Professional Dues	8,500	8,500	8,462	38
Conferences/Workshops	5,500	5,500	3,811	1,689
Staff Mileage	500	500	551	(51)
Staff Expenses	7,500	7,500	7,269	231
Telephone	4,750	4,750	4,620	130
Miscellaneous	400	400	266	134
Fees	-	-	3,321	(3,321)
Maintenance	1,500	1,500	40	1,460
Legal Services	65,000	65,000	62,606	2,394
Audit Services	27,000	27,000	9,290	17,710
Program Contracts	16,000	16,000	22,455	(6,455)
Insurance Services	7,750	7,750	3,602	4,148
Interest	1,500	1,500	-	1,500
Equipment Maintenance Contracts	2,500	2,500	-	2,500
Consultants	35,000	35,000	17,000	18,000
Property Taxes	7,500	7,500	5,117	2,383
Elections	6,000	6,000	-	6,000
Rental/Lease	1,500	1,500	620	880
Total Materials and Services	212,660	212,660	162,088	50,572
TOTAL ADMINISTRATION	494,555	494,555	429,888	64,667

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<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	\$ 65,502	\$ 1,953
Park Lead Man	37,565	37,565	37,745	(180)
Park Technicians	32,448	32,448	30,201	2,247
Maintenance Supervisor	58,282	58,282	56,599	1,683
Park Laborer/Secretaries	95,198	95,198	65,580	29,618
Payroll Taxes and Benefits	132,772	132,772	96,732	36,040
Total Personnel Services	423,720	423,720	352,359	71,361
Materials and Services				
Office Supplies	2,000	2,000	2,115	(115)
Postage Supplies	500	500	382	118
Program Supplies	2,200	2,200	2,163	37
Small Tools	2,500	2,500	1,994	506
Janitorial Supplies	17,000	17,000	16,541	459
Chemical and Agricultural Supplies	6,000	6,000	6,085	(85)
Gas and Oil Supplies	17,000	17,000	13,121	3,879
Classifieds	225	225	103	123
Brochures	750	750	934	(184)
Flyers	2,500	2,500	1,874	626
Professional Dues	4,000	4,000	2,729	1,271
Conferences/Workshops	1,500	1,500	665	835
Staff Mileage	600	600	546	54
Staff Expense	600	600	455	145
Electricity	46,000	46,000	46,710	(710)
Natural Gas	27,000	27,000	29,164	(2,164)
Water/Sewer	115,000	115,000	106,621	8,379
Telephone	4,200	4,200	2,566	1,634
Fees	1,000	1,000	1,616	(616)
Garbage Expense	7,500	7,500	5,035	2,465
Building Maintenance	20,000	20,000	18,048	1,952
Structure Maintenance	12,000	12,000	8,290	3,710
Equipment Maintenance	40,000	40,000	37,917	2,083
Grounds Maintenance	30,000	30,000	19,349	10,651
Professional and Contract Services	-	-	134	(134)
Program Contracts	96,305	96,305	115,806	(19,501)
Insurance Services	22,500	22,500	13,444	9,056
Equipment Maintenance Contracts	-	-	11,956	(11,956)
Equipment Rental	1,500	1,500	658	842
Buildings and Structures	19,050	19,050	17,718	1,332
Total Materials and Services	499,430	499,430	484,738	14,692
TOTAL PARKS DEPARTMENT	923,150	923,150	837,097	86,053

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 451				
AQUATICS				
Personnel Services				
Aquatic Coordinator	\$ 37,565	\$ 37,565	\$ 36,485	\$ 1,080
Secretary	26,687	26,687	25,964	723
Guards, Instructors and Cashiers	145,818	145,818	131,650	14,168
Coaches	5,812	5,812	5,189	623
Payroll Taxes and Benefits	75,044	75,044	70,036	5,008
Total Personnel Services	290,926	290,926	269,324	21,602
Materials and Services				
Office Supplies	2,500	2,500	2,985	(485)
Postage Supplies	1,645	1,645	8,152	(6,507)
Program Supplies	10,200	10,200	9,278	922
Chemical and Agricultural Supplies	12,500	12,500	15,177	(2,677)
Store Supplies	6,000	6,000	5,421	579
Classifieds	625	625	-	625
Flyers	2,700	2,700	5,866	(3,166)
Professional Dues	2,500	2,500	1,836	664
Conferences/Workshops	750	750	481	269
Staff Mileage	350	350	94	256
Staff Expenses	400	400	418	(18)
Electricity	50,000	50,000	45,319	4,681
Natural Gas	67,500	67,500	58,712	8,788
Water/Sewer	30,000	30,000	29,766	234
Telephone	6,442	6,442	6,919	(477)
Fees	18,750	18,750	21,139	(2,389)
Program Contracts	22,000	22,000	14,473	7,527
Insurance Services	23,500	23,500	12,789	10,711
Equipment Maintenance Contracts	-	-	273	(273)
Refunds	450	450	415	35
Total Materials and Services	258,812	258,812	239,513	19,299
TOTAL AQUATICS	549,738	549,738	508,837	40,901

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			<u>VARIANCE WITH FINAL BUDGET</u>
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 452				
RECREATION - ADULT SPORTS				
Personnel Services				
Sports Supervisor	\$ 10,118	\$ 10,118	\$ 9,825	\$ 293
Sports Technician	7,878	7,878	7,879	(1)
Sports Leaders/Secretaries	3,150	3,150	1,542	1,608
Payroll Taxes and Benefits	11,594	11,594	10,277	1,317
Total Personnel Services	32,740	32,740	29,523	3,217
Materials and Services				
Office Supplies	1,250	1,250	1,317	(67)
Postage Supplies	200	200	311	(111)
Program Supplies	2,256	2,256	1,781	475
Classifieds	100	100	-	100
Brochures	700	700	832	(132)
Flyers and Schedules	450	450	384	66
Professional Dues	510	510	331	179
Conferences/Workshops	200	200	48	152
Staff Mileage	225	225	9	216
Staff Expenses	250	250	19	231
Electricity	2,200	2,200	1,502	698
Telephone	910	910	623	287
Fees	1,500	1,500	886	614
Equipment Maintenance	225	225	-	225
Program Contracts	9,156	9,156	4,596	4,560
Insurance	3,500	3,500	1,655	1,845
Refunds	550	550	1,030	(480)
Equipment Rental	225	225	-	225
Buildings and Structures	250	250	-	250
Total Materials and Services	24,657	24,657	15,323	9,334
TOTAL ADULT SPORTS	57,397	57,397	44,846	12,551

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 453				
RECREATION - YOUTH SPORTS				
Personnel Services				
Sports Supervisor	\$ 35,077	\$ 35,077	\$ 34,062	\$ 1,015
Sports Technician	23,634	23,634	23,164	470
Sports Leaders/Secretaries	32,355	32,355	28,592	3,764
Payroll Taxes and Benefits	40,380	40,380	36,292	4,088
Total Personnel Services	131,446	131,446	122,110	9,336
Materials and Services				
Office Supplies	2,300	2,300	4,134	(1,834)
Postage Supplies	575	575	705	(130)
Program Supplies	49,083	49,083	41,627	7,456
Janitorial Supplies	-	-	4	(4)
Gas and Oil Supplies	900	900	227	673
Classifieds	100	100	-	100
Brochures	1,850	1,850	601	1,249
Flyers	1,500	1,500	444	1,056
Professional Dues	1,060	1,060	994	66
Conferences/Workshops	275	275	193	82
Staff Mileage	275	275	96	179
Staff Expenses	400	400	388	12
Electricity	2,000	2,000	1,401	599
Telephone	2,100	2,100	1,831	269
Fees	5,800	5,800	-	5,800
Equipment Maintenance	375	375	7,123	(6,748)
Professional and Contract Services	-	-	117	(117)
Program Contracts	44,000	44,000	35,457	8,543
Insurance Services	5,500	5,500	2,500	3,000
Refunds	2,000	2,000	1,609	391
Equipment Rental	2,000	2,000	2,188	(188)
Total Materials and Services	122,093	122,093	101,641	20,452
TOTAL YOUTH SPORTS	253,539	253,539	223,751	29,788

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 454				
RECREATION - CLASSES & ACTIVITIES				
Personnel Services				
Recreation Supervisor	\$ 11,467	\$ 11,467	\$ 11,132	\$ 335
Recreation Coordinator	30,015	30,015	29,142	873
Special Events Staff/Secretaries	43,242	43,242	35,723	7,519
Payroll Taxes and Benefits	39,407	39,407	37,044	2,363
Total Personnel Services	124,131	124,131	113,041	11,090
Materials and Services				
Office Supplies	2,600	2,600	2,496	104
Postage Supplies	400	400	686	(286)
Program Supplies	3,100	3,100	4,014	(914)
Gas and Oil Supplies	50	50	13	37
Classifieds	200	200	-	200
Brochures	1,500	1,500	2,195	(695)
Flyers	1,500	1,500	452	1,048
Professional Dues	200	200	236	(36)
Conferences/Workshops	550	550	336	214
Staff Mileage	400	400	243	157
Staff Expenses	400	400	146	254
Telephone	1,600	1,600	1,393	207
Fees	4,400	4,400	4,466	(66)
Equipment Maintenance	400	400	388	12
Program Contracts	21,500	21,500	19,075	2,425
Insurance Services	5,500	5,500	2,427	3,073
Interest	-	-	65	(65)
Equipment Maintenance Contract	100	100	9	91
Refunds	150	150	50	100
Equipment Rental	50	50	-	50
Total Materials and Services	44,600	44,600	38,690	5,910
TOTAL CLASSES & ACTIVITIES	168,731	168,731	151,731	17,000



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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 455				
RECREATION - PLAYGROUNDS & CENTERS				
Personnel Services				
Recreation Supervisor	\$ 10,793	\$ 10,793	\$ 10,482	\$ 311
Recreation Coordinator	37,565	37,565	36,485	1,080
Care Staff	94,304	94,304	170,545	(76,241)
Pre/K Leaders	63,100	63,100	-	63,100
After School Staff	33,530	33,530	-	33,530
Payroll Taxes and Benefits	51,840	51,840	47,910	3,930
Total Personnel Services	291,132	291,132	265,422	25,710
Materials and Services				
Office Supplies	3,500	3,500	1,697	1,803
Postage Supplies	500	500	327	173
Program Supplies	28,700	28,700	25,604	3,096
Gas and Oil Supplies	1,800	1,800	1,973	(173)
Classifieds	300	300	-	300
Brochures	1,500	1,500	2,371	(871)
Flyers	1,500	1,500	1,188	312
Professional Dues	266	266	179	87
Conferences/Workshops	650	650	96	554
Staff Mileage	50	50	25	25
Staff Expenses	500	500	291	209
Telephone	4,750	4,750	3,322	1,428
Fees	9,100	9,100	8,781	319
Equipment Maintenance	100	100	-	100
Program Contracts	2,600	2,600	1,679	921
Insurance Services	2,700	2,700	1,227	1,473
Refunds	100	100	-	100
Contracts - Admissions	7,500	7,500	5,862	1,638
Equipment Rental	7,500	7,500	5,637	1,863
Total Materials and Services	73,616	73,616	60,259	13,357
TOTAL PLAYGROUNDS & CENTERS	364,748	364,748	325,682	39,066

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2014**

	<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	18,766	18,766	17,553	1,213
Payroll Taxes and Benefits	29,336	29,336	28,935	401
Total Personnel Services	76,682	76,682	74,236	2,446
Materials and Services				
Office Supplies	1,600	1,600	3,584	(1,984)
Postage Supplies	100	100	230	(130)
Program Supplies	4,200	4,200	3,030	1,170
Gas and Oil Supplies	950	950	1,161	(211)
Classifieds	900	900	346	554
Brochures	2,000	2,000	1,736	264
Flyers	2,000	2,000	1,866	134
Professional Dues	350	350	542	(192)
Conferences/Workshops	550	550	652	(102)
Staff Mileage	200	200	-	200
Staff Expense	400	400	369	31
Electricity	8,000	8,000	7,060	940
Natural Gas	2,200	2,200	1,764	436
Water/Sewer	9,200	9,200	13,298	(4,098)
Telephone	1,800	1,800	1,250	550
Fees	900	900	824	76
Equipment Maintenance	175	175	48	127
Program Contracts	12,000	12,000	11,508	492
Equipment Maintenance Contracts	200	200	-	200
Insurance Services	24,500	24,500	13,029	11,471
Senior Trips	3,500	3,500	5,310	(1,810)
Refunds	150	150	-	150
Total Materials and Services	75,875	75,875	67,608	8,267
TOTAL COMMUNITY CENTER/ SCOUT HOUSE	152,557	152,557	141,844	10,713

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 457				
COMMUNITY SCHOOLS				
Personnel Services				
Part-time, Temporary and Full-time	\$ 34,047	\$ 34,047	\$ 42,446	\$ (8,399)
Payroll Taxes and Benefits	4,908	4,908	5,219	(311)
Total Personnel Services	38,955	38,955	47,665	(8,710)
Materials and Services				
Office Supplies	1,500	1,500	2,436	(936)
Postage Supplies	300	300	765	(465)
Program Supplies	5,050	5,050	1,477	3,573
Snacks and Food	1,200	1,200	-	1,200
Classifieds	250	250	25	225
Brochures	1,200	1,200	1,757	(557)
Flyers	1,400	1,400	81	1,320
Professional Dues	100	100	62	38
Conferences/Workshops	220	220	125	95
Staff Mileage	150	150	106	44
Staff Expense	-	-	36	(36)
Telephone	1,100	1,100	907	193
Computer and Cable	1,200	1,200	68	1,132
Fees	-	-	933	(933)
Program Contracts	9,000	9,000	7,155	1,845
Insurance Services	1,400	1,400	678	722
Refunds	100	100	-	100
Total Materials and Services	24,170	24,170	16,611	7,559
TOTAL COMMUNITY SCHOOLS PROGRAM	63,125	63,125	64,276	(1,151)

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
EXPENDITURES - Department 458				
GOLF COURSE MAINTENANCE				
Personnel Services				
Golf Course Supervisor	\$ 67,455	\$ 67,455	\$ 65,503	\$ 1,952
Golf Course Technician	25,917	25,917	23,873	2,044
Golf Mechanic	27,228	27,228	24,520	2,708
Golf Course Landscaper	49,920	49,920	47,842	2,078
Part-time and Temporary	146,753	146,753	114,854	31,899
Payroll Taxes and Benefits	115,520	115,520	104,851	10,669
Total Personnel Services	432,793	432,793	381,443	51,350
Materials and Services				
Office Supplies	1,951	1,951	1,898	53
Postage Supplies	350	350	326	24
Program Supplies	15,093	15,093	14,638	455
Small Tools	6,796	6,796	6,695	101
Janitorial Supplies	1,686	1,686	564	1,122
Chemical and Agricultural Supplies	126,962	126,962	64,942	62,020
Gas and Oil Supplies	47,472	47,472	30,271	17,201
Snacks and Food	660	660	303	357
Uniforms	1,000	1,000	725	275
Classifieds	400	400	11	389
Brochures/Flyers	-	-	1,444	(1,444)
Professional Dues	1,755	1,755	1,677	78
Conferences & Workshops	3,770	3,770	3,547	223
Staff Mileage	200	200	-	200
Staff Expense	530	530	82	448
Electric	17,715	17,715	15,320	2,395
Water & Sewer	200,000	200,000	152,622	47,378
Telephone	2,000	2,000	2,885	(885)
Garbage Expense	500	500	-	500
Buildings Maintenance	2,500	2,500	876	1,624
Equipment	42,124	42,124	42,173	(49)
Structures	-	-	5,410	(5,410)
Grounds	90,000	90,000	102,772	(12,772)
Vehicles	1,000	1,000	4,112	(3,112)
Program Contracts	5,690	5,690	16,391	(10,701)
Insurance Services	6,000	6,000	3,088	2,912
Equipment Maintenance Contracts	3,800	3,800	2,562	1,238
Consultant Services	-	-	12,000	(12,000)
Equipment Rentals	-	-	1,033	(1,033)
Total Materials and Services	579,954	579,954	488,367	91,587
TOTAL GOLF COURSE MAINTENANCE	1,012,747	1,012,747	869,809	142,938

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 459				
GOLF CLUB HOUSE				
Personnel Services				
Club House Supervisor	\$ 67,455	\$ 67,455	\$ 65,502	\$ 1,953
Club House Assistants	34,736	34,736	29,522	5,214
Part-time and Temporary	115,375	115,375	85,718	29,657
Payroll Taxes and Benefits	73,005	73,005	62,170	10,835
Total Personnel Services	290,571	290,571	242,911	47,660
Materials and Services				
Office Supplies	1,500	1,500	1,985	(485)
Postage Supplies	500	500	864	(364)
Program Supplies	39,850	39,850	30,593	9,257
Small Tools	300	300	2	298
Janitorial Supplies	1,800	1,800	1,838	(38)
Store Supplies	147,949	147,949	128,987	18,962
Snacks and Food	300	300	485	(185)
Uniforms	1,200	1,200	122	1,078
Classifieds	150	150	-	150
Brochures	1,000	1,000	297	703
Flyers	24,700	24,700	19,870	4,830
Professional Dues	3,150	3,150	7,594	(4,444)
Conferences/Workshops	3,500	3,500	1,354	2,146
Staff Mileage	400	400	512	(112)
Staff Expense	1,200	1,200	317	883
Electric	16,000	16,000	15,596	404
Telephone	5,400	5,400	894	4,506
Fees	-	-	28,127	(28,127)
Computer and Cable	35,913	35,913	4,070	31,843
Garbage Expense	3,300	3,300	5,483	(2,183)
Buildings Maintenance	1,800	1,800	1,124	676
Structures	4,000	4,000	-	4,000
Equipment	1,200	1,200	7,100	(5,900)
Legal Services	2,500	2,500	-	2,500
Program Contracts	27,000	27,000	12,165	14,835
Insurance Services	6,500	6,500	2,235	4,266
Consultant Services	10,000	10,000	-	10,000
Refunds	8,000	8,000	4,445	3,555
Equipment Rentals	34,224	34,224	33,531	693
Total Materials and Services	383,336	383,336	309,589	73,747
TOTAL GOLF CLUB HOUSE	673,907	673,907	552,500	121,407

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 472				
JAQUITH CONCESSION				
Personnel Services				
P/T & Temp Staff	\$ 14,091	\$ 14,091	\$ -	\$ 14,091
Payroll Taxes and Benefits	2,032	2,032	-	2,032
Total Personnel Services	16,123	16,123	-	16,123
Materials and Services				
Office Supplies	60	60	-	60
Postage	30	30	-	30
Program Supplies	14,250	14,250	-	14,250
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	943	657
Concession Electricity	1,590	1,590	-	1,590
Equipment Maintenance	300	300	609	(309)
Total Materials and Services	19,905	19,905	1,551	18,354
TOTAL JAQUITH CONCESSION	36,028	36,028	1,551	34,477

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014**

	<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				
Preschool Instructors	\$ 18,916	\$ 18,916	\$ 11,771	\$ 7,145
Payroll Taxes and Benefits	2,140	2,140	1,431	709
Total Personnel Services	21,056	21,056	13,202	7,854
Materials and Services				
Office Supplies	1,000	1,000	1,291	(291)
Postage	200	200	12	188
Program Supplies	1,900	1,900	2,018	(118)
Classifieds	200	200	188	12
Brochures	1,150	1,150	1,563	(413)
Flyers	100	100	572	(472)
Dues	50	50	62	(12)
Conferences/Workshops	100	100	-	100
Staff Expenses	-	-	8	(8)
Electricity	375	375	539	(164)
Natural Gas	850	850	863	(13)
Water/Sewer	850	850	1,044	(194)
Telephone	800	800	873	(73)
Refunds	50	50	42	8
Fees	1,300	1,300	431	869
Insurance	1,200	1,200	993	207
Total Materials and Services	10,125	10,125	10,498	(373)
TOTAL PRESCHOOL	31,181	31,181	23,700	7,481
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
Chehalis Volleyball Club - Department 505	20,000	20,000	-	20,000
Quilt Club - Department 506	1,500	1,500	67	1,433
Community Progress Team - Department 501	20,000	20,000	-	20,000
Newberg Theatre Group - Department 507	10,000	10,000	-	10,000
TOTAL MISCELLANEOUS DEPARTMENTS	81,500	81,500	67	81,433



CHEHALEM PARK AND RECREATION DISTRICT  
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL  
For the Year Ended June 30, 2014

	<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>\$ 464,901</u>	<u>\$ 464,901</u>	<u>\$ 379,293</u>	<u>\$ 85,608</u>
TOTAL ACQUISITION AND IMPROVEMENT	<u>464,901</u>	<u>464,901</u>	<u>379,293</u>	<u>85,608</u>
TOTAL EXPENDITURES	<u>\$ 5,327,804</u>	<u>\$ 5,327,804</u>	<u>\$ 4,554,873</u>	<u>772,931</u>

CHEHALEM PARKS AND RECREATION DISTRICT  
YAMHILL COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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**PAULY, ROGERS, AND CO., P.C.**  
12700 SW 72<sup>nd</sup> Ave. Tigard, OR 97223  
(503) 620-2632 (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

December 29, 2014

### **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, 2014 and have issued our report thereon dated December 29, 2014. 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 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)**

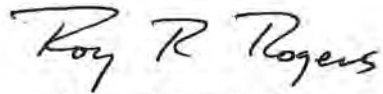
In connection with our testing, nothing came to our attention that caused us to believe the Chehalem Parks and Recreation District was not in substantial compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specific in Oregon 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 December 29, 2014.

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.

A handwritten signature in black ink that reads "Roy R. Rogers". The signature is written in a cursive style with a large, stylized "R" in the middle.

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