

AUDITS	Date	Initial
RCVD	8-12-10	sme
MUNI #	945-2009	
DIS	8-12-10	sme
MUNI	8-13-10	sme
SCANNED		
GOVT TYPE		
SD CO & #		
COMMENTS		

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2009



12700 SW 72nd Ave.
Tigard, OR 97223

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2009

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CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

2008-09 FINANCIAL REPORT

Don Loving, President	June 30, 2011
Mike McBride, Vice President	June 30, 2009
Donna McCain, Secretary-Treasurer	June 30, 2009
Larry Anderson, Director	June 30, 2011
Mike Ragsdale, Director	June 30, 2009

Board members receive mail at the District address listed below

ADMINISTRATION

W. Don Clements, Superintendent
and Registered Agent
125 South 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.

CERTIFIED PUBLIC ACCOUNTANTS

• 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
• (503) 620-2632 • FAX (503) 684-7523

June 17, 2010

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

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities and each major fund of the Chehalem Parks and Recreation District as of and for the year ended June 30, 2009, which collectively comprise the basic financial statements as listed in the table of contents. These financial statements are the responsibility of management. Our responsibility is to express opinions on these 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 financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Chehalem Parks and Recreation District, Newberg, Oregon, at June 30, 2009, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis, as listed in the table of contents, is not a required part of the basic financial statements, but is supplementary information required by generally accepted accounting principles in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information; however, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Chehalem Parks and Recreation District's basic financial statements. The Supplementary Information, except page 23, including budgetary comparison schedules (which are required supplementary information for major governmental funds) as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The schedule of expenditures by department on page 23 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Pauly, Rogers and Co., P.C.
PAULY, ROGERS AND CO., P.C.

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

This section of Chehalem Park 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, 2009. Please read it in conjunction with the District's financial statements and notes, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net assets were \$15,507,770 at June 30, 2009.
- During the year, the District's net assets increased by \$1,221,588.
- The general fund reported a fund balance this year of \$1,006,983.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are 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 Assets: The statement of net assets presents information on all of the assets and liabilities of the District at year-end. Net assets are what remain after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net assets serve 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 assets of the District changed over the year tracking revenues, expenses and other transactions that increase or reduce net assets. All changes in net assets 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 most significant *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, each considered to be major funds under the provisions of GASB 34.

Most of 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.

GOVERNMENT-WIDE NET ASSETS

	<u>2008-2009</u>	<u>2007-08</u>
ASSETS:		
Current Assets	\$ 2,114,000	\$ 1,836,573
Capital Assets	<u>21,233,568</u>	<u>20,663,619</u>
Total Assets	<u>23,347,686</u>	<u>22,500,192</u>
LIABILITIES:		
Current Liabilities	169,916	6,867
Noncurrent Liabilities	<u>7,670,000</u>	<u>8,207,143</u>
Total Liabilities	<u>7,839,916</u>	<u>8,214,010</u>
NET ASSETS:		
Invested in Capital Assets	13,507,944	12,456,476
Restricted	82,172	80,443
Unrestricted	<u>1,917,654</u>	<u>1,749,263</u>
Total Net Assets	<u>\$ 15,507,770</u>	<u>\$ 14,286,182</u>

	2008-09	2007-08
REVENUES:		
General Revenues		
Charges for Services	\$ 3,012,494	\$ 2,952,603
Property Taxes	2,079,733	1,942,747
Interest and Investment Earnings	25,379	53,204
Contribution Revenue	485,000	-
Miscellaneous	381,349	865,726
Total Revenues	<u>5,983,955</u>	<u>5,814,280</u>
EXPENSES:		
Parks	4,396,178	2,458,044
Interest on Long-Term Debt	<u>366,229</u>	<u>368,962</u>
Total Expenses	<u>4,762,407</u>	<u>2,827,006</u>
Change in Net Assets	1,221,588	2,987,274
Beginning Net Assets	<u>14,286,182</u>	<u>11,298,908</u>
Ending Net Assets	<u>\$ 15,507,770</u>	<u>\$ 14,286,182</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental fund balances totaled \$1,643,503 at June 30, 2009. A summary of changes in governmental fund balances follows:

CHANGES IN GOVERNMENTAL FUND BALANCES

	June 30, 2009	June 30, 2008	Change
General Fund	1,006,983	\$ 848,193	\$ 158,790
System Development Fund	554,348	614,819	(60,471)
Reserve for Equipment	52,631	51,681	950
Debt Service	29,541	28,762	779
	<u>\$ 1,643,503</u>	<u>\$ 1,543,455</u>	<u>\$ 100,048</u>

CAPITAL ASSETS


At June 30, 2009, the District had \$21,233,568 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, 2009, the District had outstanding debt payable of \$7,725,624. 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 the Chehalem Park and Recreation District. Our address is: 125 S Elliott Rd, Newberg, OR 97132.



Superintendent

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

STATEMENT OF NET ASSETS
At June 30, 2009

ASSETS	
Cash and Cash Equivalents	\$ 1,782,635
Accounts Receivable	62,457
Taxes Receivable	166,916
Supply Inventory	62,839
Prepaid Expenditures	39,271
Capital Assets, net of accumulated depreciation	<u>21,233,568</u>
Total Assets	<u>23,347,686</u>
 LIABILITIES:	
Accounts Payable	93,418
Payroll Liabilities	20,874
Compensated Absences	55,624
Noncurrent Liabilities	
Due within one year	505,000
Due in more than one year	<u>7,165,000</u>
Total Liabilities	<u>7,839,916</u>
 NET ASSETS:	
Invested in capital assets, net of related debt	13,507,944
Reserved for:	
Debt Service	29,541
Equipment	52,631
Unrestricted	<u>1,917,654</u>
Total Net Assets	<u><u>\$ 15,507,770</u></u>

See accompanying notes to basic financial statements

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2009

<u>FUNCTIONS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>	<u>NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS</u>
		<u>CHARGES FOR SERVICES</u>	
Parks	\$ 4,396,178	\$ 3,012,494	\$ (1,383,684)
Interest on Long-Term Debt	366,229	0	(366,229)
Total Governmental Activities	<u>\$ 4,762,407</u>	<u>\$ 3,012,494</u>	<u>(1,749,913)</u>
General Revenues			
Property Taxes			2,079,773
Interest and Investment Earnings			25,379
Contribution Revenue			485,000
Miscellaneous			<u>381,349</u>
Total General Revenues			<u>2,971,501</u>
Changes in Net Assets			1,221,588
Net Assets - Beginning			<u>14,286,182</u>
Net Assets - Ending			<u>\$ 15,507,770</u>

See accompanying notes to basic financial statements

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS

At June 30, 2009

	SPECIAL REVENUE FUNDS				
	GENERAL	SYSTEM DEVELOPMENT FUND	RESERVE FOR EQUIPMENT	DEBT SERVICE	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
Cash and Investments	\$ 1,163,144	\$ 537,319	\$ 52,631	\$ 29,541	\$ 1,782,635
Accounts Receivable	45,428	17,029	0	0	62,457
Taxes Receivable	166,916	0	0	0	166,916
Total Assets	\$ 1,375,488	\$ 554,348	\$ 52,631	\$ 29,541	\$ 2,012,008
LIABILITIES AND FUND BALANCE:					
Liabilities:					
Payroll Liabilities	\$ 20,874	\$ 0	\$ 0	\$ 0	\$ 20,874
Accounts Payable	93,418	0	0	0	93,418
Deferred Revenues	254,213	0	0	0	254,213
Total Liabilities	368,505	0	0	0	368,505
Fund Balance:					
Reserved for:					
System Development	0	554,348	0	0	554,348
Equipment	0	0	52,631	0	52,631
Debt Service	0	0	0	29,541	29,541
Unreserved:	1,006,983	0	0	0	1,006,983
Total Fund Balance	1,006,983	554,348	52,631	29,541	1,643,503
Total Liabilities and Fund Balance	\$ 1,375,488	\$ 554,348	\$ 52,631	\$ 29,541	\$ 2,012,008

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 Assets
June 30, 2009

Total Fund Balances - Governmental Funds	\$ 1,643,503
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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 Assets includes those capital assets among the assets as a whole.

Net Capital Assets	21,233,568
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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	62,839
---	--------

Prepaid expenses are not accounted for in the governmental funds because all expenses are charged currently instead of to the period they apply	39,271
---	--------

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 Assets.

Long term Liabilities

Bonds payable	\$ (7,165,000)	
Capital lease obligations payable	<u>(505,000)</u>	
		(7,670,000)

Compensated Absences Payable not accounted for in governmental funds	(55,624)
--	----------

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 deferred in the funds	<u>254,213</u>
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Net Assets	<u><u>\$ 15,507,770</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, 2009**

REVENUES:	GENERAL	SYSTEM DEVELOPMENT FUND	RESERVE FOR EQUIPMENT	DEBT SERVICE	TOTALS 2007
Taxes	\$ 2,048,118	\$ 0	\$ 0	\$ 0	\$ 2,048,118
Parks	10,338	0	0	0	10,338
Pool Receipts	363,928	0	0	0	363,928
Sports Receipts	291,873	0	0	0	291,873
Recreation Income	121,534	0	0	0	121,534
Earnings on Investments	18,524	5,126	950	779	25,379
Concession Income	11,501	0	0	0	11,501
Preschool Income	28,955	0	0	0	28,955
Quilt Club Income	461	0	0	0	461
Community School	40,489	0	0	0	40,489
Community Center	62,427	0	0	0	62,427
Golf Club House	1,778,445	0	0	0	1,778,445
Playgrounds/Centers	302,543	249,084	0	0	551,627
Miscellaneous Income	35,821	0	0	0	35,821
Total Revenues	5,114,957	254,210	950	779	5,370,896
EXPENDITURES:					
Personnel Services	1,780,952	0	0	0	1,780,952
Materials and Services	2,083,635	0	0	0	2,083,635
Capital Outlay	239,052	314,681	0	0	553,733
Debt Service:					
Principal	0	0	0	986,439	986,439
Interest	0	0	0	364,790	364,790
Total Expenditures:	4,103,639	314,681	0	1,351,229	5,769,549
Excess of Revenues Over, -Under Expenditures	1,011,318	-60,471	950	-1,350,450	-398,653
Other Financing Sources, -Uses:					
Loan Proceeds	498,701	0	0	0	498,701
Transfers In	0	0	0	1,351,229	1,351,229
Transfers Out	-1,351,229	0	0	0	-1,351,229
Total Other Financing Sources, -Uses	-852,528	0	0	1,351,229	498,701
Net Change in Fund Balance	158,790	-60,471	950	779	100,048
Beginning Fund Balance	848,193	614,819	51,681	28,762	1,543,455
Ending Fund Balance	\$ 1,006,983	\$ 554,348	\$ 52,631	\$ 29,541	\$ 1,643,503

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, 2009

Total Net Changes in Fund Balances - Governmental Funds \$ 100,048

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 Assets. Additions to bond principal, capital leases and post retirement obligations is an expense for the Statement of Net Assets but not the governmental funds.

Additions to Long-Term Debt	\$ (500,000)	
Long-Term Debt Principal Reduction	985,000	
Compensated Absences	<u>(3,481)</u>	
		481,519

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	\$ 1,160,680	
Depreciation Expense	<u>(590,731)</u>	
		569,949

In the governmental funds inventory and prepaid insurance are accounted for with a reserve account. In the Statement of Activities the changes in these assets during the year are recognized as expenses.

Change in Prepaids	\$ (55,762)	
Change in Inventory	<u>(2,265)</u>	
		(58,027)

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 deferred revenue. They are, however recorded as revenue in the Statement of Activities.

	<u>128,099</u>
Change in Net Assets of Governmental Activities	<u><u>\$ 1,221,588</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 Park and Recreation District is a municipal corporation governed by an elected five member board. Accounting principles generally accepted in the United States of America require that these financial statements present Chehalem Park and Recreation District (the primary government) and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement No. 39, 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 Assets and Statement of Activities display information about the reporting government as a whole.

The Statement of Net Assets and the 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 from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from 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 District's 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 of 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 Assets and the 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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 are maintained consistent with legal and managerial requirements.

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, franchise taxes, licenses, 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 due within the current fiscal period is considered to be measurable to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The District reports 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.

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for revenue and expenditures for special projects or programs. Funds included in the Special Revenue Funds category are:

SYSTEM DEVELOPMENT FUND

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

RESERVE FOR EQUIPMENT AND MAJOR MAINTENANCE FUND

The Reserve for Equipment and Major Maintenance Fund was established to accumulate funds for future equipment purchases and major maintenance work. Its main financing source is transfers from the General Fund.

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

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 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
- Material and Services
- Capital Outlay, Development, Improvement, and Acquisition
- Interfund Transfers
- 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. Appropriations lapse at the end of the year.

Expenditures of the various funds were within authorized appropriations except in the General Fund where capital outlay was over expended by \$8,155, and in the Debt Service Fund where debt services was over expended by \$154,641.

D. PROPERTY TAXES RECEIVABLE

In the Government-Wide Financial Statements uncollected property taxes are recorded on the Statement of Net Assets. 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 deferred revenue because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary, 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.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. CAPITAL ASSETS

Capital assets are recorded at the 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 three years. Interest incurred during construction, maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are 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 401K pension plan is participated in through Principal Mutual Life Insurance Company. Employees have the option of whether to participate in the plan.

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 retirements.

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 and 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 Assets. Bond premiums and discounts, as well as issuance costs, 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.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. LONG TERM DEBT (CONTINUED)

In the fund financial statements bond premiums and discounts, as well as bond issuance costs, 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

K. NET ASSETS

Net assets comprise the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net assets are classified in the following three categories.

Invested in capital assets, net of related debt – 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.

Reserved – consists of external constraints placed on net 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 net assets – consists of all other net assets that are not included in the other categories previously mentioned.

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions consist of bank demand deposits. For the fiscal year ended June 30, 2009, the bank balances were \$945,429. Of the bank balance, \$623,325 was covered by Federal Depository Insurance. 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 into 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.

CUSTODIAL 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, 2009, none of the bank balance was exposed to custodial credit risk because it was insured or collateralized.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

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 officer 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, 2009 the fair value of the position in the LGIP is 99.11% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements.

Cash and Investments at June 30, 2009 (recorded at fair value) consisted of:

Deposits With Financial Institutions:	2009
Petty Cash	\$ 25
Demand Deposits	868,986
Investments	<u>913,624</u>
Total	<u>\$ 1,782,635</u>

There are the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 3</u>	<u>3-17</u>	<u>18-59</u>
State Treasurer's Investment Pool	<u>\$ 913,624</u>	<u>\$ 913,624</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total	<u><u>\$ 913,624</u></u>	<u><u>\$ 913,624</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Oregon Revised Statutes does not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

Concentration of Credit Risk

At June 30, 2009, 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 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2009, all percentage restrictions were complied with.

3. CAPITAL ASSETS

The changes in capital assets for the 2008-09 fiscal year are as follows:

	BALANCE JULY 1, 2008	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2009
Land & Improvements	\$ 10,841,811	\$ 935,714	\$ 0	\$ 11,777,525
Buildings & Improvements	6,451,980	126,162	0	6,578,142
Golf Course	5,332,132	0	0	5,332,132
Vehicles & Equipment	2,037,399	98,804	0	2,136,203
Subtotal	24,663,322	1,160,680	0	25,824,002
Accumulated Depreciation	3,999,703	590,731	0	4,590,434
Capital Assets, Net	<u>\$ 20,663,619</u>			<u>\$ 21,233,568</u>

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. An employee may participate in the plan which is a 401K plan offered through Principal Mutual Life Insurance. They can 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 for 2008-09 and 2007-08 were \$99,359 and \$92,844, respectively. The plan was fully funded on June 30, 2009.

5. LEASES

Several parks are leased from the City of Newberg at no cost. During 1994-95, 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.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. JOINT VENTURES

During 1994-95 an intergovernmental 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 include, 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.

Both the District and the School District shall have sole responsibility for the cost of maintenance of the facilities located upon the property owned by each party, 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 not a separate financial statement of the joint venture.

7. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize its exposure to these risks.

8. LONG-TERM DEBT

All long-term debt obligations are payable from the general fund and the debt service fund. The following changes occurred in bonds payable for the year ended June 30, 2009:

	VESTED COMPENSATED ABSENCES	CAPITAL LEASES	REFUNDING COP	GENERAL OBLIGATION BONDS	TOTAL	INTEREST RATES (4.2-6.5%)
Balance 7/01/08	\$ 52,143	\$ 580,000	\$ 445,000	\$ 7,130,000	\$ 8,207,143	
Additions	55,624	500,000	0	0	555,624	
Reductions	(52,143)	(575,000)	(105,000)	(305,000)	(1,037,143)	
Balance 6/30/09	<u>55,624</u>	<u>505,000</u>	<u>340,000</u>	<u>6,825,000</u>	<u>7,725,624</u>	

Amounts Payable in Fiscal Year:

2009-2010	55,624	75,000	110,000	320,000	560,624	425,840
2010-2011	0	80,000	110,000	330,000	520,000	415,196
2011-2012	0	80,000	120,000	340,000	540,000	411,396
2012-2013	0	85,000	0	360,000	445,000	399,755
2013-2014	0	0	0	375,000	375,000	383,825
2014-2019	0	185,000	0	2,110,000	2,295,000	1,657,885
2019-2024	0	0	0	1,670,000	1,670,000	991,475
2024-2029	0	0	0	1,320,000	1,320,000	86,802
	<u>\$ 55,624</u>	<u>\$ 505,000</u>	<u>\$ 340,000</u>	<u>\$ 6,825,000</u>	<u>\$ 7,725,624</u>	<u>\$ 4,772,174</u>

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG-TERM DEBT (CONTINUED)

Refunding Certificates of Participation

In February of 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. The amount payable represents future payments payable to U.S. Bank.

General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit. General obligation bonds are issued to provide funds for the acquisition and construction of a golf course. The original amount of general obligation bonds issued in 2005 was \$2,750,000. An additional \$4,865,000 was issued in 2007.

Flex Lease

There are the following Flex Lease issues at June 30, 2009:

<u>ISSUE</u>	<u>ORIGINAL AMOUNT</u>	<u>INTEREST RATES</u>	<u>FINAL MATURITY</u>	<u>PRINCIPAL BALANCE</u>
05/01/05	775,000	4.5-6.5%	01/01/15	\$ 505,000
				<u>\$ 505,000</u>

9. PROPERTY TAX LIMITATIONS

The State of Oregon imposes a constitutional limit on property taxes for schools and nonschool government operations. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for nonschool 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 requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

10. INTERFUND TRANSFERS

The following transfers occurred during fiscal year 2008-09 to fund debt payments:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 0	\$ 1,351,229
Debt Service Fund	<u>1,351,229</u>	<u>0</u>
Total	<u>\$ 1,351,229</u>	<u>\$ 1,351,229</u>

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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
For the Year Ended June 30, 2009

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>POSITIVE -NEGATIVE</u>
REVENUES:				
Property Tax:				
Current Year's	\$ 1,897,962	\$ 1,897,962	\$ 2,003,568	\$ 105,606
Prior Year's	33,000	33,000	44,550	11,550
Parks	19,037	19,037	10,338	-8,699
Pool Receipts	332,360	332,360	363,928	31,568
Sports Receipts	254,677	254,677	291,873	37,196
Recreation Income	155,086	155,086	121,534	-33,552
Earnings on Investments	8,000	8,000	18,524	10,524
Concession Income	49,700	35,500	11,501	-23,999
Preschool Income	42,000	52,430	28,955	-23,475
Bambino League Income	30,000	30,000	0	-30,000
Chehalem Tiger Volleyball Income	20,000	20,000	0	-20,000
Newberg Theatre Group	10,000	10,000	0	-10,000
Quilt Club Income	1,500	1,500	461	-1,039
Community School	85,000	109,418	40,489	-68,929
Community Center	57,800	57,800	62,427	4,627
Golf Club House	1,284,575	1,284,575	1,778,445	493,870
Playgrounds/Centers	374,525	374,525	302,543	-71,982
Short Term Loan	350,000	0	0	0
Miscellaneous Income	0	0	35,821	35,821
Bond Proceeds	2,758,600	2,758,600	0	-2,758,600
Total Revenues	<u>7,763,822</u>	<u>7,434,470</u>	<u>5,114,957</u>	<u>-2,319,513</u>

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CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 2009

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>POSITIVE -NEGATIVE</u>
EXPENDITURES:				
Personnel Services	\$ 2,055,148	\$ 1,992,348 (1)	\$ 1,780,952	\$ 211,396
Materials & Services	2,313,734	2,193,634 (1)	2,083,635	109,999
Capital Outlay, Development, Improvement & Acquisition	<u>102,897</u>	<u>230,897 (1)</u>	<u>239,052</u>	<u>-8,155</u>
Total Expenditures *	<u>4,471,779</u>	<u>4,416,879</u>	<u>4,103,639</u>	<u>313,240</u>
Excess of Revenues Over, -Under Expenditures	3,292,043	3,346,943	1,011,318	-2,335,625
Other Financing Sources, -Uses:				
Loan Proceeds	0	0	498,701	498,701
Transfers Out	-1,198,488	-1,353,388 (1)	-1,351,229	2,159
Contingency	<u>100,000</u>	<u>0 (1)</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources, -Uses:	<u>-1,098,488</u>	<u>-1,353,388</u>	<u>-852,528</u>	<u>500,860</u>
Change in Fund Balance	2,193,555	1,993,555	158,790	-1,834,765
Beginning Fund Balance	<u>240,000</u>	<u>240,000</u>	<u>848,193</u>	<u>608,193</u>
Ending Fund Balance	<u>\$ 2,433,555</u>	<u>\$ 2,233,555</u>	<u>\$ 1,006,983</u>	<u>\$ -1,226,572</u>

(1) Appropriation level

* Expenditure detail by Department follows on pages 23a through 23n.

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
ADMINISTRATION:				
Personnel Services:				
Superintendent	\$ 87,776	\$ 87,776	\$ 87,653	\$ 123
Administrative Coordinator	33,729	33,729	33,284	445
Administrative Secretary	22,829	22,829	21,523	1,306
Payroll Taxes, Benefits	71,622	56,622	52,047	4,575
Total Personnel Services	<u>215,956</u>	<u>200,956</u>	<u>194,507</u>	<u>6,449</u>
Materials and Services:				
Office Supplies	12,500	12,500	6,670	5,830
Postage Supplies	2,000	2,000	239	1,761
Program Supplies	1,500	1,500	1,980	-480
Classified Ads	1,500	1,500	81	1,419
Brochure	1,000	1,000	0	1,000
Flyers and Schedules	200	200	0	200
Directors Fees	360	360	0	360
Professional Dues	11,000	11,000	6,805	4,195
Conferences/Workshops	4,000	4,000	5,994	-1,994
Staff Mileage	300	300	780	-480
Staff Expenses	6,000	6,000	3,980	2,020
Telephone	6,250	6,250	5,048	1,202
Miscellaneous	300	300	150	150
Maintenance	3,500	3,500	0	3,500
Legal Services	35,000	35,000	75,838	-40,838
Audit Services	12,000	12,000	10,865	1,135
Program Contracts	18,000	18,000	11,742	6,258
Insurance Services	7,750	7,750	6,871	879
Interest	1,500	1,500	0	1,500
Equipment Maintenance Contracts	3,000	3,000	900	2,100
Consultants	12,000	12,000	8,700	3,300
Property Taxes	5,750	5,750	5,629	121
Elections	8,500	8,500	3,519	4,981
Rental/Lease	2,000	2,000	397	1,603
Total Materials and Services	<u>155,910</u>	<u>155,910</u>	<u>156,188</u>	<u>-278</u>
TOTAL ADMINISTRATION	<u>371,866</u>	<u>356,866</u>	<u>350,695</u>	<u>6,171</u>

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
PARKS DEPARTMENT				
Personnel Services:				
Park Supervisor	\$ 57,688	\$ 57,688	\$ 57,452	\$ 236
Park Coordinator	35,415	35,415	35,198	217
Park Technicians	47,942	47,942	40,581	7,361
Park Laborer/Secretaries	56,160	51,160	46,876	4,284
Payroll Taxes, Benefits	91,657	81,657	80,513	1,144
Total Personnel Services	<u>288,862</u>	<u>273,862</u>	<u>260,620</u>	<u>13,242</u>
Materials and Services:				
Office Supplies	2,000	2,000	1,565	435
Postage Supplies	300	300	244	56
Program Supplies	2,000	2,000	1,900	100
Small Tools	2,200	2,200	1,538	662
Janitorial Supplies	14,000	14,000	11,847	2,153
Chemical/Agricultural Supplies	9,316	9,316	8,120	1,196
Gas/Oil Supplies	12,400	12,400	11,126	1,274
Classifieds	325	325	146	179
Brochures	2,000	2,000	1,403	597
Flyers	0	0	0	0
Professional Dues	2,840	2,840	1,877	963
Conferences/Workshops	2,040	2,040	1,874	166
Staff Mileage	900	900	476	424
Staff Expense	700	700	390	310
Utilities	0	0	545	-545
Electricity	19,000	19,000	17,157	1,843
Natural Gas	9,100	9,100	5,575	3,525
Water/Sewer	78,000	78,000	70,789	7,211
Telephone	4,000	4,000	4,210	-210
Fees	300	300	266	34
Garbage Expense	6,800	6,800	6,269	531
Building Maintenance	14,500	14,500	19,086	-4,586
Structure Maintenance	7,000	7,000	8,736	-1,736
Equipment Maintenance	38,000	38,000	49,902	-11,902
Grounds Maintenance	26,257	16,257	15,010	1,247
Program Contracts	96,503	81,503	80,601	902
Insurance Services	24,431	24,431	22,227	2,204
Equipment Maintenance Contracts	0	0	0	0
Equipment Rental	2,200	2,200	410	1,790
Buildings and Structures	2,500	2,500	1,760	740
Total Materials and Services	<u>379,612</u>	<u>354,612</u>	<u>345,049</u>	<u>9,563</u>
TOTAL PARKS DEPARTMENT	<u>668,474</u>	<u>628,474</u>	<u>605,669</u>	<u>22,805</u>

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
AQUATICS:				
Personnel Services:				
Aquatic Coordinator	\$ 35,415	\$ 35,415	\$ 35,198	\$ 217
Aquatics Technician	22,829	5,029	0	5,029
Secretary	25,169	25,169	24,573	596
Guards, Instructors, and Cashiers	130,706	130,706	120,867	9,839
Carlton Contracts	0	0	0	0
Coaches	4,000	4,000	182	3,818
Payroll Taxes, Benefits	84,928	69,928	57,203	12,725
Total Personnel Services	303,047	270,247	238,023	32,224
Materials and Services:				
Office Supplies	2,800	2,800	2,134	666
Postage Supplies	2,575	2,575	2,869	-294
Program Supplies	5,200	5,200	6,081	-881
Chemical and Agricultural Supplies	8,500	8,500	9,934	-1,434
Store Supplies	4,000	4,000	4,148	-148
Classifieds	250	250	250	0
Brochure	3,600	3,600	3,378	222
Flyers	1,500	1,500	1,650	-150
Professional Dues	2,090	2,090	2,049	41
Conferences/Workshops	750	750	653	97
Staff Mileage	400	400	363	37
Staff Expenses	400	400	43	357
Electricity	38,000	38,000	44,421	-6,421
Natural Gas	65,000	65,000	90,462	-25,462
Water/Sewer	18,000	18,000	15,688	2,312
Telephone	4,900	4,900	5,461	-561
Fees	0	0	8,637	-8,637
Miscellaneous	7,695	7,695	0	7,695
Equipment Maintenance	0	0	0	0
Program Contracts	17,390	17,390	16,010	1,380
Insurance Services	20,500	20,500	22,197	-1,697
Refunds	2,000	2,000	542	1,458
Buildings and Structures	0	0	0	0
Total Materials and Services	205,550	205,550	236,970	-31,420
TOTAL AQUATICS	508,597	475,797	474,993	804

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	POSITIVE -NEGATIVE
EXPENDITURES:				
RECREATION - ADULT SPORTS:				
Personnel Services:				
Sports Supervisor	\$ 8,653	\$ 8,653	\$ 8,041	\$ 612
Sports Technician	8,741	8,741	9,268	-527
Sports Leaders/Secretaries	2,432	2,432	4,001	-1,569
Payroll Taxes, Benefits	10,338	10,338	9,326	1,012
Total Personnel Services	30,164	30,164	30,636	-472
Materials and Services				
Office Supplies	850	850	1,278	-428
Postage Supplies	200	200	26	174
Program Supplies	2,466	2,466	654	1,812
Classified Ads	100	100	15	85
Brochure	725	725	855	-130
Flyers and Schedules	200	200	94	106
Professional Dues	550	550	341	209
Conferences/Workshops	350	350	110	240
Staff Mileage	250	250	0	250
Staff Expenses	95	95	39	56
Electricity	4,700	4,700	2,167	2,533
Water & Sewer	0	0	0	0
Telephone	1,000	1,000	1,121	-121
Fees	875	875	966	-91
Equipment Maintenance	225	225	114	111
Program Contracts	16,332	12,332	11,793	539
Insurance	3,200	3,200	3,167	33
Refunds	600	600	1,389	-789
Equipment Rental	800	800	300	500
Buildings and Structures	300	300	0	300
Total Materials and Services	33,818	29,818	24,429	5,389
TOTAL ADULT SPORTS	63,982	59,982	55,065	4,917

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>POSITIVE -NEGATIVE</u>
EXPENDITURES:				
RECREATION - YOUTH SPORTS:				
Personnel Services:				
Sports Supervisor	\$ 29,998	\$ 29,998	\$ 30,277	\$ -279
Sports Technician	20,395	20,395	19,601	794
Sports Leaders/Secretaries	14,980	14,980	12,875	2,105
Payroll Taxes, Benefits	29,753	29,753	26,100	3,653
Total Personnel Services	<u>95,126</u>	<u>95,126</u>	<u>88,853</u>	<u>6,273</u>
Materials and Services				
Office Supplies	2,000	2,000	1,609	391
Postage Supplies	450	450	132	318
Program Supplies	46,847	46,847	46,272	575
Gas and Oil Supplies	275	275	510	-235
Classifieds	100	100	25	75
Brochures	2,200	2,200	2,469	-269
Flyers	450	450	821	-371
Professional Dues	835	835	1,011	-176
Conferences/Workshops	450	450	266	184
Staff Mileage	325	325	0	325
Staff Expenses	300	300	185	115
Electricity	4,000	4,000	1,881	2,119
Water & Sewer	0	0	0	0
Telephone	2,450	2,450	2,104	346
Fees	4,500	4,500	3,495	1,005
Equipment Maintenance	400	400	128	272
Program Contracts	44,508	44,508	58,686	-14,178
Insurance Services	6,300	6,300	5,556	744
Refunds	1,500	1,500	2,026	-526
Equipment Rental	13,000	13,000	8,137	4,863
Buildings & Structures	0	0	0	0
Total Materials and Services	<u>130,890</u>	<u>130,890</u>	<u>135,313</u>	<u>-4,423</u>
TOTAL YOUTH SPORTS	<u>226,016</u>	<u>226,016</u>	<u>224,166</u>	<u>1,850</u>

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>POSITIVE -NEGATIVE</u>
EXPENDITURES:				
RECREATION - CLASSES & ACTIVITIES				
Personnel Services:				
Recreation Supervisor	\$ 9,807	\$ 9,807	\$ 10,624	\$ -817
Recreation Coordinator	27,749	27,749	27,371	378
Special Events Staff/Secretaries	1,500	1,500	498	1,002
Payroll Taxes, Benefits	30,159	30,159	28,775	1,384
Total Personnel Services	69,215	69,215	67,268	1,947
Materials and Services				
Office Supplies	1,400	1,400	1,184	216
Postage Supplies	250	250	353	-103
Program Supplies	5,000	5,000	1,955	3,045
Gas and Oil Supplies	100	100	0	100
Classifieds	250	250	70	180
Brochures	7,000	7,000	5,686	1,314
Flyers	900	900	1,049	-149
Professional Dues	400	400	159	241
Conferences/Workshops	500	500	632	-132
Staff Mileage	200	200	142	58
Staff Expenses	140	140	19	121
Telephone	2,000	2,000	1,205	795
Fees	2,400	2,400	2,507	-107
Equipment Maintenance	200	200	181	19
Program Contracts	68,000	68,000	87,827	-19,827
Insurance Services	3,900	3,900	2,966	934
Equipment Maintenance Contract	150	150	0	150
Refunds	700	700	989	-289
Buildings and Structures	0	0	0	0
Equipment Rental	200	200	15	185
Total Materials and Services	93,690	93,690	106,939	-13,249
TOTAL CLASSES & ACTIVITIES	162,905	162,905	174,207	-11,302

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
RECREATION - PLAYGROUNDS & CENTERS				
Personnel Services:				
Recreation Supervisor	\$ 9,230	\$ 9,230	\$ 8,609	\$ 621
Care Technician	33,729	33,729	33,536	193
Specials Events Staff/Secretary	195,202	195,202	196,037	-835
Payroll Taxes, Benefits	48,240	48,240	46,250	1,990
Total Personnel Services	<u>286,401</u>	<u>286,401</u>	<u>284,432</u>	<u>1,969</u>
Materials and Services				
Office Supplies	2,800	2,800	2,959	-159
Postage Supplies	1,000	1,000	345	655
Program Supplies	32,000	32,000	30,363	1,637
Gas and Oil Supplies	1,500	1,500	1,246	254
Classifieds	100	100	0	100
Brochures	1,300	1,300	1,552	-252
Flyers	300	300	489	-189
Professional Dues	300	300	114	186
Conferences/Workshops	700	700	667	33
Staff Mileage	50	50	50	0
Staff Expenses	300	300	100	200
Telephone	6,800	6,800	5,341	1,459
Fees	6,750	6,750	4,363	2,387
Equipment Maintenance	200	200	0	200
Legal	300	300	0	300
Program Contracts	2,500	2,500	229	2,271
Insurance Services	2,500	2,500	2,301	199
Refunds	300	300	731	-431
Contracts-Admissions	11,000	6,000	4,821	1,179
Equipment Rental	8,000	8,000	5,698	2,302
Total Materials and Services	<u>78,700</u>	<u>73,700</u>	<u>61,369</u>	<u>12,331</u>
TOTAL PLAYGROUNDS & CENTERS	<u>365,101</u>	<u>360,101</u>	<u>345,801</u>	<u>14,300</u>

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
COMMUNITY CENTER/SCOUT HOUSE				
Personnel Services:				
Senior Center Specialist	\$ 26,428	\$ 26,428	\$ 26,357	\$ 71
Building Leaders	8,518	8,518	8,632	-114
Payroll Taxes, Benefits	20,834	20,834	18,362	2,472
Total Personnel Services	55,780	55,780	53,351	2,429
Materials and Services				
Office Supplies	1,200	1,200	1,696	-496
Postage Supplies	2,400	2,400	755	1,645
Program Supplies	4,000	4,000	3,741	259
Gas and Oil	1,000	1,000	1,064	-64
Classifieds	100	100	0	100
Brochures	4,000	4,000	2,730	1,270
Flyers	2,500	2,500	1,479	1,021
Professional Dues	250	250	204	46
Conferences/Workshops	600	600	467	133
Staff Mileage	300	300	498	-198
Staff Expense	75	75	28	47
Electricity	13,800	13,800	13,344	456
Natural Gas	13,000	13,000	15,869	-2,869
Water/Sewer	25,000	25,000	31,050	-6,050
Telephone	2,100	2,100	1,070	1,030
Fees	400	400	295	105
Equipment Maintenance	300	300	100	200
Program Contracts	5,100	5,100	9,938	-4,838
Equipment Maintenance Contracts	500	500	239	261
Insurance Services	23,000	23,000	22,955	45
Senior Trips	3,400	3,400	2,061	1,339
Refunds	50	50	0	50
Total Materials and Services	103,075	103,075	109,583	-6,508
TOTAL COMMUNITY CENTER SCOUT HOUSE	158,855	158,855	162,934	-4,079

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
COMMUNITY SCHOOLS				
Personnel Services:				
Part-time & Temp & Full-time	\$ 42,365	\$ 42,365	\$ 22,571	\$ 19,794
Payroll Taxes, Benefits	6,490	6,490	2,619	3,871
Total Personnel Services	<u>48,855</u>	<u>48,855</u>	<u>25,190</u>	<u>23,665</u>
Materials and Services:				
Office Supplies	1,800	1,800	1,588	212
Postage Supplies	600	600	633	-33
Program Supplies	6,000	6,000	5,663	337
Small Tools	0	0	0	0
Store Supplies	0	0	0	0
Gas and Oil	0	0	0	0
Snacks & Food	1,800	1,800	300	1,500
Classifieds	100	100	0	100
Brochures	850	850	1,400	-550
Flyers	500	500	631	-131
Professional Dues	600	600	28	572
Conferences/Workshops	800	800	595	205
Staff Mileage	200	200	63	137
Staff Expense	0	0	13	-13
Telephone	850	850	817	33
Computer & Cable	800	800	0	800
Fees	0	0	862	-862
Equipment Maintenance	300	300	6	294
Audit Services	0	0	0	0
Program Contracts	19,000	19,000	21,153	-2,153
Insurance Services	800	800	1,373	-573
Equipment Maintenance Contracts	200	200	0	200
Refunds	100	100	152	-52
Total Materials and Services	<u>35,300</u>	<u>35,300</u>	<u>35,277</u>	<u>23</u>
TOTAL COMMUNITY SCHOOLS PROGRAM	<u>84,155</u>	<u>84,155</u>	<u>60,467</u>	<u>23,688</u>

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
GOLF COURSE MAINTENANCE				
Personnel Services:				
Golf Course Supervisor	\$ 59,124	\$ 59,124	\$ 60,331	\$ -1,207
Golf Course Technician	23,971	23,971	25,862	-1,891
Golf Mechanic	29,136	29,136	25,442	3,694
Part-time & Temp	116,428	116,428	102,067	14,361
Payroll Taxes, Benefits	84,479	84,479	64,182	20,297
Total Personnel Services	<u>313,138</u>	<u>313,138</u>	<u>277,884</u>	<u>35,254</u>
Materials and Services:				
Office Supplies	845	845	1,664	-819
Postage Supplies	50	50	63	-13
Program Supplies	15,000	15,000	5,699	9,301
Small Tools	7,852	7,852	5,463	2,389
Janitorial Supplies	1,300	1,300	775	525
Chemical & Agricultural Supplies	92,000	72,000	68,569	3,431
Store Supplies	0	0	70	-70
Gas & Oil Supplies	53,807	23,807	22,912	895
Snacks & Food	600	600	117	483
Uniforms	450	450	90	360
Classifieds	600	600	0	600
Brochures/Flyers	0	0	0	0
Professional Dues	1,350	1,350	606	744
Conferences & Workshops	4,640	4,640	1,345	3,295
Staff Mileage	100	100	0	100
Staff Expense	50	50	92	-42
Electric	11,500	11,500	7,708	3,792
Water & Sewer	288,500	268,500	266,017	2,483
Telephone	840	840	681	159
Garbage Expense	2,500	2,500	48	2,452
Fees	0	0	0	0
Buildings Maintenance	2,500	2,500	3,995	-1,495
Equipment	16,900	16,900	28,808	-11,908
Grounds	28,440	28,440	38,643	-10,203
Vehicles	2,000	2,000	245	1,755
Program Contracts	3,360	3,360	0	3,360
Insurance Services	11,000	6,000	5,717	283
Equipment Rentals	1,300	1,300	1216	84
Buildings & Structures	0	0	0	0
Total Materials and Services	<u>547,484</u>	<u>472,484</u>	<u>460,543</u>	<u>11,941</u>
TOTAL GOLF COURSE MAINTENANCE	<u>860,622</u>	<u>785,622</u>	<u>738,427</u>	<u>47,195</u>

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE</u>
EXPENDITURES:	<u>BUDGET</u>	<u>BUDGET</u>		<u>-NEGATIVE</u>
GOLF CLUB HOUSE				
Personnel Services:				
Club House Supervisor	\$ 57,688	\$ 57,688	\$ 59,009	\$ -1,321
Club House Assistant	29,136	29,136	0	29,136
Part-time & Temp	159,069	159,069	140,321	18,748
Payroll Taxes, Benefits	57,358	57,358	43,882	13,476
Total Personnel Services	<u>303,251</u>	<u>303,251</u>	<u>243,212</u>	<u>60,039</u>
Materials and Services:				
Office Supplies	1,200	1,200	1,005	195
Postage Supplies	500	500	334	166
Program Supplies	34,860	34,860	30,301	4,559
Small Tools	500	500	157	343
Janitorial Supplies	4,000	4,000	3,205	795
Store Supplies	149,360	149,360	175,499	-26,139
Gas & Oil Supplies	500	500	85	415
Snacks & Food	600	600	0	600
Uniforms	2,250	2,250	3,633	-1,383
Classifieds	300	300	124	176
Brochures	2,500	2,500	1,412	1,088
Flyers	28,100	28,100	12,015	16,085
Professional Dues	3,030	3,030	4,196	-1,166
Conferences & Workshops	5,400	5,400	713	4,687
Staff Mileage	500	500	663	-163
Staff Expense	600	600	1,005	-405
Electric	15,000	15,000	15,488	-488
Water & Sewer	1,000	1,000	1,221	-221
Telephone	4,800	4,800	3,876	924
Fees	0	0	27,754	-27,754
Computer & Cable	1,800	1,800	2,039	-239
Garbage Expense	33,430	33,430	2,910	30,520
Buildings Maintenance	1,200	1,200	1,579	-379
Structures	0	0	0	0
Equipment	3,600	3,600	7,553	-3,953
Vehicles	0	0	0	0
Legal Services	2,000	2,000	0	2,000
Program Contracts	12,600	12,600	16,326	-3,726
Insurance Services	10,000	10,000	5,510	4,490
Equipment Maintenance	300	300	0	300
Consultant Services	3,600	3,600	0	3,600
Refunds	0	0	1,668	-1,668
Equipment Rentals	82,560	82,560	76,942	5,618
Buildings & Structures	0	0	0	0
Total Materials and Services	<u>406,090</u>	<u>406,090</u>	<u>397,213</u>	<u>8,877</u>
TOTAL GOLF CLUB HOUSE	<u>709,341</u>	<u>709,341</u>	<u>640,425</u>	<u>68,916</u>

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
JAQUITH CONCESSION				
Personnel Services:				
Concession Attendant	\$ 13,104	\$ 13,104	\$ 0	\$ 13,104
Payroll Taxes, Benefits	1,654	1,654	0	1,654
		0		
Total Personnel Services	14,758	14,758	0	14,758
Materials and Services:				
Office Supplies	50	50	0	50
Postage	30	30		
Program Supplies	12,750	2,750	0	2,750
Classifieds	75	75	0	75
Flyers	125	125		
Conferences & Workshops	675	675	0	675
Professional Dues	500	500	0	500
Concession Mileage	150	150	0	150
Concession Contracts	0	0	0	0
Concession Telephone	1,440	1,440	0	1,440
Concession Insurance	1,600	1,600	907	693
Concession Electricity	1,200	100	0	100
Equipment Maintenance	250	250	0	250
Total Materials and Services	18,845	7,745	907	6,683
TOTAL JAQUITH CONCESSION	33,603	22,503	907	21,441

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
PRESCHOOL				
Personnel Services:				
Head Instructor	\$ 0	\$ 0	\$ 0	\$ 0
Instructors	20,295	20,295	15,560	4,735
Payroll Taxes, Benefits	1,800	1,800	1,416	384
Total Personnel Services	<u>22,095</u>	<u>22,095</u>	<u>16,976</u>	<u>5,119</u>
Materials and Services:				
Office Supplies	600	600	587	13
Postage	275	275	171	104
Program Supplies	2,000	2,000	1,329	671
Classifieds	85	85	66	19
Brochures	600	600	365	235
Flyers	100	100	78	22
Dues	100	100	0	100
Conferences & Workshops	50	50	14	36
Staff Mileage	0	0	0	0
Electricity	425	425	272	153
Natural Gas	850	850	1,079	-229
Water/Sewer	550	550	440	110
Telephone	750	750	766	-16
Computer & Cable	550	550	0	550
Fees	0	0	544	-544
Refunds	75	75	15	60
Insurance	1,000	1,000	957	43
Total Materials and Services	<u>8,010</u>	<u>8,010</u>	<u>6,683</u>	<u>1,327</u>
TOTAL PRESCHOOL	<u>30,105</u>	<u>30,105</u>	<u>23,659</u>	<u>6,446</u>
MISCELLANEOUS DEPARTMENTS				
Materials and Services:				
Dundee Community Progress Team	20,000	20,000	0	20,000
Babe Ruth League	8,000	8,000	6,775	1,225
Little League	22,000	22,000	0	22,000
Chehalem Volleyball Club	20,000	20,000	0	20,000
Quilt Club	1,500	1,500	397	1,103
Ewing Young	5,260	5,260	0	5,260
Newberg Historic Friends	30,000	30,000	0	30,000
Newberg Theatre Group	10,000	10,000	0	10,000
TOTAL MISCELLANEOUS DEPARTMENTS	<u>116,760</u>	<u>116,760</u>	<u>7,172</u>	<u>109,588</u>
NDOT				
Personnel Services:				
Payroll	8,500	8,500	0	8,500
TOTAL NDOT	<u>8,500</u>	<u>8,500</u>	<u>0</u>	<u>8,500</u>

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT
For the Year Ended June 30, 2009**

	<u>GENERAL FUND</u>			VARIANCE POSITIVE -NEGATIVE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
ACQUISITION AND IMPROVEMENT				
Capital Outlay, Development, Improvement, and Acquisition	<u>\$ 102,897</u>	<u>\$ 230,897</u>	<u>\$ 239,052</u>	<u>\$ -8,155</u>
TOTAL ACQUISITION AND IMPROVEMENT	<u> 102,897</u>	<u> 230,897</u>	<u> 239,052</u>	<u> -8,155</u>
TOTAL EXPENDITURES	<u><u>\$ 4,471,779</u></u>	<u><u>\$ 4,416,879</u></u>	<u><u>\$ 4,103,639</u></u>	<u><u>\$ 313,240</u></u>

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2009

SYSTEM DEVELOPMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE -NEGATIVE
REVENUES:				
SDC Income	\$ 300,000	\$ 300,000	\$ 249,084	\$ -50,916
Interest Earned	1,000	1,000	5,126	4,126
Total Revenues	301,000	301,000	254,210	-46,790
EXPENDITURES:				
Development	801,000	801,000	314,681	486,319
Total Expenditures	801,000	801,000 (1)	314,681	486,319
Change in Fund Balance	-500,000	-500,000	-60,471	439,529
Beginning Fund Balance	500,000	500,000	614,819	114,819
Ending Fund Balance	\$ 0	\$ 0	\$ 554,348	\$ 554,348

(1) Appropriation level

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2009

RESERVE FOR EQUIPMENT AND
MAJOR MAINTENANCE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE -NEGATIVE
REVENUES:				
Interest Earned	\$ 800	\$ 800	\$ 950	\$ 150
Total Revenues	800	800	950	150
EXPENDITURES:				
Maintenance and Equipment	51,140	51,140	0	51,140
Total Expenditures	51,140	51,140 (1)	0	51,140
Change in Fund Balance	-50,340	-50,340	950	51,290
Beginning Fund Balance	50,340	50,340	51,681	1,341
Ending Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 52,631</u>	<u>\$ 52,631</u>

(1) Appropriation level

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2009

DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE -NEGATIVE
REVENUES:				
Interest	\$ 100	\$ 100	\$ 779	\$ 679
Total Revenues	100	100	779	679
EXPENDITURES:				
Debt Service				
Principal	850,000	850,000	986,439	-136,439
Interest	346,588	346,588	364,790	-18,202
Total Expenditures	1,196,588	1,196,588 (1)	1,351,229	-154,641
Excess of Revenues Over, -Under Expenditures	-1,196,488	-1,196,488	-1,350,450	-153,962
Other Financing Sources, -Uses:				
Transfers In	1,198,488	1,198,488	1,351,229	152,741
Total Other Financing Sources, -Uses	1,198,488	1,198,488	1,351,229	152,741
Change in Fund Balance	2,000	2,000	779	-1,221
Beginning Fund Balance	0	0	28,762	28,762
Ending Fund Balance	\$ 2,000	\$ 2,000	\$ 29,541	\$ 27,541

(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, 2009**

<u>TAX YEAR</u>	<u>ORIGINAL LEVY OR BALANCE UNCOLLECTED 07/01/08</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 AT 6/30/09</u>
<u>GENERAL FUND:</u>						
CURRENT:						
2008-09	\$ 2,134,260	\$ 51,561	\$ -8,202	\$ 1,464	\$ 1,972,342	\$ 103,619
PRIOR YEARS:						
2007-08	\$ 81,206	\$ 0	\$ -3,478	\$ 2,776	\$ 46,546	\$ 33,958
2006-07	25,042	0	-279	1,761	12,410	14,114
2005-06	13,004	0	-183	2,095	9,486	5,430
2004-05	4,896	0	-140	896	3,623	2,029
2003-04	1,620	0	-72	75	227	1,396
Prior	7,050	0	-144	293	829	6,370
Total Prior	132,818	0	-4,296	7,896	73,121	63,297
Total General Fund	<u>\$ 2,267,078</u>	<u>\$ 51,561</u>	<u>\$ -12,498</u>	<u>\$ 9,360</u>	<u>\$ 2,045,463</u>	<u>\$ 166,916</u>

RECONCILIATION OF REVENUE:

	<u>GENERAL FUND</u>
Cash Collections by County Treasurer Above	\$ 2,045,463
Accrual of Receivables:	
Taxes In Lieu	338
June 30, 2008	-6,829
June 30, 2009	9,146
Total Revenue	<u>\$ 2,048,118</u>

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

2008-2009 AUDITORS' COMMENTS AND DISCLOSURES

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PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

-
- 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
 - (503) 620-2632 • FAX (503) 684-7523

June 17, 2010

2008-2009 AUDITORS' COMMENTS AND DISCLOSURES

Oregon Administrative Rules 162-10-000 through 162-16-000 of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required statements and schedules are set forth in preceding pages of this report. Required comments and disclosures related to our audit of such statements and schedules are set forth as follows.

REPORT ON INTERNAL ACCOUNTING CONTROL

We have audited the basic financial statements of Chehalem Parks and Recreation District, Yamhill County, Oregon, as of and for the year ended June 30, 2009, and have issued our report thereon dated June 17, 2010.

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 of material misstatement.

Management is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of basic financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the basic financial statements for the year ended June 30, 2009, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records or to all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected.

INTERNAL CONTROL (CONTINUED)

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the financial statements that is more than inconsequential will not be prevented or detected by the internal controls.

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 June 17, 2010.

A material weakness is a significant deficiency in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be a material weakness as defined above.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be a significant deficiency and accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses as defined above.

This report is intended solely for the information and use of the Board of Directors, management and the State of Oregon, Secretary of State, Division of Audits and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

ACCOUNTING RECORDS

The accounting records were adequate for audit, except as noted in the management letter.

BUDGET TRANSACTIONS

Expenditures of the various funds were within authorized appropriations except as noted on page 14.

2008-2009 and 2009-2010 BUDGETS

The budgets adopted for the current and ensuing fiscal year were examined during the audit. Based upon our testing it appeared that budget preparation and adoption procedures followed were in compliance with the Oregon Local Budget Law.

COLLATERAL SECURING BANK DEPOSITS

Deposits appeared to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury throughout the year based upon our testing. Deposits in the State Local Government Investment Pool are not required to be collateralized.

INVESTMENTS

The investments for the year ending June 30, 2009, were reviewed and based upon our testing appeared to comply with the legal requirements pertaining to the investment of public funds contained in ORS 294.035.

PUBLIC CONTRACTS AND PURCHASING

The procedures for awarding public contracts were reviewed and based upon our testing we found two instances of non-compliance with ORS Chapter 279 during 2008-2009, where there was no documentation of quotes being obtained.

INSURANCE AND FIDELITY BONDS

Details concerning insurance and fidelity bond coverage were reviewed during the audit. Fidelity bond coverage provided appears to meet legal requirements set forth in ORS 221.903. We do not have the professional expertise to state whether the insurance coverage is adequate.

DEBT LIMITATION

The bonded debt outstanding was within the provisions of ORS 552.645.

STATE HIGHWAY FUNDS

No state highway funds were received during fiscal year 2008-2009.

INDEPENDENT ELECTED OFFICIALS

No elected official collected or received funds on behalf of the District.

PROGRAMS FUNDED FROM OUTSIDE SOURCES

We reviewed and tested, to the extent we considered necessary in the circumstances, transactions and reports relative to federal and state programs. Since less than \$500,000 in federal financial assistance was expended for the year ended June 30, 2009, it was not necessary to perform, nor did we perform, tests in accordance with the Federal Single Audit Act, as amended (U.S. Office of Management and Budget Circular A-133)


PAULY, ROGERS AND CO., P.C.

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