

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

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019



**12700 SW 72nd Ave.
Tigard, OR 97223**

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019

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CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

2018-19 FINANCIAL REPORT

<u>BOARD MEMBERS</u>	<u>TERM EXPIRES</u>
Bart Rierson, President	June 30, 2023
Don Loving, Vice President	June 30, 2023
Peter Siderius, Secretary / Treasurer	June 30, 2021
Mike Ragsdale	June 30, 2021
Lisa Rogers	June 30, 2021

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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CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

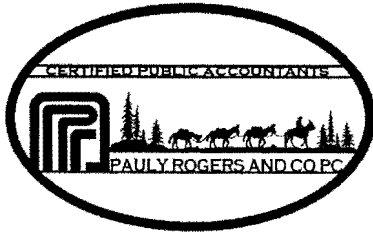
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PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcogas.com

August 18, 2020

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

INDEPENDENT AUDITORS' REPORT

Report on the Basic Financial Statements

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Chehalem Parks and Recreation District (the District), as of and for the year ended June 30, 2019, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Basic Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

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

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Chehalem Parks and Recreation District, as of June 30, 2019, 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. 83 *Certain Asset Retirement Obligations* and GASB Statement No. 88 *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements* for the year ended June 30, 2019. 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 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 them 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 Schedule of Changes in Total OPEB Liability and Related Ratios or 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 on them.

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

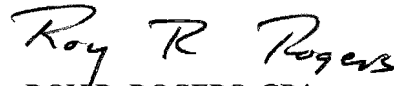
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary 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 August 18, 2020, 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.

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

This section of Chehalis 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, 2019. 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 \$23,251,231 at June 30, 2019.
- During the year, the District's net position increased by \$2,177,087.
- The general fund reported a fund balance this year of \$2,019,476.

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 four parts: *management's discussion and analysis* (this section), the *basic financial statements*, *supplementary information*, and *other 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 five funds, all 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>2018-19</u>	<u>2017-18</u>
ASSETS		
Current Assets	\$ 5,475,608	\$ 10,048,750
Capital Assets	<u>44,883,576</u>	<u>39,318,977</u>
Total Assets	50,359,184	49,367,727
DEFERRED OUTFLOWS		
	<u>29,236</u>	<u>34,108</u>
Total Assets and Deferred Outflows	<u>50,388,420</u>	<u>49,401,835</u>
LIABILITIES		
Current Liabilities	1,885,951	1,798,213
Noncurrent Liabilities	<u>25,251,238</u>	<u>26,529,478</u>
Total Liabilities	<u>27,137,189</u>	<u>28,327,691</u>
Net Position		
Net Investment in Capital Assets	18,383,334	11,610,367
Restricted	2,776,990	7,458,895
Unrestricted	<u>2,090,907</u>	<u>2,004,882</u>
Total Net Position	<u>\$ 23,251,231</u>	<u>\$ 21,074,144</u>

	<u>2018-19</u>	<u>2017-18</u>
REVENUES		
General Revenues		
Grant/Donations	\$ 398,438	\$ -
Charges for Service	4,539,438	4,924,863
Property Taxes	4,266,045	4,194,624
Interest and Investment Earnings	<u>107,529</u>	<u>100,564</u>
 Total Revenues	 <u>9,311,450</u>	 <u>9,220,051</u>
 EXPENSES		
Parks	6,174,970	5,252,823
Interest on Long-Term Debt	<u>959,393</u>	<u>1,061,268</u>
 Total Expenses	 <u>7,134,363</u>	 <u>6,314,091</u>
 Change in Net Position	 2,177,087	 2,905,960
Prior Period Adjustment	-	8,606,449
Beginning Net Position	<u>21,074,144</u>	<u>9,561,735</u>
 Ending Net Position	 <u><u>23,251,231</u></u>	 <u><u>21,074,144</u></u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental fund balances totaled \$4,796,466 on June 30, 2019. A summary of changes in governmental fund balances follows:

	6/30/2019		6/30/2018		Change
General Fund	\$	2,019,476	\$	1,906,967	\$ 112,509
System Development Fund	\$	2,336,308	\$	1,346,771	\$ 989,537
Reserve for Equipment					\$ -
2015 Bond Debt Service Fund	\$	(212,285)	\$	56,809	\$ (269,094)
Debt Service	\$	32,882	\$	31,992	\$ 890
Pool Bond Fund	\$	620,085	\$	6,023,323	\$ (5,403,238)
	\$	4,796,466	\$	9,365,862	\$ (4,569,396)

CAPITAL ASSETS

At June 30, 2019, the District had \$44,883,576 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, 2019, the District had outstanding debt payable of \$26,529,478. 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, 2019

ASSETS	
Cash and Cash Equivalents	\$ 4,121,586
Accounts Receivable	953,564
Taxes Receivable	241,057
Interest Receivable	8,909
Supply Inventory	86,293
Prepaid Expenses	64,199
Capital Assets not being depreciated	39,011,776
Capital Assets, net of accumulated depreciation	<u>5,871,800</u>
 Total Assets	 50,359,184
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charge on Refunding	<u>29,236</u>
 Total Assets and Deferred Outflows of Resources	 <u>50,388,420</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	185,570
Accrued Interest Payable	50,894
Unearned Revenue	200,353
Compensated Absences	146,404
Long-term Debt – Current Portion	1,278,240
NET OPEB Liability - Health Insurance	24,490
 Total Current Liabilities	 1,885,951
Noncurrent Liabilities:	
Long-term Debt	<u>25,251,238</u>
 Total Liabilities	 <u>27,137,189</u>
NET POSITION	
Net Investment in Capital Assets	18,383,334
Restricted for Debt Service	(179,403)
Restricted for Acquisition and Development	2,956,393
Unrestricted	<u>2,090,907</u>
 Total Net Position	 <u>\$ 23,251,231</u>

See accompanying notes to the basic financial statements

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

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019**

<u>FUNCTIONS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		<u>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION</u>
		<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND DONATIONS</u>	
Parks	\$ 6,174,970	\$ 4,539,438	\$ 398,438	\$ (1,237,094)
Interest on Long-term Debt	<u>959,393</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(959,393)</u>
Total Governmental Activities	<u>\$ 7,134,363</u>	<u>\$ 4,539,438</u>	<u>\$ 398,438</u>	<u>\$ (2,196,487)</u>
General Revenues:				
				2,950,909
				1,315,136
				<u>107,529</u>
Total General Revenues				<u>4,373,574</u>
Changes in Net Position				2,177,087
Net Position – Beginning				<u>21,074,144</u>
Net Position – Ending				<u>\$ 23,251,231</u>

See accompanying notes to the basic financial statements

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

**BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2019**

	GENERAL FUND	SYSTEM DEVELOPMENT FUND	DEBT SERVICE FUND	2015 BOND DEBT SERVICE FUND	POOL BOND FUND	TOTAL
ASSETS						
Cash and Investments	\$ 1,545,457	\$ 2,048,890	\$ 32,882	\$ 125,114	\$ 369,243	\$ 4,121,586
Accounts Receivable	378,842	561,068	-	13,654	-	953,564
Taxes Receivable	169,737	-	-	71,320	-	241,057
Interest Receivable	8,067	-	-	-	842	8,909
Prepaid Expenditures	64,199	-	-	-	-	64,199
Due from Other Funds	635,209	-	-	-	250,000	885,209
Total Assets	\$ 2,801,511	\$ 2,609,958	\$ 32,882	\$ 210,088	\$ 620,085	\$ 6,274,524
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE						
Liabilities						
Accounts Payable	\$ 185,570	\$ -	\$ -	\$ -	\$ -	\$ 185,570
Due to Other Funds	250,000	273,650	-	361,559	-	885,209
Deferred Revenue	200,353	-	-	-	-	200,353
Total Liabilities	635,923	273,650	-	361,559	-	1,271,132
Deferred Inflows of Resources						
Unavailable Revenue - Property Taxes	146,112	-	-	60,814	-	206,926
Total Deferred Inflows of Resources	146,112	-	-	60,814	-	206,926
Fund Balance						
Nonspendable	64,199	-	-	-	-	64,199
Restricted for Acquisition and Development	-	2,336,308	-	-	620,085	2,956,393
Restricted for Debt Service	-	-	32,882	(212,285)	-	(179,403)
Unassigned	1,955,277	-	-	-	-	1,955,277
Total Fund Balance	2,019,476	2,336,308	32,882	(212,285)	620,085	4,796,466
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 2,801,511	\$ 2,609,958	\$ 32,882	\$ 210,088	\$ 620,085	\$ 6,274,524

See accompanying notes to the 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, 2019

Total Fund Balances - Governmental Funds	\$	4,796,466
<p>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.</p>		
Net Capital Assets		44,883,576
<p>Inventory is not accounted for in the governmental funds as it is recorded on the purchase method instead of the consumption method.</p>		
OPEB Liability for Health Insurance		(24,490)
<p>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.</p>		
Long term Liabilities		
Bonds payable	\$ (26,025,000)	
Bond premium	(504,478)	
Deferred charge on refunding	<u>29,236</u>	(26,500,242)
Compensated Absences Payable not accounted for in governmental funds		(146,404)
Accrued Interest Payable not accounted for in governmental funds		(50,894)
<p>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 reported as deferred inflows of resource in the fund financial statements.</p>		
		<u>206,926</u>
Net Position	<u>\$</u>	<u>23,251,231</u>

See accompanying notes to the 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, 2019**

	GENERAL FUND	SYSTEM DEVELOPMENT FUND	DEBT SERVICE FUND	2015 BOND DEBT SERVICE FUND	POOL BOND FUND	TOTALS
REVENUES						
Taxes	\$ 3,031,380	\$ -	\$ -	\$ 1,323,918	\$ -	\$ 4,355,298
Earnings on Investments	59,270	4,770	890	9,942	32,657	107,529
Parks	14,188	-	-	-	-	14,188
Concession Income	12,742	-	-	-	-	12,742
Sports Receipts	345,380	-	-	-	-	345,380
Recreation	70,644	-	-	-	-	70,644
Preschool	35,435	-	-	-	-	35,435
Community School	27,360	-	-	-	-	27,360
Community Center/Scout House	84,059	-	-	-	-	84,059
Pool Receipts	877,036	-	-	-	-	877,036
Playgrounds/Centers	514,361	-	-	-	-	514,361
Golf Club House	1,307,853	-	-	-	-	1,307,853
SDC Income	-	1,211,206	-	-	-	1,211,206
Grants/Donations	74,872	-	-	-	323,566	398,438
Miscellaneous Income	3,812	-	-	35,362	-	39,174
Total Revenues	6,458,392	1,215,976	890	1,369,222	356,223	9,400,703
EXPENDITURES						
Current:						
Personal Services	2,650,117	-	-	-	-	2,650,117
Materials and Services	2,634,114	-	-	-	-	2,634,114
Capital Outlay	102,066	226,439	-	-	6,143,136	6,471,641
Debt Service	-	-	937,470	1,276,757	-	2,214,227
Total Expenditures	5,386,297	226,439	937,470	1,276,757	6,143,136	13,970,099
Excess of Revenues Over (Under) Expenditures	1,072,095	989,537	(936,580)	92,465	(5,786,913)	(4,569,396)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	937,470	-	133,675	1,071,145
Transfers Out	(1,071,145)	-	-	-	-	(1,071,145)
Total Other Financing Sources (Uses)	(1,071,145)	-	937,470	-	133,675	-
Net Change in Fund Balance	950	989,537	890	92,465	(5,653,238)	(4,569,396)
Prior Period Adjustment	111,559	-	-	(361,559)	250,000	-
Beginning Fund Balance	1,906,967	1,346,771	31,992	56,809	6,023,323	9,365,862
Ending Fund Balance	\$ 2,019,476	\$ 2,336,308	\$ 32,882	\$ (212,285)	\$ 620,085	\$ 4,796,466

See accompanying notes to the 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, 2019**

Total Net Changes in Fund Balances - Governmental Funds \$ (4,569,396)

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.

Long-term Debt Principal Reduction	\$ 1,190,000	
Reduction in Premium	23,240	
Deferred Charge on Refunding	<u>(4,872)</u>	1,208,368

Compensated Absences (29,023)

Change in Net OPEB Liability for Health Insurance (24,490)

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	\$ 6,158,995	
Depreciation Expense	<u>(594,396)</u>	5,564,599

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 69,816

Change in accrued interest 46,466

Because some property taxes 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.

General Fund Beginning Fund Balance - PY deferred revenue	(226,583)	
General Fund - Unavailable Property Tax Revenue	<u>146,112</u>	(80,471)

Debt Service Fund Beginning Fund Balance - PY deferred revenue	(69,596)	
Debt Service Fund - Unavailable Property Tax Revenue	<u>60,814</u>	<u>(8,782)</u>

Change in Net Position of Governmental Activities \$ 2,177,087

See accompanying notes to the basic financial statements

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

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CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of Chehalem Parks and Recreation District (the District) have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America 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 basic financial statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

A. THE FINANCIAL REPORTING ENTITY

The Chehalem Parks and Recreation District is a municipal corporation governed by an elected board. Accounting principles generally 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. 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 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 general revenues.

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

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

FUND FINANCIAL STATEMENTS

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

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

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FUND EQUITY

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

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

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

There were no assigned or committed fund balances as of June 30, 2019.

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, except as noted above, 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.

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

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All other revenue items are considered to be measureable and available only when cash is received.

The District maintains 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.

2015 BOND DEBT SERVICE FUND

This fund provides for the payment of principal and interest on the 2015 General Obligation Bond. The principal revenue source is property taxes.

POOL BOND FUND

The Pool Bond Fund was established to account for the revenues and expenditures related to the bond which was issued to replace or upgrade the existing swimming pool.

C. BUDGET

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

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

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

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2019.

D. PROPERTY TAXES RECEIVABLE

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

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

Buildings and Improvements	30 years
Vehicle and Equipment	5 to 20 years
Land Improvements	5 to 51 years

F. PENSION PLAN

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

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. VESTED COMPENSATED ABSENCES

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

H. SUPPLY INVENTORIES

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

I. ESTIMATES

The preparation of the basic 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 OBLIGATIONS

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

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

K. NET POSITION

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

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

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

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

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 basic financial statements 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 in the amount of \$29,236 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 basic financial statements 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 from property taxes. Unavailable revenues for property taxes are \$206,926. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

M. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

N. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

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

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund’s own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

2. CASH AND INVESTMENTS

Cash and investments at June 30, 2019 (recorded at fair value) consisted of:

Deposits with Financial Institutions	
Demand Deposits	\$ 2,484,640
Investments	<u>1,636,946</u>
Total	<u>\$ 4,121,586</u>

There are the following investments and maturities:

Investment Type	Fair Value	Maturity (in months)		
		Less than 3	3 - 17	18 - 59
State Treasurer’s Investment Pool	<u>\$ 1,636,946</u>	<u>\$ 1,636,946</u>	<u>\$ -</u>	<u>\$ -</u>

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.

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, 2019, the bank balance of \$2,546,601 was fully insured or collateralized under the Oregon Public Funds Collateralization Program.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (Continued)

INVESTMENTS

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, 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. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly.

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, 2019, 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 a local government to be invested in banker's acceptances or any qualified financial institution. At June 30, 2019, investments appeared to be in compliance with all percentage restrictions.

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

NOTES TO BASIC FINANCIAL STATEMENTS

3. CAPITAL ASSETS

The changes in capital assets for the year ended June 30, 2019 are as follows:

	Balance July 1, 2018	Adjustments	Additions	Deletions	Balance June 30, 2019
Non-Depreciable:					
CIP	\$ 20,164,131	\$ -	\$ 6,134,920	\$ -	\$ 26,299,051
Land	12,712,725	-	-	-	12,712,725
Depreciable:					
Land Improvements	1,718,878	333,082	-	-	2,051,960
Buildings and Improvements	6,978,165	539,566	-	-	7,517,731
Golf Course	7,226,864	(7,226,864)	-	-	-
Equipment	-	6,506,846	24,075	-	6,530,921
Vehicles	-	510,122	-	-	510,122
Vehicles and Equipment	662,752	(662,752)	-	-	-
Total Capital Assets	49,463,515	-	6,158,995	-	55,622,510
Accumulated Depreciation					
Land Improvements	1,277,329	127,006	48,998	-	1,453,333
Buildings and Improvements	4,686,208	232,794	210,988	-	5,129,990
Golf Course	3,777,471	(3,777,471)	-	-	-
Equipment	-	3,596,091	323,512	-	3,919,603
Vehicles	-	225,110	10,898	-	236,008
Vehicles and Equipment	403,530	(403,530)	-	-	-
Total Accumulated Depreciation	10,144,538	-	594,396	-	10,738,934
Capital Assets, Net	\$ 39,318,977				\$ 44,883,576

Depreciation of \$594,396 was allocated to the Parks function.

All CIP relates to Pool Bond Fund expenditures for pool and gym construction. The adjustments column amounts represent adjustments to the District's Fixed Asset register format. Vehicles and Equipment were each separated into their own line items, while Golf Course totals were added to the other lines to match reports provided by the District. Totals balance out to zero.

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 \$153,018, \$137,951, and \$131,790, respectively, for the years ended June 30, 2019, 2018, and 2017. The plan was fully funded on June 30, 2019. The assets of the plan are held by the Plan Administrator for the benefit of the employees and thus are not included in the District's basic financial statements.

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE

Post-Employment Health Care Benefits

Plan Description:

The District maintains a single employer retiree benefit plan that provides post-employment health, dental, vision and life insurance benefits to eligible employees and their spouses. Both active and retired members are eligible for the plan. Benefits and eligibility for members are established through the collective bargaining agreements. The plan does not issue separate basic financial statements.

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

The District reports Other Postemployment Benefits under GASB Statement No. 75. This allows the District to report its liability for other post-employment benefits consistent with established generally accepted accounting principles and to reflect an actuarially determined liability for the present value of projected future benefits for retired and active employees on the financial statements.

Annual OPEB Cost and Total OPEB Liability – The annual other postemployment benefit (OPEB) cost is calculated based on the Total OPEB Liability, an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. For detailed information and a table showing the components of the District's annual OPEB costs and liabilities, see page 27.

Total Other Post Employment Benefit Liability

The District's total other post-employment benefits were measured as of June 30, 2019 and determined by an actuarial valuation as of that date.

Actuarial Methods and Assumptions - The total other post-employment benefit liability in the June 30, 2019 actuarial valuation was calculated based on the discount rate and actuarial assumptions below, and was then projected forward/backward to the measurement date. Discount Rate 3.50%, Inflation 2.50%, Salary Increases 3.0%, and Actuarial Cost Method is Entry Age Normal Level Percent of Pay. The annual premium increase was assumed to fluctuate between 5% to 6.6% until 2038 in accordance with the Society of Actuaries – Getzen Long Term Healthcare Trends Resource Model, updated 2017. Mortality rates are based on RP 2014, Employee/Healthy Annuitant, sex distinct, generational. Turnover, Disability and Retirement rate assumptions are based off the valuation of benefits under Oregon PERS.

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE (CONTINUED)

<u>Changes in Net Other Post-Employment Benefit Liability</u>	
Total OPEB Liability at June 30, 2018	\$ 21,330
Changes for the year:	
Service Cost	2,332
Interest	828
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other input	-
Benefit payments	-
Net changes	3,160
Total OPEB Liability at June 30, 2019	\$ 24,490

Sensitivity of the Total Post-Employment Benefit Liability to changes in the discount and trend rates

The following presents the Total OPEB Liability of the plan, calculated using the discount rate as of the measurement date, as well as what the Plan’s Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 26,490	\$ 24,490	\$ 22,655

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 22,008	\$ 24,490	\$ 27,448

As of June 30, 2019, there were no deferred outflows or inflows of resources related to OPEB benefits.

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability in the fiscal year ended June 30, 2020.

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

NOTES TO BASIC FINANCIAL STATEMENTS

5. OTHER POST EMPLOYMENT BENEFITS – HEALTH INSURANCE (CONTINUED)

As of the July 1, 2018 valuation date, the following employees were covered by the benefit terms:

	Total
Participant Counts	
Number of Active Participants	24
Number of Inactive Participants	<u>0</u>
Total Number of Participants	<u><u>24</u></u>

6. 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.

7. 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 fiscal years have not exceeded this commercial coverage.

8. PROPERTY TAX LIMITATIONS

The voters of the State of Oregon imposed 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 voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction was 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 now bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

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

NOTES TO BASIC FINANCIAL STATEMENTS

9. SHORT-TERM DEBT

The District has an available line of credit agreement with KeyBank which can be used to borrow up to \$300,000. Interest rates are based on the prime rate of the bank for the month(s) outstanding. As of June 30, 2019, there was \$0 outstanding.

10. LONG-TERM OBLIGATIONS

All long-term debt obligations are payable from the General Fund and the Debt Service Fund. Interest rates vary between 3.0 percent and 6.5 percent.

The following changes occurred in long-term debt for the year ended June 30, 2019:

	<u>Outstanding 7/1/2018</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding 6/30/2019</u>	<u>Due Within One Year</u>
Governmental Activities:					
Full Faith and Credit 2014 Refunding	1,225,000	-	160,000	1,065,000	165,000
Pool GO Bond 2015	18,450,000	-	575,000	17,875,000	620,000
Full Faith and Credit 2018 Refunding	<u>7,540,000</u>	-	<u>455,000</u>	<u>7,085,000</u>	<u>470,000</u>
Total Debt	27,215,000	-	1,190,000	26,025,000	1,255,000
Bond Premium	73,006	-	4,294	68,712	4,294
Full Faith and Credit 2018 Premium	<u>454,712</u>	-	<u>18,946</u>	<u>435,766</u>	<u>18,946</u>
Total Premium	527,718	-	23,240	504,478	23,240
Total governmental activities	<u><u>\$ 27,742,718</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,213,240</u></u>	<u><u>\$ 26,529,478</u></u>	<u><u>\$ 1,278,240</u></u>

Future Governmental bonds debt service requirements are as follows:

Year ending June 30	Bonds		Year ending June 30	FF & Credit 2018 Refunding	
	Principal	Interest		Principal	Interest
2020	\$ 620,000	\$ 701,775	2020	\$ 470,000	\$ 279,763
2021	660,000	678,775	2021	485,000	265,663
2022	715,000	653,975	2022	495,000	251,113
2023	770,000	620,975	2023	370,000	231,313
2024	825,000	585,225	2024	380,000	216,513
2025-2029	5,160,000	2,166,463	2025-2029	1,385,000	871,563
2030-2034	7,340,000	1,147,144	2030-2034	1,135,000	642,163
2035	<u>1,785,000</u>	<u>64,706</u>	2035-2039	1,385,000	389,725
			2040-2042	<u>980,000</u>	<u>84,363</u>
Total	<u><u>\$ 17,875,000</u></u>	<u><u>\$ 6,619,038</u></u>	Total	<u><u>\$ 7,085,000</u></u>	<u><u>\$ 3,232,178</u></u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

10. LONG-TERM OBLIGATIONS (CONTINUED)

Year Ending June 30	FF & Credit 2014 Refunding		Year ending June 30	Premiums	Year ending June 30	Refunding Charge 2014
	Principal	Interest		Amortization		Amortization
2020	\$ 165,000	\$ 28,886	2020	\$ 23,240	2020	\$ 4,873
2021	170,000	24,987	2021	23,241	2021	4,873
2022	175,000	20,412	2022	23,241	2022	4,872
2023	180,000	15,217	2023	23,241	2023	4,873
2024	185,000	9,466	2024	23,241	2024	4,873
2025	190,000	3,230	2025-2029	116,204	2025	4,872
			2030-2034	116,204		
Total	<u>\$ 1,065,000</u>	<u>\$ 102,198</u>	2035-2039	99,027	Total	<u>\$ 29,236</u>
			2040-2042	56,839		
			Total	<u>\$ 504,478</u>		

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 and an aquatic and fitness center.

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.

In June 2018, \$7,540,000 of full faith credit obligation bonds were issued to refinance the 2006 and 2007 full faith and credit obligation bonds. A portion of the net proceeds of \$2,259,664 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds.

The following full faith and credit obligations were outstanding at June 30, 2019:

Amount	Rates	Maturity	Balance
1,735,000	4.00-4.75%	2024	1,065,000
7,540,000	3.00-4.25%	2042	7,085,000
Total			<u>\$ 8,150,000</u>

POOL GENERAL OBLIGATION BOND 2015

In April of 2015, general obligation bonds-Series 2015 were issued in the amount of \$19,900,000 with current interest bonds at 4%. Bond interest payments began June 15, 2016 and end June 15, 2035.

There are no significant default remedies for any obligations requiring disclosure under GASB 88.

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

NOTES TO BASIC FINANCIAL STATEMENTS

11. 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, which ended on May 9, 2018. The District is leasing Crabtree Park on a month to month basis and is in the process of renewing the lease agreement. 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 five copiers and printers. The monthly payments include amounts of \$134, \$207, \$845, and \$700. Lease payments for the year ending June 30, 2019 were \$13,321.

The future minimum operating lease payments are as follows:

Year Ended June 30,	Amount
2020	10,836
2021	10,008
2022	<u>3,753</u>
Total	<u>\$ 24,597</u>

12. TAX ABATEMENTS

As of June 30, 2019, the District potentially had tax abatements through various state allowed programs that impacted levied taxes. Based on the information available from the county as of the date of issuance of these financial statements, the amount of abatements for the year ended June 30, 2019 is deemed immaterial by management.

13. INTERFUND TRANSFERS AND INTERFUND RECEIVABLES/PAYABLES

Interfund transfers for the year ended June 30, 2019, consisted of the following:

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 1,071,145	\$ -
Pool Bond Fund	-	133,675
Debt Service Fund	<u>-</u>	<u>937,470</u>
Total	<u>\$ 1,071,145</u>	<u>\$ 1,071,145</u>

Interfund receivables/payables at June 30, 2019 consist of the following:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
General Fund	\$ 635,209	\$ 250,000
System Development Fund	-	273,650
Pool Bond Fund	250,000	-
2016 Bond Debt Service Fund	<u>-</u>	<u>361,559</u>
Total Funds	<u>\$ 885,209</u>	<u>\$ 885,209</u>

Transfers and receivables/payables activities are used to move unrestricted revenues to finance various programs that the District must account for in other funds in accordance with budgetary authorization.

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

14. RELATED PARTIES

The Chehalem Park Foundation is a 501(c)3 nonprofit organization that collects donations committed to the District that are designated for certain purposes that donors wish to support. The District shares management personnel with the Foundation as well as oversight of the Foundation by the District Board. Foundation funds are not considered available to the District for general purposes and are not included or disclosed in the District financial statements.

15. PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to the General Fund, the Pool Bond Fund, and the Bond Debt Service Fund to reallocate fund balances at June 30, 2018 in the Statement of Revenues, Expenditures and Changes in Fund Balances (p.9). A debt service payment of principal and interest was made during 2017-2018 and reflected incorrectly in several funds, resulting in temporarily inaccurate fund balances at June 30, 2018. These fund balances have been corrected as of June 30, 2019. These reallocations net to zero, and the combined total fund balance of all funds was correct at both June 30, 2018 and June 30, 2019.

16. DEFICIT FUND BALANCE

At June 30, 2019, there was a deficit fund balance of \$212,285 in the 2015 Bond Debt Service Fund. This will be resolved through transfers from the other funds during the next fiscal year.

17. SUBSEQUENT EVENT

In March 2020, the State issued shelter-in-place orders as well as the closure of all nonessential businesses due to the spread of COVID-19. The financial impact on the District is not determinable as of the issuance of the basic financial statements.

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 CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
 OTHER POST EMPLOYMENT BENEFITS
 June 30, 2019

**OPEB: (HEALTH INSURANCE)
 SCHEDULE OF FUNDING PROGRESS**

Year Ended June, 30	OPEB Liability Beginning of Year	Service Cost	Liability Interest	Changes of		OPEB Liability End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
				Benefit Terms	Assumptions			
2019	\$ 21,330	\$ 2,332	\$ 828	\$ -	\$ -	\$ 24,490	\$ 1,114,118	2.20%
2018 **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017 *	N/A	N/A	N/A	N/A	N/A	-	N/A	N/A

The above table presents the most recent calculation of the post-retirement health insurance under GASB 75 and it provides information about the total plan unfunded liability. This Schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

* Client's valuation in FY 2017 estimated \$0 in OPEB liability

** Client elected not to receive a valuation in FY 2018

**CHEHALEMPARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Property Tax:				
Current Year	\$ 2,888,934	\$ 2,888,934	\$ 3,031,380	142,446
Prior Years	60,000	60,000	-	(60,000)
Earnings on Investments	4,000	4,000	59,270	55,270
Parks	34,333	34,333	14,188	(20,145)
Sports:				
Concession Income	52,500	52,500	12,742	(39,758)
Sports Receipts	397,655	397,655	345,380	(52,275)
Recreation:				
Recreation	153,800	153,800	70,644	(83,156)
Preschool	54,935	54,935	35,435	(19,500)
Community School	57,500	57,500	27,360	(30,140)
Community Center/Scout House	153,000	153,000	84,059	(68,941)
Pool Receipts	712,848	712,848	877,036	164,188
Playgrounds/Centers	526,000	526,000	514,361	(11,639)
Golf Club House	1,483,618	1,483,618	1,307,853	(175,765)
Rec Adjustment	15,500	15,500	-	(15,500)
Grants/Donations	500,000	500,000	74,872	(425,128)
Miscellaneous Income	50,000	50,000	3,812	(46,188)
Total Revenues	<u>7,144,623</u>	<u>7,144,623</u>	<u>6,458,392</u>	<u>(686,231)</u>

Continued on page 28b

**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, 2019**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES				
Personnel Services	\$ 3,071,977	\$ 3,071,977 (1)	\$ 2,650,117	\$ 421,860
Materials and Services	2,805,184	2,905,184 (1)	2,634,114	271,070
Capital Outlay, Development, Improvement and Acquisition	475,660	475,660 (1)	102,066	373,594
Contingency	100,000	- (1)	-	-
Total Expenditures	<u>6,452,821</u>	<u>6,452,821</u>	<u>5,386,297</u>	<u>1,066,524</u>
Excess of Revenues Over (Under) Expenditures	691,802	691,802	1,072,095	380,293
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(1,071,145)</u>	<u>(1,071,145) (1)</u>	<u>(1,071,145)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(1,071,145)</u>	<u>(1,071,145)</u>	<u>(1,071,145)</u>	<u>-</u>
Net Change in Fund Balance	(379,343)	(379,343)	950	380,293
Prior Period Adjustment	-	-	111,559	(111,559)
Beginning Fund Balance	<u>379,343</u>	<u>379,343</u>	<u>1,906,967</u>	<u>1,527,624</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>2,019,476</u>	<u>\$ 2,019,476</u>

(1) Appropriation level

Continued from page 28a

* Expenditure detail by Department follows on pages 35A through 35N.

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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
BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

<u>SYSTEM DEVELOPMENT FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
SDC Income	\$ 844,840	\$ 844,840	\$ 1,211,206	\$ 366,366
Interest Earned	160	160	4,770	4,610
Total Revenues	<u>845,000</u>	<u>845,000</u>	<u>1,215,976</u>	<u>370,976</u>
EXPENDITURES:				
Capital, Development, Improvement & Acquisition	<u>710,000</u>	<u>710,000 (1)</u>	<u>226,439</u>	<u>483,561</u>
Total Expenditures	<u>710,000</u>	<u>710,000</u>	<u>226,439</u>	<u>483,561</u>
Excess of Revenues Over (Under) Expenditures	135,000	135,000	989,537	854,537
OTHER FINANCING SOURCES (USES):				
Transfers Out	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>	<u>350,000</u>
Total Other Financing Sources (Uses)	<u>(350,000)</u>	<u>(350,000)</u>	<u>989,537</u>	<u>350,000</u>
Net Change in Fund Balance	(215,000)	(215,000)	989,537	1,204,537
Beginning Fund Balance	<u>215,000</u>	<u>215,000</u>	<u>1,346,771</u>	<u>1,131,771</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,336,308</u>	<u>\$ 2,336,308</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, 2019**

DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Interest Earned	\$ 150	\$ 150	\$ 890	\$ 740
Total Revenue	150	150	890	740
EXPENDITURES:				
Capital Outlay	31,569	31,569 (1)	-	31,569
Debt Service	1,071,145	1,071,145 (1)	937,470	133,675
Total Expenditures	1,102,714	1,102,714	937,470	165,244
Excess of Revenues Over (Under) Expenditures	(1,102,564)	(1,102,564)	(936,580)	165,984
OTHER FINANCING SOURCES (USES):				
Transfers In	571,145	571,145	937,470	366,325
Loan Proceeds	500,000	500,000	-	(500,000)
Total Other Financing Sources (Uses)	1,071,145	1,071,145	937,470	(133,675)
Net Change in Fund Balance	(31,419)	(31,419)	890	32,309
Beginning Fund Balance	31,419	31,419	31,992	573
Ending Fund Balance	\$ -	\$ -	\$ 32,882	\$ 32,882

(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, 2019**

2015 BOND DEBT SERVICE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Property Tax	\$ 1,367,000	\$ 1,367,000	\$ 1,323,918	\$ (43,082)
Miscellaneous	-	-	35,362	35,362
Interest Earned	-	-	9,942	9,942
Total Revenue	<u>1,367,000</u>	<u>1,367,000</u>	<u>1,369,222</u>	<u>2,222</u>
EXPENDITURES:				
Debt Service	<u>1,276,775</u>	<u>1,276,775 (1)</u>	<u>1,276,757</u>	<u>18</u>
Total Expenditures	<u>1,276,775</u>	<u>1,276,775</u>	<u>1,276,757</u>	<u>18</u>
Net Change in Fund Balance	90,225	90,225	92,465	2,240
Prior Period Adjustment	-	-	(361,559)	361,559
Beginning Fund Balance	-	-	56,809	56,809
Ending Fund Balance	<u>\$ 90,225</u>	<u>\$ 90,225</u>	<u>\$ (212,285)</u>	<u>\$ (302,510)</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, 2019**

<u>POOL BOND FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Taxes Levied				
Interest Earned	\$ 3,000	\$ 3,000	\$ 32,657	\$ 29,657
Grants/Donations	-	-	323,566	323,566
Total Revenue	<u>3,000</u>	<u>3,000</u>	<u>356,223</u>	<u>353,223</u>
EXPENDITURES:				
Capital Outlay	<u>6,003,000</u>	<u>6,603,000</u> (1)	<u>6,143,136</u>	<u>459,864</u>
Total Expenditures	<u>6,003,000</u>	<u>6,603,000</u>	<u>6,143,136</u>	<u>459,864</u>
Excess of Revenues Over (Under) Expenditures	(6,000,000)	(6,600,000)	(5,786,913)	813,087
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>-</u>	<u>-</u>	<u>133,675</u>	<u>133,675</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>133,675</u>	<u>133,675</u>
Net Change in Fund Balance	(6,000,000)	(6,600,000)	(5,653,238)	946,762
Prior Period Adjustment	-	-	250,000	(250,000)
Beginning Fund Balance	<u>6,000,000</u>	<u>6,600,000</u>	<u>6,023,323</u>	<u>(576,677)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 620,085</u>	<u>\$ 620,085</u>

(1) Appropriation level

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

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the Year Ended June 30, 2019**

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2018	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTION BY COUNTY TREASURER	BALANCE UNCOLLECTED/ UNSEGREGATED 06/30/19
GENERAL FUND						
CURRENT						
2018-19	\$ 3,073,903	\$ 80,131	\$ (10,076)	\$ 1,443	\$ 2,902,030	\$ 83,109
PRIOR YEARS						
2017-18	84,257	(245)	(11,861)	3,034	35,281	40,395
2016-17	52,954	135	(12,259)	2,650	17,950	25,260
2015-16	28,818	141	(10,679)	2,411	11,781	8,628
2014-15	18,614	269	(4,367)	1,726	13,427	2,277
Prior	57,777	1,242	(5,754)	2,409	43,122	10,068
Total Prior	242,420	1,542	(44,920)	12,230	121,561	86,628
Total	\$ 3,316,323	\$ 81,673	\$ (54,996)	\$ 13,673	\$ 3,023,591	\$ 169,737

	GENERAL FUND
RECONCILIATION OF REVENUE	
Cash Collections by County Treasurer Above	\$ 3,023,591
Accrual of Receivables	
June 30, 2018	(15,837)
June 30, 2019	23,626
Net change from Prior years unearned revenue, see pg. 10	(80,471)
Total Revenue	\$ 2,950,909

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

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the Year Ended June 30, 2019**

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2018	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTION BY COUNTY TREASURER	BALANCE UNCOLLECTED/ UNSEGREGATED/ 06/30/19
<u>2015 BOND DEBT SERVICE FUND</u>						
CURRENT						
2018-19	\$ 1,367,000	\$ 35,635	\$ (4,481)	\$ 642	\$ 1,290,566	\$ 36,960
PRIOR YEARS						
2017-18	38,635	(113)	(5,439)	1,391	16,177	18,522
2016-17	24,880	63	(5,760)	1,245	8,434	11,868
2015-16	13,267	65	(4,921)	1,110	5,421	3,970
2014-15	-	-	-	-	-	-
Prior	-	-	-	-	-	-
Total Prior	76,782	15	(16,120)	3,746	30,032	34,360
Total	\$ 1,443,782	\$ 35,650	\$ (20,601)	\$ 4,388	\$ 1,320,598	\$ 71,320

	DEBT SERVICE FUND
RECONCILIATION OF REVENUE	
Cash Collections by County Treasurer Above	\$ 1,320,598
Accrual of Receivables	
June 30, 2018	(7,186)
June 30, 2019	10,506
Net change from Prior years unearned revenue, see pg. 10	(8,782)
Total Revenue	\$ 1,315,136

CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

OTHER INFORMATION

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CHEHALEMPARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<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	\$ 109,375	\$ 109,375	\$ 109,238	\$ 137
Administrative Coordinator	44,272	50,272	46,339	3,933
Public Information Coordinator	51,250	51,250	51,164	86
Event Marketing Specialist	34,688	34,688	34,510	178
Part-time Clerk	8,915	18,750	17,090	1,660
Payroll Taxes and Benefits	97,060	114,529	112,138	2,391
Total Personnel Services	345,560	378,864	370,479	8,385
Materials and Services				
Office Supplies	9,500	9,500	7,262	2,238
Postage Supplies	1,500	1,500	111	1,389
Program Supplies	7,500	7,500	3,757	3,743
Promotional Supplies	250	250	126	124
Classifieds	1,000	1,000	361	639
Brochures	4,000	4,000	163	3,837
Flyers and Schedules	1,000	1,000	-	1,000
Publicity	1,000	1,000	205	795
Directors Fees	360	360	100	260
Professional Dues	8,000	8,000	9,927	(1,927)
Conferences/Workshops	5,500	5,500	6,253	(753)
Staff Mileage	1,000	1,000	1,353	(353)
Staff Expenses	7,750	7,750	5,672	2,078
Telephone	4,500	4,500	3,935	565
Fees	5,500	5,500	3,553	1,947
Maintenance	1,000	1,000	-	1,000
Legal Services	50,000	30,000	13,493	16,507
Audit Services	25,500	25,500	7,870	17,630
Program Contracts	15,000	15,000	9,863	5,137
Insurance Services	8,000	8,000	8,423	(423)
Interest	1,500	-	-	-
Equipment Maintenance Contracts	1,500	1,500	-	1,500
Consultants	36,000	10,000	3,497	6,503
Property Taxes	17,500	17,500	16,371	1,129
Elections	25,000	25,000	12,000	13,000
Rental/Lease	750	750	-	750
Total Materials and Services	240,110	192,610	114,295	78,315
TOTAL ADMINISTRATION	585,670	571,474	484,774	86,700

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<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	\$ 36,476	\$ 53,324	\$ 53,324	\$ -
Park Coordinator Lead	42,164	42,800	42,791	9
Maintenance Supervisor	62,295	839	840	(1)
Park Specialist Technicians	71,170	75,010	69,188	5,822
Admin Coordinator	37,860	38,139	35,548	2,591
Park Laborer/Secretaries	77,168	77,168	59,268	17,900
Payroll Taxes and Benefits	<u>172,059</u>	<u>132,175</u>	<u>104,839</u>	<u>27,336</u>
Total Personnel Services	499,192	419,455	365,798	53,657
Materials and Services				
Office Supplies	2,200	2,200	2,948	(748)
Postage Supplies	1,000	1,000	354	646
Program Supplies	2,200	2,200	5,299	(3,099)
Small Tools	2,500	2,500	1,488	1,012
Janitorial Supplies	19,000	19,000	25,719	(6,719)
Chemical and Agricultural Supplies	6,000	6,000	9,990	(3,990)
Gas and Oil Supplies	10,000	10,000	15,171	(5,171)
Classifieds	225	225	-	225
Brochures	1,200	1,200	-	1,200
Flyers	2,500	2,500	898	1,602
Professional Dues	4,000	4,000	5,573	(1,573)
Conferences/Workshops	1,500	1,500	1,203	297
Staff Mileage	600	600	410	190
Staff Expense	700	700	1,746	(1,046)
Electricity	61,000	61,000	64,949	(3,949)
Natural Gas	29,000	29,000	23,163	5,837
Water/Sewer	180,000	160,000	189,504	(29,504)
Fees	2,500	2,500	1,619	881
Telephone	4,700	4,700	4,340	360
Garbage Expense	14,000	14,000	24,042	(10,042)
Building Maintenance	22,000	22,000	27,821	(5,821)
Structure Maintenance	12,000	12,000	8,174	3,826
Equipment Maintenance	42,000	42,000	44,590	(2,590)
Grounds Maintenance	30,000	30,000	25,850	4,150
Program Contracts	244,900	244,900	228,597	16,303
Insurance Services	30,000	30,000	33,081	(3,081)
Equipment Rental	4,000	4,000	65	3,935
Buildings and Structures	<u>19,050</u>	<u>19,050</u>	<u>18,896</u>	<u>154</u>
Total Materials and Services	<u>748,775</u>	<u>728,775</u>	<u>765,548</u>	<u>(36,773)</u>
TOTAL PARKS DEPARTMENT	<u>1,247,967</u>	<u>1,148,230</u>	<u>1,131,346</u>	<u>16,884</u>

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<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 Supervisor	\$ 17,168	\$ 17,210	\$ 17,209	\$ 1
Aquatic Coordinator	42,164	42,164	42,098	66
Aquatic Specialist	34,688	34,688	34,510	178
Secretary	52,345	59,974	48,888	11,086
Guards, Instructors and Cashiers	397,198	397,198	297,787	99,411
Coaches	1,700	1,700	1,143	557
Payroll Taxes and Benefits	<u>166,051</u>	<u>166,051</u>	<u>130,291</u>	<u>35,760</u>
Total Personnel Services	711,314	718,985	571,926	147,059
Materials and Services				
Office Supplies	5,510	5,510	4,269	1,241
Postage Supplies	4,450	4,450	279	4,171
Program Supplies	15,000	11,000	11,738	(738)
Chemical and Agricultural Supplies	29,900	29,900	29,153	747
Store Supplies	7,500	7,500	6,572	928
Classifieds	625	625	-	625
Brochures	1,450	1,450	386	1,064
Flyers	4,850	4,850	1,241	3,609
Professional Dues	3,810	3,810	4,337	(527)
Conferences/Workshops	1,200	1,200	1,179	21
Staff Mileage	350	350	177	173
Staff Expenses	1,000	1,000	1,115	(115)
Electricity	62,920	213,000	243,188	(30,188)
Natural Gas	77,055	47,055	32,961	14,094
Water/Sewer	45,375	37,375	45,151	(7,776)
Telephone	3,780	3,780	4,156	(376)
Fees	37,910	48,130	52,105	(3,975)
Structure Maintenance	-	-	2,574	(2,574)
Program Contracts	22,000	10,600	9,258	1,342
Insurance Services	33,766	48,439	46,584	1,855
Refunds	<u>450</u>	<u>450</u>	<u>181</u>	<u>269</u>
Total Materials and Services	<u>358,901</u>	<u>480,474</u>	<u>496,605</u>	<u>(16,131)</u>
TOTAL AQUATICS	<u>1,070,215</u>	<u>1,199,459</u>	<u>1,068,532</u>	<u>130,927</u>

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 452				
RECREATION - ADULT SPORTS				
Personnel Services				
Sports Supervisor	\$ 3,434	\$ 3,434	\$ 3,177	\$ 257
Sports Technician	10,541	10,541	6,890	3,651
Sports Assistant	3,440	3,440	2,005	1,435
Payroll Taxes and Benefits	8,919	8,919	6,477	2,442
Total Personnel Services	26,334	26,334	18,548	7,786
Materials and Services				
Office Supplies	1,300	1,300	1,229	71
Postage Supplies	675	675	85	590
Program Supplies	3,264	16,389	7,629	8,760
Classifieds	100	100	-	100
Brochures	750	750	167	583
Flyers and Schedules	350	350	106	244
Professional Dues	395	395	816	(421)
Conferences/Workshops	-	-	27	(27)
Staff Mileage	200	200	-	200
Staff Expenses	125	125	231	(106)
Electricity	4,000	4,000	791	3,209
Telephone	975	975	612	363
Fees	950	950	1,021	(71)
Equipment Maintenance	225	225	-	225
Program Contracts	8,405	23,334	21,185	2,149
Insurance	3,900	3,900	3,462	438
Refunds	850	850	-	850
Equipment Rental	200	200	-	200
Buildings and Structures	250	250	-	250
Total Materials and Services	26,914	54,968	37,361	17,607
TOTAL ADULT SPORTS	53,248	81,302	55,909	25,393

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<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	\$ 13,734	\$ 13,734	\$ 13,501	\$ 233
Sports Technician	31,622	31,622	31,215	407
Sports Leaders/Secretaries	35,875	35,875	18,193	17,682
Payroll Taxes and Benefits	36,336	36,336	31,636	4,700
Total Personnel Services	117,567	117,567	94,544	23,023
Materials and Services				
Office Supplies	3,400	3,400	2,507	893
Postage Supplies	700	700	218	482
Program Supplies	63,796	86,665	93,037	(6,372)
Gas and Oil Supplies	400	400	-	400
Classifieds	100	100	-	100
Brochures	800	800	167	633
Flyers	1,000	1,000	106	894
Professional Dues	1,280	1,280	1,042	238
Conferences/Workshops	40	40	174	(134)
Staff Mileage	250	250	458	(208)
Staff Expenses	500	500	595	(95)
Electricity	2,000	2,000	2,450	(450)
Water/Sewer	-	-	26	(26)
Telephone	2,000	2,000	1,004	996
Fees	8,000	8,000	7,265	735
Equipment Maintenance	375	375	-	375
Program Contracts	56,975	56,975	51,369	5,606
Insurance Services	5,000	5,000	4,316	684
Refunds	1,700	1,700	160	1,540
Equipment Rental	2,900	2,900	-	2,900
Total Materials and Services	151,216	174,085	164,895	9,190
TOTAL YOUTH SPORTS	268,783	291,652	259,439	32,213

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<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	\$ 6,867	\$ 6,867	\$ 7,147	\$ (280)
Recreation Coordinator	21,082	21,082	19,664	1,418
Special Events Staff/Secretaries	45,155	45,155	24,340	20,815
Payroll Taxes and Benefits	<u>25,727</u>	<u>25,727</u>	<u>20,099</u>	<u>5,628</u>
Total Personnel Services	98,831	98,831	71,250	27,581
Materials and Services				
Office Supplies	2,000	2,000	1,224	776
Postage Supplies	800	800	93	707
Program Supplies	5,000	5,000	5,789	(789)
Gas and Oil Supplies	100	100	-	100
Classifieds	150	150	-	150
Brochures	1,100	1,100	424	676
Flyers	250	250	-	250
Small Tools	-	-	15	(15)
Professional Dues	245	245	730	(485)
Conferences/Workshops	600	600	58	542
Staff Mileage	200	200	-	200
Staff Expenses	600	600	400	200
Telephone	1,000	1,000	715	285
Fees	4,500	4,500	2,910	1,590
Program Contracts	<u>26,500</u>	<u>26,500</u>	<u>15,519</u>	<u>10,981</u>
Total Materials and Services	<u>48,195</u>	<u>48,195</u>	<u>32,534</u>	<u>15,661</u>
TOTAL CLASSES & ACTIVITIES	<u>147,026</u>	<u>147,026</u>	<u>103,784</u>	<u>43,242</u>

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<u>GENERAL FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>WITH FINAL</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>BUDGET</u>
EXPENDITURES - Department 455				
RECREATION - PLAYGROUNDS & CENTERS				
Personnel Services				
Recreation Supervisor	\$6,867	\$6,867	\$ 7,147	\$ (280)
Recreation Coordinator	10,541	\$10,541	10,970	(429)
Care Technician	8,944	8,944	8,025	919
Care Director	31,463	31,463	14,779	16,684
After School Staff	227,983	\$227,983	233,893	(5,910)
Payroll Taxes and Benefits	46,184	\$46,184	40,161	6,023
Total Personnel Services	331,982	331,982	314,975	17,007
Materials and Services				
Office Supplies	3,000	3,000	3,075	(75)
Postage Supplies	925	925	1,642	(717)
Program Supplies	32,500	32,500	29,942	2,558
Gas and Oil Supplies	300	300	-	300
Classifieds	100	100	-	100
Brochures	3,200	3,200	1,394	1,806
Flyers	400	400	-	400
Professional Dues	300	300	939	(639)
Conferences/Workshops	600	600	381	219
Staff Mileage	75	75	-	75
Staff Expenses	700	700	1,165	(465)
Telephone	4,400	4,400	4,072	328
Care Snacks	-	7,826	5,253	2,573
Fees	12,750	18,450	17,596	854
Program Contracts	1,800	4,000	6,430	(2,430)
Insurance Services	3,000	3,000	3,003	(3)
Refunds	175	9,750	7,605	2,145
Contracts - Admissions	9,200	14,100	13,116	984
Equipment Rental	9,000	1,000	-	1,000
Total Materials and Services	82,425	104,626	95,612	9,014
TOTAL PLAYGROUNDS & CENTERS	414,407	436,608	410,587	26,021

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<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				
Recreation Supervisor	\$ 3,433	\$ 3,433	\$ -	\$ 3,433
Recreation Coordinator	10,541	10,541	16,780	(6,239)
Senior Center Specialist	28,538	28,538	28,498	40
Building Leaders	11,180	11,180	719	10,461
Payroll Taxes and Benefits	<u>25,697</u>	<u>25,697</u>	<u>25,396</u>	<u>301</u>
Total Personnel Services	79,389	79,389	71,393	7,996
Materials and Services				
Office Supplies	1,500	1,500	215	1,285
Postage Supplies	500	500	517	(17)
Program Supplies	4,500	4,500	3,495	1,005
Gas and Oil Supplies	500	500	296	204
Classifieds	450	450	188	262
Brochures	2,400	2,400	1,589	811
Flyers	400	400	40	360
Professional Dues	300	300	616	(316)
Conferences/Workshops	200	200	27	173
Staff Mileage	600	600	908	(308)
Staff Expense	250	250	296	(46)
Electricity	8,000	8,000	5,293	2,707
Natural Gas	1,000	1,000	1,241	(241)
Water/Sewer	14,000	14,000	19,261	(5,261)
Telephone	1,900	1,900	1,537	363
Fees	2,000	2,000	3,162	(1,162)
Equipment Maintenance	200	200	-	200
Program Contracts	10,000	10,000	3,787	6,213
Insurance Services	27,000	27,000	31,253	(4,253)
Senior Trips	5,000	5,000	334	4,666
Refunds	<u>500</u>	<u>500</u>	<u>2,550</u>	<u>(2,050)</u>
Total Materials and Services	<u>81,200</u>	<u>81,200</u>	<u>76,605</u>	<u>4,595</u>
TOTAL COMMUNITY CENTER/ SCOUT HOUSE	<u>160,589</u>	<u>160,589</u>	<u>147,998</u>	<u>12,591</u>

CHEHALEM PARK AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019

	<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	\$ 26,531	\$ 26,531	\$ 8,593	\$ 17,938
Admin Coordinator	8,584	8,584	8,736	(152)
Payroll Taxes and Benefits	5,510	5,510	4,068	1,442
Total Personnel Services	40,625	40,625	21,396	19,229
Materials and Services				
Office Supplies	2,500	2,500	933	1,567
Postage Supplies	800	800	401	399
Program Supplies	1,850	1,850	1,594	256
Snacks and Food	300	300	-	300
Classifieds	100	100	-	100
Brochures	1,000	1,000	501	499
Flyers	800	800	-	800
Professional Dues	300	300	644	(344)
Conferences/Workshops	275	275	27	248
Staff Mileage	150	150	-	150
Staff Expense	75	75	170	(95)
Telephone	500	500	417	83
Fees	1,000	1,000	744	256
Buildings	-	-	236	(236)
Equipment Maintenance	-	-	12	(12)
Program Contracts	6,200	6,200	6,933	(733)
Insurance Services	1,500	1,500	1,203	297
Refunds	100	100	-	100
Total Materials and Services	17,450	17,450	13,815	3,635
TOTAL COMMUNITY SCHOOLS PROGRAM	58,075	58,075	35,211	22,864

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 458				
GOLF COURSE MAINTENANCE				
Personnel Services				
Golf Course Supervisor	\$ 37,860	\$ 40,052	\$ 40,052	\$ 0
Golf Course Technician	28,538	36,650	36,867	(217)
Golf Mechanic	42,164	27,730	24,729	3,001
Golf Course Landscaper	-	62,146	62,146	0
Assistant Groundskeeper	46,485	46,485	46,125	360
Part-time and Temporary	134,447	134,447	116,481	17,966
Payroll Taxes and Benefits	113,246	168,554	143,003	25,551
Total Personnel Services	402,740	516,064	469,403	46,661
Materials and Services				
Office Supplies	1,788	1,788	2,079	(291)
Postage Supplies	375	375	62	313
Program Supplies	15,778	15,778	8,510	7,268
Small Tools	6,503	6,503	4,172	2,331
Janitorial Supplies	1,639	1,639	3,451	(1,812)
Chemical and Agricultural Supplies	122,783	122,783	73,210	49,573
Gas and Oil Supplies	34,622	34,622	22,996	11,626
Snacks and Food	660	660	394	266
Uniforms	720	720	154	566
Classifieds	1,500	1,500	-	1,500
Brochures/Flyers	-	-	195	(195)
Professional Dues	2,390	2,390	2,265	125
Conferences & Workshops	4,630	4,630	2,022	2,608
Staff Mileage	100	100	339	(239)
Staff Expense	240	240	475	(235)
Electric	17,958	17,958	30,556	(12,598)
Natural Gas	3,120	3,120	3,301	(181)
Water & Sewer	182,109	182,109	201,484	(19,375)
Telephone	3,620	3,620	3,442	178
Fees	600	600	-	600
Buildings	3,260	3,260	2,393	867
Equipment	42,353	42,353	45,213	(2,860)
Structures	-	-	31	(31)
Grounds	102,600	102,600	86,245	16,355
Vehicles	2,050	2,050	2,546	(496)
Program Contracts	24,720	24,720	19,770	4,950
Insurance Services	11,000	11,000	7,237	3,763
Equipment Maintenance Contracts	5,690	5,690	400	5,290
Consultant Services	-	-	4,675	(4,675)
Equipment Rentals	600	600	318	282
Total Materials and Services	593,408	593,408	527,936	65,472
TOTAL GOLF COURSE MAINTENANCE	996,148	1,109,472	997,339	112,133

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<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				
Special Services Supervisor	\$ 8,583	\$ 8,740	\$ 8,736	\$ 4
Club House Coordinator	62,294	62,294	62,182	112
Club House Assistants	34,688	19,000	18,956	44
Golf Clerks	92,328	64,500	56,291	8,209
Marshall/Starter Staff	1,847	6,847	5,852	995
Outside Service Staff	35,084	35,084	31,299	3,785
Golf	11,079	100	-	100
Snack Bar Clerk	16,619	2,000	336	1,664
Lesson	14,772	6,773	-	6,773
Beverage Cart Clerk	9,234	2,000	16	1,984
Catering Staff	3,693	8,000	6,500	1,500
Payroll Taxes and Benefits	86,316	77,103	59,010	18,093
Total Personnel Services	376,537	292,441	249,177	43,264
Materials and Services				
Office Supplies	2,000	2,000	1,713	287
Postage Supplies	1,000	1,000	291	709
Program Supplies	37,550	37,550	27,516	10,034
Small Tools	200	200	48	152
Janitorial Supplies	2,800	2,800	6,328	(3,528)
Store Supplies	170,500	170,500	163,775	6,725
Gas and Oil Supplies	250	250	-	250
Snacks and Food	500	500	76	424
Uniforms	3,500	3,500	1,759	1,741
Classifieds	200	200	-	200
Brochures	-	-	28	(28)
Flyers	26,900	26,900	6,223	20,677
Prof Dues/ Fees/ Mag/ Books	3,250	3,250	2,805	445
Conferences/Workshops	3,800	3,800	2,107	1,693
Staff Mileage	750	750	104	646
Staff Expense	750	750	595	155
Electric	15,000	15,000	4,808	10,192
Water/Sewer	8,000	8,000	15	7,985
Telephone	3,200	3,200	2,742	458
Fees	6,000	6,000	38,902	(32,902)
Computer and Cable	37,390	37,390	1,473	35,917
Garbage Expense	-	-	5,011	(5,011)
Buildings Maintenance	2,000	2,000	1,854	146
Structures	3,500	3,500	-	3,500
Equipment	8,000	8,000	1,977	6,023
Grounds	3,000	3,000	91	2,909
Program Contracts	15,000	15,000	12,312	2,688
Insurance Services	7,500	7,500	7,112	388
Consultant Services	5,000	5,000	-	5,000
Refunds	2,500	2,500	162	2,338
Equipment Rentals	-	-	645	(645)
Total Materials and Services	370,040	370,040	290,471	79,569
TOTAL GOLF CLUB HOUSE	746,577	662,481	539,648	122,833

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<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				
Concession Attendant	\$ 16,924	\$ 16,924	\$ -	\$ (16,924)
Payroll Taxes and Benefits	2,217	2,217	-	2,217
Total Personnel Services	19,141	19,141	-	19,141
Materials and Services				
Office Supplies	60	60	-	60
Postage	30	30	-	30
Program Supplies	16,100	5,903	-	5,903
Classifieds	75	75	-	75
Flyers	125	125	-	125
Conferences/Workshops	700	700	-	700
Professional Dues	1,050	1,050	-	1,050
Staff Mileage	200	200	-	200
Insurance	1,450	1,450	1,203	247
Electricity	1,600	1,600	-	1,600
Fees	1,400	1,400	-	1,400
Equipment Maintenance	300	300	-	300
Total Materials and Services	23,090	12,893	1,203	11,690
TOTAL JAQUITH CONCESSION	42,231	32,034	1,203	30,831

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES - Department 474				
PRESCHOOL				
Personnel Services				
Head Instructor	\$ 13,416	\$ 22,375	\$ 22,312	\$ 63
Preschool Instructors	892	892	-	892
Payroll Taxes and Benefits	8,457	9,032	8,914	119
Total Personnel Services	22,765	32,299	31,226	1,074
Materials and Services				
Office Supplies	1,200	1,200	169	1,031
Postage	600	600	46	554
Program Supplies	2,160	2,160	528	1,632
Classifieds	100	100	39	61
Brochures	2,200	2,200	712	1,488
Dues	25	25	616	(591)
Staff Expenses	200	200	142	58
Electricity	350	350	159	191
Natural Gas	875	875	839	36
Water/Sewer	1,100	1,100	1,153	(53)
Telephone	600	600	718	(118)
Refunds	200	200	822	(622)
Fees	1,100	1,100	1,585	(485)
Insurance	1,250	1,250	1,352	(102)
Total Materials and Services	11,960	11,960	8,880	3,080
TOTAL PRESCHOOL	34,725	44,259	40,105	4,154

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

**SCHEDULE OF EXPENDITURES BY DEPARTMENT – BUDGET AND ACTUAL
For the Year Ended June 30, 2019**

	<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	\$ 475,660	\$ 475,660	102,066	\$ 373,594
TOTAL ACQUISITION AND IMPROVEMENT	<u>475,660</u>	<u>475,660</u>	<u>102,066</u>	<u>373,594</u>
MISCELLANEOUS DEPARTMENTS				
Materials and Services				
Babe Ruth League - Department 504	4,000	1,000	-	1,000
Chehalem Volleyball Club - Department 505	10,000	1,000	-	1,000
Quilt Club - Department 506	1,500	1,500	-	1,500
Tualatin Valley Youth Football - Department 50	22,000	10,000	8,355	1,645
Lacrosse REPMT - Department 510	10,000	1,000	-	1,000
Basketball - Department 510	4,000	1,000	-	1,000
TOTAL MISCELLANEOUS DEPARTMENTS	51,500	15,500	8,355	7,145
CONTINGENCY	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 6,452,821</u>	<u>\$ 6,433,821</u>	<u>\$ 5,386,297</u>	<u>1,047,524</u>

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

Chehalem Park & Recreation District
Outstanding Indebtedness
(As of June 30, 2019)

Obligation	Date of Issue	Date of Maturity	Amount Issued	Outstanding Principal Amount
Long-term Indebtedness				
<i> Voter-Approved Unlimited Property Tax Supported</i>				
General Obligation Bonds, Series 2015	6/4/2015	6/15/2035	19,900,000	17,875,000
<i>Limited Property Tax Supported</i>				
Full Faith & Credit Refunding Obligations, Series 2014	5/12/2014	8/1/2014	1,735,000	1,065,000
Full Faith & Credit Refunding Obligations, Series 2018	6/20/2018	6/15/2042	7,540,000	7,085,000
Total Long-Term Debt				<u>26,025,000</u>

Source: The District

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

Outstanding Indebtedness
June 30, 2019

General Obligation Bonds Series, 2015

Base CUSIP 16310F	Maturity Date 15-Jun	Interest Rate	Principal Amount
CL9	2020	4.00%	\$ 620,000
CM7	2021	5.00%	660,000
CN5	2022	5.00%	715,000
CP0	2023	5.00%	770,000
CQ8	2024	5.00%	825,000
CR6	2025	5.00%	890,000
CS4	2026	3.00%	950,000
CT2	2027	3.00%	1,025,000
CU9	2028	3.25%	1,105,000
CV7	2029	3.38%	1,190,000
CW5	2030	3.50%	1,275,000
CX3	2031	3.50%	1,365,000
CY1	2032	3.50%	1,465,000
CZ8	2033	3.625%	1,565,000
DA2	2034	3.625%	1,670,000
DB0	2035	3.625%	1,785,000
			\$ 17,875,000

Full Faith & Credit Refunding Obligations, Series 2014

Base CUSIP 16310F	Maturity Date 1-Aug	Interest Rate	Principal Amount
CA3	2019	2.15%	\$ 165,000
CB1	2020	2.50%	170,000
CC9	2021	2.80%	175,000
CD7	2022	3.05%	180,000
CE5	2023	3.25%	185,000
CF2	2024	3.40%	190,000
			\$ 1,065,000

Full Faith & Credit Refunding Obligations, Series 2018

Base CUSIP 16310F	Maturity Date 15-Jun	Interest Rate	Principal Amount
DD6	2020	3.00%	\$ 470,000
DE4	2021	3.00%	485,000
DF1	2022	4.00%	495,000
DG9	2023	4.00%	370,000
DH7	2024	4.00%	380,000
DJ3	2025	4.00%	395,000
DK0	2026	4.00%	410,000
DL8	2027	4.00%	185,000
DM6	2028	4.00%	195,000
DN4	2031	4.00%	630,000
DP9	2034	4.00%	705,000
DQ7	2038	4.25%	1,085,000
DR5	2042	4.25%	1,280,000
			\$ 7,085,000

Chehalem Park & Recreation District
Major Taxpayers - 2018-19 Fiscal Year (Latest year available)

Owner of Record (Taxpayer)	Taxes Imposed ⁽¹⁾	Taxable Assessed Value ⁽²⁾	Percent of Value
Portland General Electric Co.	\$ 39,584	\$ 43,614,000	1.29%
SP Fiber Technologies NW LLC	36,032	39,700,604	1.17%
The Allison Inn & Spa LLC	25,894	28,530,505	0.84%
ADEC Inc.	22,204	24,464,304	0.72%
Aspen Way West LLC	21,745	23,958,418	0.71%
K&J Real Estate LLC	21,242	23,404,428	0.69%
Northwest Natural Gas Co.	17,967	19,796,000	0.59%
A to Z Wineworks LLC	17,199	18,949,501	0.56%
Fred Meyer Stores Inc.	16,557	18,242,111	0.54%
Friendsview Manor Inc.	16,287	17,945,649	0.53%
Subtotal - Top Ten of District's Largest Taxpayers		<u>258,605,520</u>	<u>7.65%</u>
All Other District Taxpayers		<u>3,123,201,890</u>	<u>92.35%</u>
Total District		<u><u>3,381,807,410</u></u>	<u><u>100.00%</u></u>

(1) Tax amount is the total paid by by the taxpayer within the boundaries of the County. This amount is distributed to individual local governments by Yamhill County

(2) Assessed value does not exclude offsets such as urban renewal and farm tax credits

Source: Yamhill County Assessment and Taxation

Yamhill County
Major Taxpayers - 2018-19 Fiscal Year (Latest year available)

Owner of Record (Taxpayer)	Taxes Imposed ⁽¹⁾	Taxable Assessed Value ⁽²⁾	Percent of Value
Portland General Electric Co.	\$ 362,922	\$ 140,804,000	1.56%
SP Fiber Technologies NW LLC	102,328	39,700,604	0.44%
Foxglove Properties	91,570	35,526,707	0.39%
Northwest Natural Gas Co.	82,537	32,022,000	0.35%
The Allison Inn & Spa LLC	73,537	28,530,505	0.32%
ADEC Inc.	63,057	24,464,304	0.27%
Riverbend Landfill Co.	62,368	24,197,024	0.27%
Aspen Way West LLC	61,753	23,958,418	0.27%
K&J Real Estate LLC	60,325	23,404,428	0.26%
Stoller Vineyards Inc	50,374	19,543,800	0.22%
Subtotal - Top Ten of County's Largest Taxpayers		<u>392,151,790</u>	<u>4.35%</u>
All Other County Taxpayers		<u>8,631,344,410</u>	<u>95.65%</u>
Total County		<u><u>9,023,496,200</u></u>	<u><u>100.00%</u></u>

(1) Tax amount is the total paid by by the taxpayer within the boundaries of the County. This amount is distributed to individual local governments by Yamhill County

(2) Assessed value does not exclude offsets such as urban renewal and farm tax credits

Source: Yamhill County Assessment and Taxation

Chehalem Park & Recreation District
 Tax Rate History and Tax Collection Record
 (Yamhill County, Oregon)

Fiscal Year	Real Market Value	Taxable Assessed Value Used to Compute Rates	Tax Rates per \$1,000 of Assessed Value				Percentage of Taxes Collected	
			Operating Tax Rate	Local Option Tax Rate	Bond Tax Rate	Taxes Imposed ⁽¹⁾	Year of Levy	As of 30-Jun-19
2018-19	\$ 6,050,663,269	\$ 3,381,807,410	\$ 0.9076	\$ -	\$ 0.4042	\$ 4,440,903	94.41%	94.41%
2017-18	5,555,570,014	3,280,613,131	0.9076	-	0.4132	4,333,034	97.16%	98.64%
2016-17	4,312,924,281	3,153,599,588	0.9076	-	0.4202	4,207,019	96.78%	99.12%
2015-16	3,830,818,773	2,987,874,460	0.9076	-	0.4190	3,967,987	96.40%	99.68%
2014-15	3,698,673,773	2,866,377,271	0.9076	-	-	2,601,524	95.92%	99.91%
2013-14	3,344,335,883	2,720,052,754	0.9076	-	-	2,468,720	95.81%	99.99%
2012-13	3,258,322,723	2,645,834,952	0.9076	-	-	2,401,360	95.33%	99.99%

N/A - Not Available

(1) Amount to be raised from the District's permanent operating tax rate of \$0.9076/\$1,000 of taxable assessed value plus a bond rate of \$0.4042/\$1,000 of taxable assessed value

(2) In process of collections.

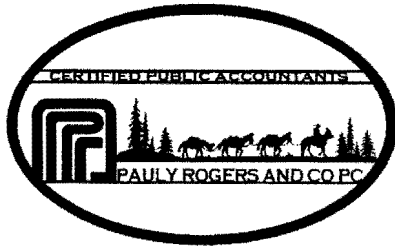
Source: Yamhill County Assessment and Taxation

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CHEHALEM PARKS AND RECREATION DISTRICT
YAMHILL COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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August 18, 2020

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, 2019 and have issued our report thereon dated August 18, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the basic financial statements 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 basic 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)**
- **Programs funded by outside sources**

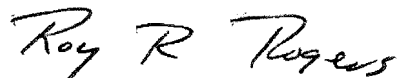
In connection with our testing, nothing came to our attention that caused us to believe the Chehalem Parks and Recreation District was not in substantial compliance with certain provisions of laws, regulations, contracts and grants, including the provisions of Oregon Revised Statutes as specific in Oregon 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 basic 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 a matter involving the internal control structure and its operation that we consider to be a significant deficiency under standards established by the American Institute of Certified Public Accountants, which is noted in our management letter dated August 18, 2020.

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, prominent "R" and "R".

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