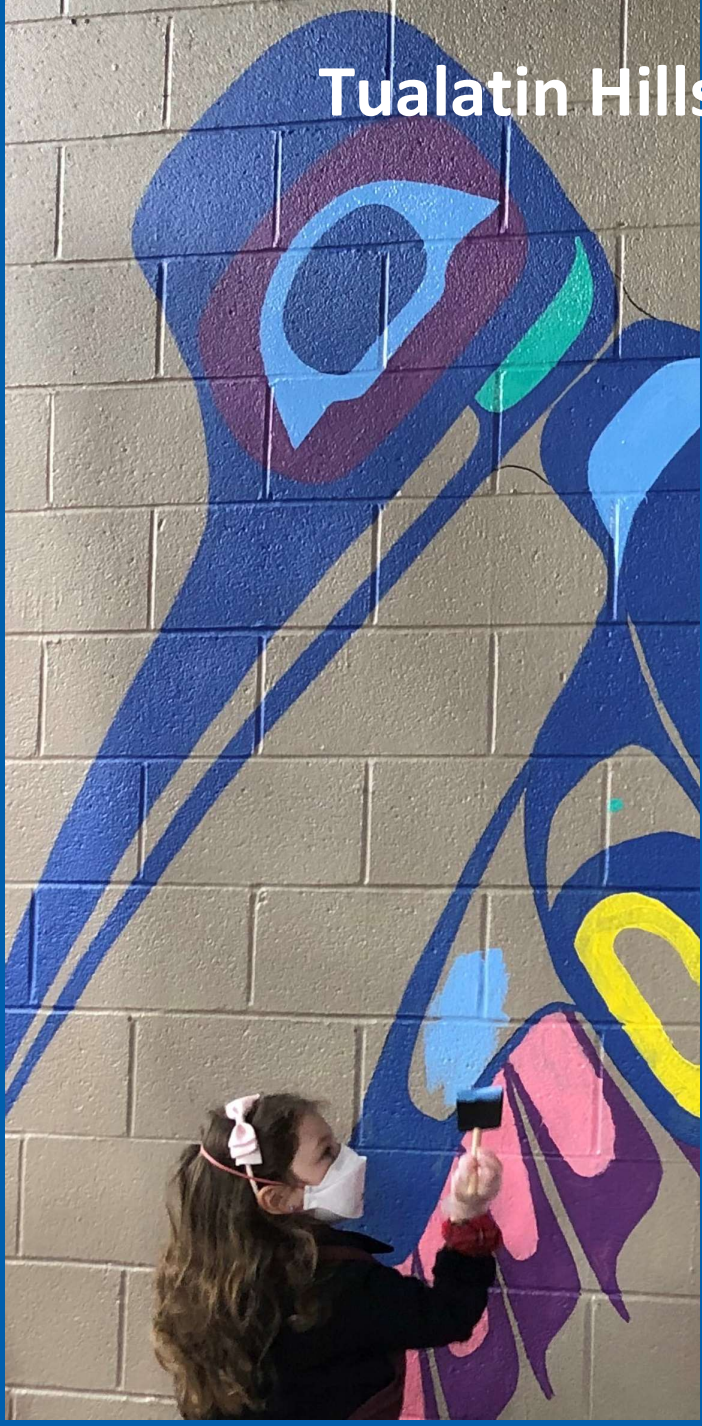


Tualatin Hills Park and Recreation District Beaverton, OR

Annual Comprehensive Financial Report
For the year ended June 30, 2021



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

Annual Comprehensive Financial Report

For the year ended June 30, 2021



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

**Tualatin Hills
Park & Recreation District
Annual Comprehensive Financial Report
For the year ended June 30, 2021**

Table of Contents

Introductory Section:	<u>Page</u>
Letter of Transmittal	1
Certificate of Achievement for Excellence in Financial Reporting	6
Organizational Chart	7
Directory of Officials	8
Financial Section:	
Independent Auditor's Report	9
Management's Discussion and Analysis	12
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	22
Statement of Activities	23
Fund Financial Statements:	
Balance Sheet – Governmental Funds	24
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	28
Statement of Fiduciary Net Position	29
Statement of Changes in Fiduciary Net Position	30
Notes to Basic Financial Statements	31
Required Supplementary Information:	
Schedule of Changes in Net Pension Liability and Related Ratios	53
Schedule of Contributions – Pension Plan	54
Schedule of Changes in Net OPEB Liability and Related Ratios	55
Schedule of Contributions – OPEB	56
Supplemental Information:	
Individual Fund Statements and Schedules:	
Schedule of Expenditures – Budget and Actual – General Fund	57
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
Bonded Debt Fund	67
Bond Capital Projects Fund	68
System Development Charges Fund	69
Mitigation Maintenance Fund	70
Metro Bond Local Project Fund	71
Combining Balance Sheet – Trust Funds	72
Statement of Changes in Net Position – Trust Funds	73
Other Financial Schedules:	
Schedule of Property Tax Transactions and Outstanding Balances	74
Schedule of District Pension Contributions	75

Tualatin Hills
Park & Recreation District
Annual Comprehensive Financial Report
For the year ended June 30, 2021

Table of Contents (continued)

Statistical Section:	<u>Page</u>
Net Position by Component	76
Changes in Net Position	77
Fund Balance of Governmental Funds	78
Changes in Fund Balances of Governmental Funds	79
Governmental Activities Tax Revenues by Source	80
Assessed Values and Estimated Actual Value of Taxable Property	81
Property Tax Rates - Direct and Overlapping Governments	82
District Principal Property Taxpayers	83
Washington County Principal Property Taxpayers	84
Property Tax Levies and Collections	85
System Development Charge Revenue Schedule	86
Ratios of Outstanding Debt by Type	87
Ratios of General Bonded Debt Outstanding	88
Direct and Overlapping Governmental Activities Debt	89
Legal Debt Margin Information	90
Demographic and Economic Statistics	91
Major Employment Industries in Washington County	92
Full-Time Equivalent Employees by Function	93
Operating Indicators by Function	94
Capital Asset Statistics by Function	95
Audit Comments and Disclosures Section:	
Independent Auditor's Report on Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Oregon State Regulations	96



Introductory Section







December 20, 2021

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

In accordance with state statutes, the Annual Comprehensive Financial Report (Annual Report) of the Tualatin Hills Park & Recreation District (district) for the fiscal year ended June 30, 2021 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the district. All disclosures necessary to enable the reader to gain the maximum understanding of the district's financial activities have been included.

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

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

Talbot, Korvola & Warwick, LLP has issued an unmodified opinion on the district's financial statements for the year ended June 30, 2021. The independent auditor's report is located at the front of the financial section of this report. Immediately following, the reader will find Management's Discussion and Analysis (MD&A) that provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The Tualatin Hills Park & Recreation District is a special service district formed in 1955, operating under Oregon Revised Statutes Chapter 266 as a separate municipal corporation. The district is governed by a five member board of directors, elected to four-year terms of office, with daily operations administered by a general manager. The district provides year-round park and recreation services to a diverse population of approximately 250,000 residents within 50 square miles of east Washington County, Oregon, including the City of Beaverton.

- District facilities include: five indoor and two outdoor swim centers; a combined recreation/aquatic center; two recreation centers; an athletic center with six indoor multi-purpose athletic courts and a running track; a senior center; historic sites (Jenkins Estate, Fanno Farmhouse and John Quincy Adams Young House); a 220-acre Nature Park and Interpretive Center; the Cooper Mountain Nature Park and Interpretive Center; a tennis center with six indoor and eight outdoor courts (covered by two air structures for fall and winter season usage); and a camp for developmentally disabled youth.

- The district maintains, either through direct ownership or joint use agreement (including school sites): 52 outdoor basketball pads; 108 outdoor tennis courts; six indoor tennis courts; 147 soccer/football/lacrosse fields; 99 softball/baseball fields; three skate parks; four bocce courts; six volleyball courts; six long/high jump courts; and an outdoor hockey rink.
- The district has 305 park and recreation facility sites totaling approximately 2,495 acres, consisting of 1,371 acres of wetland/natural areas, and 1,124 acres of developed sites, including neighborhood, community and regional parks. District sites include three lakes, 27 miles of stream corridor, and 52 miles of off-street pathways.
- District programs include: aquatics instruction, leagues and drop-in programs; youth and adult sports leagues and fitness programs; youth and adult general and specialized recreation programs; youth after-school and day camps; senior fitness and recreation programs; developmentally disabled and special needs recreation programs; and natural resource education programs.

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

Factors Affecting Financial Conditions

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

Local economy – due to Ballot Measure 50, passed by voters in May 1997, the district has a permanent tax rate of \$1.3073 per \$1,000 of assessed value. An annual 3.0 percent increase is allowed on maximum assessed valuation of existing properties, along with increases due to new construction, land partitions, zoning changes, etc. The district was able to maintain a stable revenue base throughout the last recession. Over the past several years the district experienced significant revenue growth from System Development Charge (SDC) fees due to increased construction within the district boundaries and a fee increase in fiscal year 2015/16 based on updated methodology. However, in fiscal year 2018/19, fees decreased by 30.8 percent compared to the previous year, as a result of timing of new construction projects subject to SDC fees. In fiscal year 2019/20, SDC fees increased by 49.6 percent compared to the previous year, as a result of increases in new construction projects subject to SDC fees. In fiscal year 2020/21, SDC revenues decreased by 34.8 percent compared to the previous year, as a result of decreases in new construction projects subject to SDC fees. The district updated the SDC methodology in fiscal year 2020/21. The update addressed three policy issues relating to equity: residential tiering, affordable housing, and level of service. SDC revenues are statutorily restricted to use for purchase or construction of new, or expansion of existing, facilities, improvements and land within the district, and do not fund district operations.

Because the district's 2021 assessed value is only 56.0 percent of market value, there is an inherent cushion in property tax collections on most properties. Fiscal year 2020/21 resulted in a growth of 5.3 percent in current year general fund property taxes over fiscal year 2019/20, consisting of approximately 3.0 percent approved valuation increase on existing properties, and 2.3 percent exception based growth (growth due to new development). Timing of collections on prior year property taxes resulted in a growth of 16.4 percent in revenues for the fiscal year. Property values are continuing to increase, and combined with three new urban expansion areas within the boundaries, the district is projecting growth in property taxes for fiscal year 2021/22 of 4.5 percent.

Beginning in March 2020, Washington County, the second most populous county in Oregon, experienced significant impacts to job growth and unemployment, as a result of state mandated stay at home orders, in response to the COVID-19 pandemic. County jobs declined 4.0 percent compared to the previous year. The following job categories showed a significant decline in jobs: retail trade, professional and business services,

administrative and waste services, education and health services, and government. There was a total net decrease of 11,829 jobs on an annual average basis. The county's unemployment rate as of June 2021 was 4.4 percent, compared to unemployment in June 2020 of 10.4 percent (seasonally adjusted).

The district has continued to experience operational impacts due to the health emergency resulting from the COVID-19 pandemic, as all district facilities and programs were closed, under order of the Oregon governor, from March 23, 2020 through Fall 2020. The district continued with facility closures and reduced facility occupancy during fiscal year 2020/21. The district lost an estimated \$4.5 million in program revenues during fiscal year 2019/20 and an additional \$ 6.9 million in program revenues in fiscal year 2020/21, and is continuing to evaluate the impact of the closures and capacity reductions. The district responded by implementing cost reductions, including layoff of nearly 800 part-time and seasonal employees, and 24 full-time employees, as well as furlough of 39 employees from May 15, 2020 through and beyond the end of fiscal year 2019/20. The district has continued to operate with reduced staffing in fiscal year 2020/21, and has managed district operations closely to ensure financial stability.

In planning for fiscal year 2021/22, the district adopted a budget that reflects regular operations. Given that the pandemic situation was changing on a daily basis, and outcomes were not known during the budget process, the district determined that the best approach in the budget process was to adopt a regular budget, while continuing to monitor the situation and plan for possible contingencies. The district plans to continue monitoring the situation and manage operations to reflect any impacts on the budget.

Long-term financial planning

To address the ongoing funding and patron needs, the district continues to maintain the application of a long-term focus in decision making. The district has a comprehensive strategic planning process that begins with community visioning. The district completed a community visioning outreach process, and adopted a Vision Action Plan in September 2020. The visioning work is the basis for updates to the Comprehensive Plan that are currently underway. The eight long-term strategic goals, included in the current Comprehensive Plan, remain the foundation of our annual budget process.

The Strategic Plan details goals and objectives for the district. The Service and Financial Sustainability Plan provides guidance on resource allocation for park district activities and establishes a service assessment tool to best determine the types of activities the district should offer.

The final step necessary for the district's long-term focus was the completion of the five functional plans. These plans address five key areas (parks, programs, natural resources, trails and athletic fields) and provide a structured approach for implementation of the recommendations generated from the three main plans.

To implement the key priorities as identified annually by the board of directors, the district will undertake to address or complete the following during the 2021/22 budget year:

Investing in our future through technology: Key items in the budget for this include:

- Continue replacement of Finance Services' financial software to provide for growth and efficiency needs of THPRD; and
- Fund a Project Manager to begin evaluating business needs associated with the replacement of the registration system.

Planning for future natural areas, facility and trail needs, and funding resources: Key items in the budget for this include:

- Continue the update of the district's comprehensive and strategic plans;
- Continue the completion of the Bond Capital program, which has added additional parks, natural areas, trail connections and athletic facilities;

- Continue to manage the SDC capital program which will add new parks, trails and open space to serve newly developing, or redeveloping, areas of the district;
- Continue to operate under a grant strategy that prioritizes THPRD's needs and matches them against available funding opportunities;
- Acquire, conserve and enhance natural areas and open spaces within the district;
- Complete analysis of park amenities on a walkable systems basis to reduce redundancies and provide opportunities for enhancement of amenities; and
- Complete a facilities functional plan to identify new major facilities needs and strategies for funding.

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

- Implement a new on-line training content and delivery module; and
- Funding of the retirement plan under the terms of the Pension Funding Policy

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

As part of the fiscal year 2018/19 audit, the district engaged a new actuary to value the net pension liability for the pension plan. This valuation resulted in changes to assumptions in the valuation to align with current activity in the plan, and a related decision to value the liability using the current year end of June 30, 2019 as the measurement date. These changes in estimate and measurement date, resulted in a restatement of balances related to pension. The district is continuing to review pension cashflow projections and adopted a pension funding plan in January 2021, to ensure that the pension plan funding issues are addressed. Additionally, an updated investment policy for the plan was adopted in fiscal year 2020/21 to align with the pension funding to allow the district to address the ongoing cash flow needs of the plan.

Major Initiatives

Bond measure

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

In May 2015, the district advance refunded \$38.3 million of the Series 2009 issue to achieve an economic gain of over \$2.9 million and reduce the life of the debt by two years. Also, included in the Series 2015 borrowing was the final amount available (\$1.4 million) that fulfilled the \$100 million bond measure. In October 2016, the district advance refunded \$8.6 million of the Series 2011 issue to achieve an economic gain of \$0.7 million. In March 2021, the district advance refunded the remaining portion of the Series 2011 issue to achieve an economic gain of \$1.9 million. The district's debt structure, capital improvements and ultimately, the tax payers have benefitted significantly from the low interest rate environment within the last nine years.

Approximately \$2.8 million in funds are available for completion of the voter approved projects.

Future goals

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

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the district for its Annual Report for the fiscal year ended June 30, 2020. This was the sixteenth year of submission, and subsequent receipt, of this prestigious award. In order to be awarded the Certificate of Achievement, the district had to publish an easily readable and efficiently organized Annual Report that satisfied GFOA, accounting principles generally accepted in the United States of America (US GAAP), and applicable legal requirements.

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

The district's Adopted Budget Document for the 2020/21 Fiscal Year received the *Distinguished Budget Presentation* award from GFOA. This is the sixteenth year that the district has received such an award. In order to qualify, the budget document must be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

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

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

Respectfully submitted,



Doug Menke

General Manager





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Tualatin Hills Park and Recreation District
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

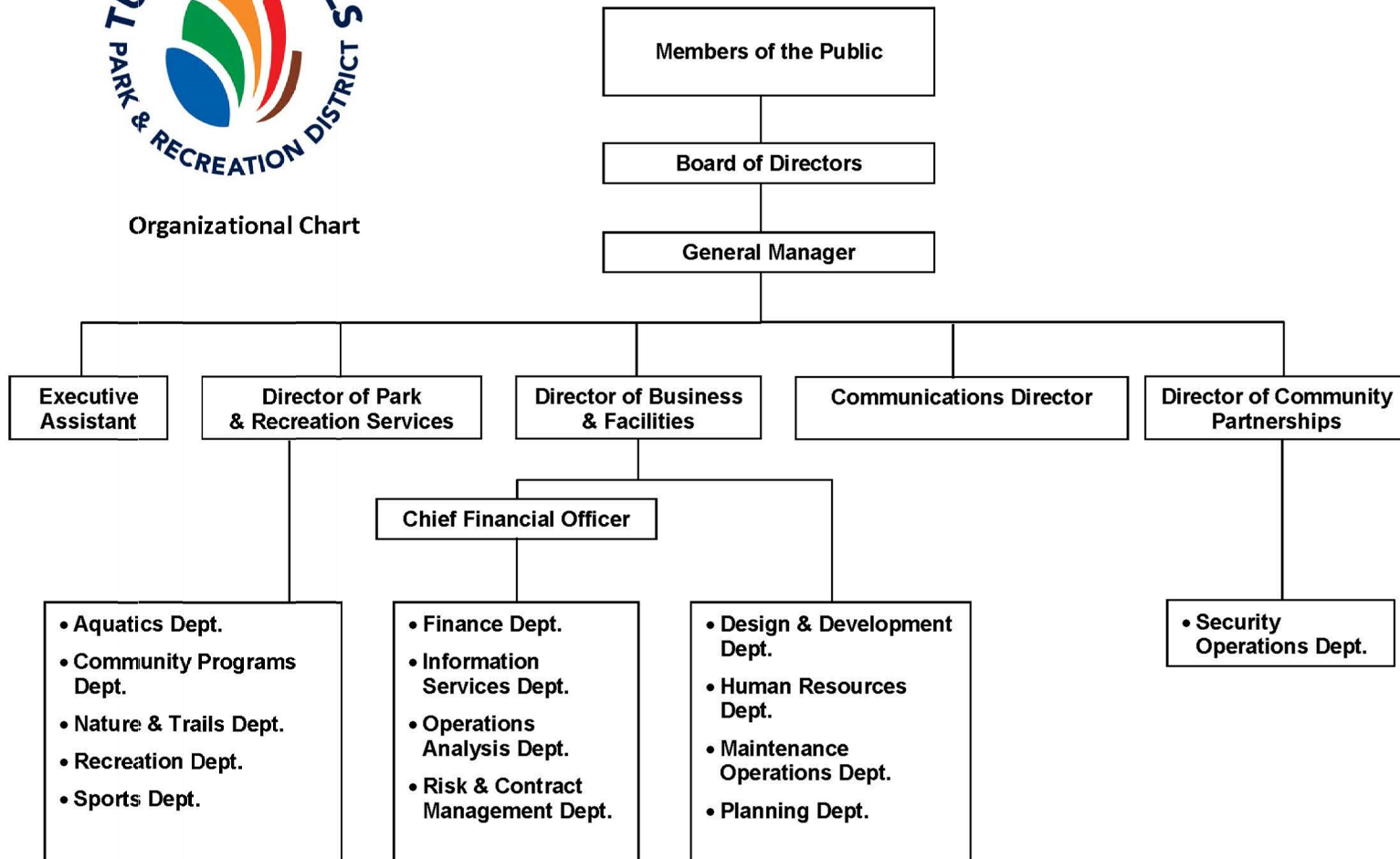
June 30, 2020

Christopher P. Morrill

Executive Director/CEO



Organizational Chart



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

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

**Board of Directors
as of June 30, 2021**

<u>Name</u>	<u>Term Expires</u>
Ashley Hartmeier-Prigg, President	June 30, 2021
Tya Ping, Secretary	June 30, 2023
Wendy Kroger, Secretary Pro-tempore	June 30, 2021
Heidi Edwards	June 30, 2023
Felicita Montebianco	June 30, 2021

Registered Agent and Office

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

General Manager
Doug Menke

Business Services Director
Lori Baker





Financial Section







Talbot, Korvola & Warwick, LLP 14945 SW Sequoia Parkway, Suite 150, Portland, Oregon 97224
P 503.274.2849 F 503.274.2853 www.tkw.com

INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Tualatin Hills Park & Recreation District, Beaverton, Oregon (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 entity's 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 financial statements.

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

An independently owned member
RSM US Alliance



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

INDEPENDENT AUDITOR'S REPORT (Continued)

Board of Directors
Tualatin Hills Park & Recreation District

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

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

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Supplemental Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Supplemental Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 Supplemental Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The Introductory Section, Other Financial Schedules, and Statistical Section, 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.

INDEPENDENT AUDITOR'S REPORT (Continued)

Board of Directors
Tualatin Hills Park & Recreation District

REPORTS ON OTHER LEGAL AND REGULATORY REQUIREMENTS


Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Standards

In accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 20, 2021, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.

TALBOT, KORVOLA & WARWICK, LLP

By 
Julie B. Fahey, Partner

Portland, Oregon
December 20, 2021



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

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

Financial Highlights

- The current health emergency resulting from the COVID-19 pandemic had a significant impact on our communities, and the district was similarly affected. The situation changed daily, and our management team worked to stay ahead of this issue and plan for possible contingencies. The district closed indoor facilities, fields, play structures and other amenities in mid-March 2020, and remained closed into the current fiscal year. At fiscal year-end, part of the district's facilities were beginning to re-open. The district experienced program revenue losses during the closure period. In an effort to manage costs, the district implemented layoffs and furloughs of staff, and is continuing to evaluate steps to move forward under new guidelines being issued by the Oregon governor.
- The assets and deferred outflows of resources of the district exceeded its liabilities and deferred inflows at June 30, 2021 by \$ 210,082,384.
- Net investment in capital assets (net of accumulated depreciation and related debt) accounts for most of net position, with a value of \$ 191,237,885.
- Restricted net position of \$ 33,701,226 includes assets restricted for capital improvements and debt service.
- The remaining net position, (\$ 14,856,727) is negative as a result of expenses exceeding revenues during a time when the district was not fully recognizing pension expense. The district adopted a funding plan in January 2021 to address pension funding over the long-term, while continuing to meet the district's ongoing obligations to patrons and creditors.
- The district's total net position increased by \$27,966,865 or 15.4 percent over the previous year. The increase is mainly the result of improvements to park property, increases in property tax revenue, and decreases in costs resulting from cost management actions taken in response to the impact of the COVID-19 pandemic.
- As of the close of the current fiscal year, the district's governmental funds reported combined ending fund balances of \$ 58,029,570, an increase of \$12,151,792 or 26.5 percent. Decreases were reported in the Bonded Debt Fund and Bond Capital Projects Fund. Increases were reported in the General Fund due to increased property tax revenues and federal grants and under-expenditure of budgeted costs and the System Development Charges (SDC) Fund due to under-expenditure of budgeted costs, offset by lower than anticipated SDC revenue for the fiscal year. As of June 30, 2021, fund balance for the General Fund was \$ 21,268,153 or 60.8 percent of total general fund expenditures, on a modified accrual basis.

Overview of the Financial Statements

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

Government-wide financial statements

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

Tualatin Hills Park & Recreation District Management's Discussion and Analysis (continued)

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

The **statement of activities** presents information showing how the district's net position changed during the current fiscal year. On this statement, program revenue (revenue generated by specific programs through charges for services, grants and contributions) is shown separately from general revenue (revenue provided by taxes and other sources not tied to a particular program). This shows the extent each program relies on taxes for funding. All changes in net position are reported using the accrual basis of accounting, which requires that revenues be reported when they are earned, and expenses be reported when goods and services are received. Items such as uncollected taxes, unpaid vendor invoices for items received by June 30, 2021, and earned but unused vacation leave are included in the statement of activities as revenue and expense. However, the cash associated with these items was not received or distributed until after June 30, 2021.

Fund Financial Statements

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

Governmental Funds

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

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

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

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

Budgetary highlights

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

Tualatin Hills Park & Recreation District Management's Discussion and Analysis (continued)

Notes to the basic financial statements

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

Government-wide Financial Analysis

Statement of Net Position

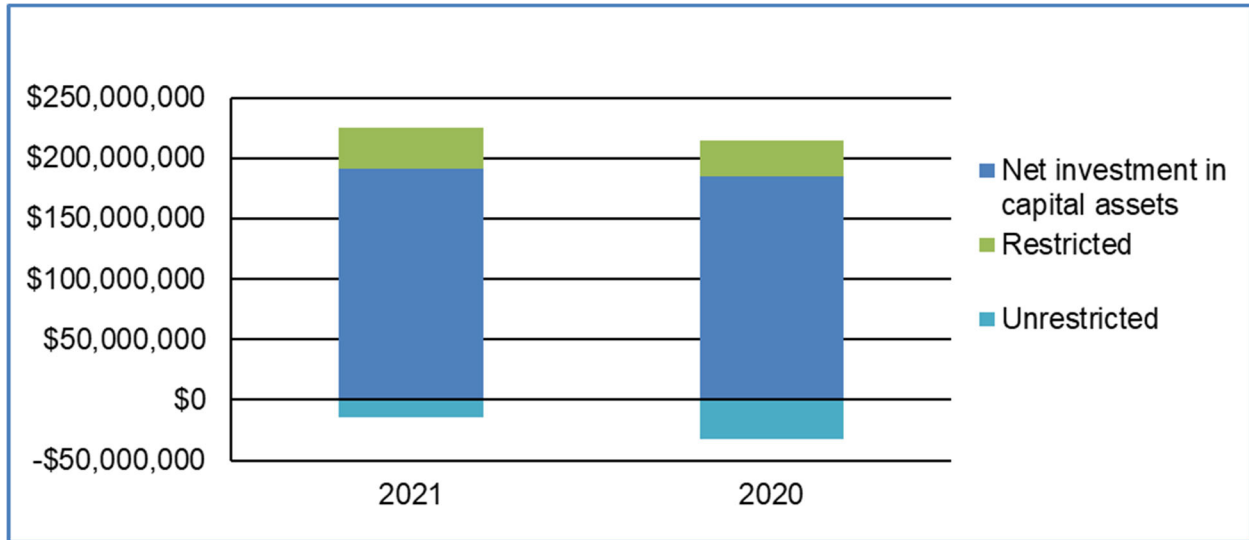
As noted earlier, net position may serve over time as an indicator of the district's financial position. As of June 30, 2021, the district's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$ 210,082,384.

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

	Governmental Activities	
	June 30, 2021	June 30, 2020
Cash and investments	\$ 60,741,193	\$ 47,998,261
Other assets	2,331,597	1,808,948
Capital assets	255,869,147	254,355,578
Total assets	318,941,937	304,162,787
Deferred outflow of resources - pension	1,102,316	1,489,457
Deferred outflow of resources - opeb	34,139	77,802
Deferred outflow of resources - charge on debt refunding	3,373,818	4,124,731
Total assets and deferred outflow of resources	323,452,210	309,854,777
Other liabilities	5,853,350	4,463,541
Debt liabilities	68,005,079	75,587,065
Net pension and opeb liabilities	23,303,198	31,165,542
Total liabilities	97,161,627	111,216,148
Deferred inflow of resources - pension	15,431,086	15,779,364
Deferred inflow of resources - opeb	777,113	743,746
Total liabilities and deferred inflow of resources	113,369,826	127,739,258
Net investment in capital assets	191,237,885	185,215,804
Restricted	33,701,226	29,300,471
Unrestricted	(14,856,727)	(32,400,756)
Total net position	\$ 210,082,384	\$ 182,115,519

The largest portion of the district's net position, \$191,237,885 reflects its investment in capital assets, less any related debt used to acquire these assets still outstanding. The district's assets (recorded at cost) are used to provide services to patrons. Consequently, these assets are not available for future spending, and debt repayment must be provided from other sources. An additional portion of the district's net position, \$33,701,226 represents resources that are subject to external restrictions on how they may be used. The remaining net position, (\$14,856,727) is negative as a result of expenses exceeding revenues during a time when the district was not fully recording pension expense. In January 2021, the district developed a long-term funding plan to address pension funding over the long-term, while continuing to meet the district's ongoing obligations to patrons and creditors.

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

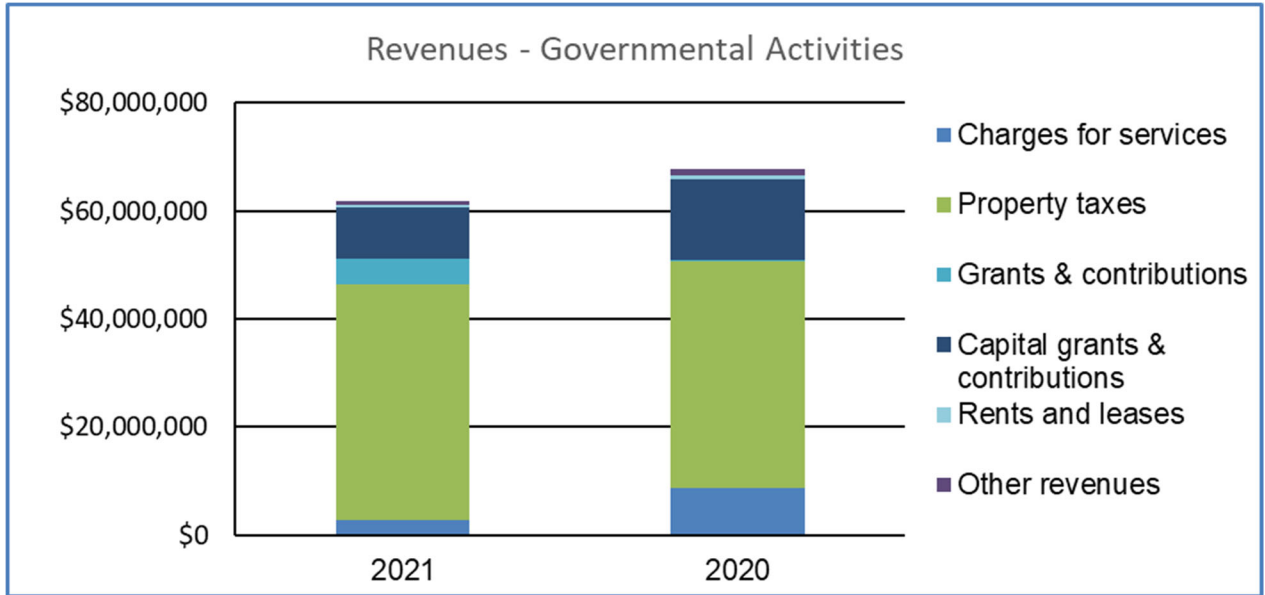


Statement of Activities

Governmental activities increased the district's net position by \$27,966,865 in this fiscal year. Key elements of this increase are included in the condensed version of the government-wide Statement of Changes in Net Position as follows:

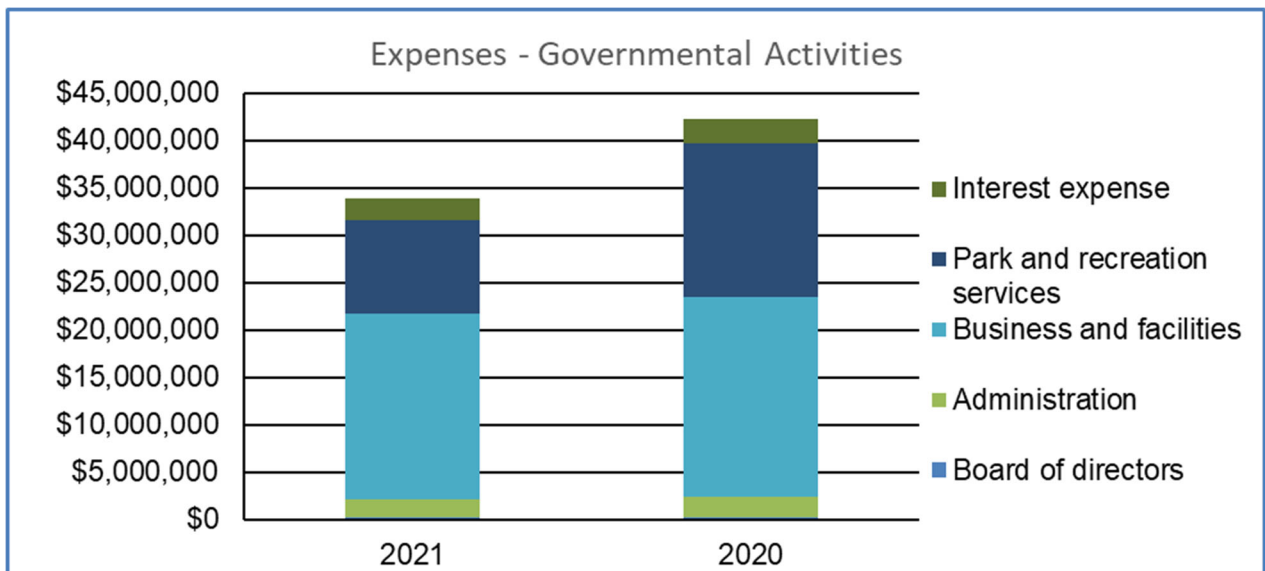
	Governmental Activities	
	For the year ended	
	June 30, 2021	June 30, 2020
Revenues:		
Program revenues:		
Charges for services	\$ 2,910,204	\$ 8,716,600
Operating grants and contributions	4,565,805	67,081
Capital grants and contributions	9,510,849	15,073,128
Rents and leases	557,072	573,847
General revenues:		
Property taxes	43,587,273	42,020,224
Grants and contributions not restricted to specific programs	-	92,506
Other	648,166	1,294,234
Total revenues	<u>61,779,369</u>	<u>67,837,620</u>
Expenses:		
Board of directors	202,902	239,325
Administration	1,894,447	2,090,232
Business and facilities	19,577,534	21,184,639
Park and recreation services	9,894,243	16,108,717
Interest on long-term debt	2,243,378	2,673,373
Total expenses	<u>33,812,504</u>	<u>42,296,286</u>
Change in net position	27,966,865	25,541,334
Net position - beginning	182,115,519	156,574,185
Net position - ending	<u>\$ 210,082,384</u>	<u>\$ 182,115,519</u>

Tualatin Hills Park & Recreation District Management's Discussion and Analysis (continued)



Property taxes increased \$ 1,567,049, or 3.7 percent. The increase is due primarily to statutorily allowed increases in assessed value of existing properties and new construction within the district boundaries. Charges for services decreased \$ 5,806,396 or 66.6 percent, resulting from closures of district facilities and programs throughout the fiscal year, due to the COVID-19 pandemic. Capital grants and contributions decreased \$ 5,562,279, or 36.9 percent due to decreases in land contributions in the current year. Grants and contributions increased \$ 4,406,218 or 2,761.0 percent, due primarily to federal grant funding received via passthrough grants from Washington County for pandemic related costs.

Expenses for the district decreased by 20.1 percent over last year. This decrease is due primarily to continued cost reductions implemented in response to facility closures under state mandates related to the COVID-19 pandemic, offset by inflationary increases.



Tualatin Hills Park & Recreation District Management's Discussion and Analysis (continued)

Financial Analysis of the District's Funds

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

Governmental funds analysis

The focus of the district's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the district's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The district has four major funds, reported as the General Fund, a debt service fund, and two capital project funds.

During Fiscal Year 2020/21, the district's governmental funds reported an increase in combined ending fund balances of \$12,151,792. The General Fund, System Development Charges Fund and Other Governmental Fund reported increases within the year while the remaining major funds reported decreases. The previous fiscal year had a decrease of \$936,509, attributable primarily to decreases in program revenues associated with the pandemic.

The **General Fund** is the chief operating fund of the district. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$ 21,026,267. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 60.1 percent of total General Fund expenditures, exceeding the district's financial policy guideline of 10.0 percent.

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

	General Fund	
	For the year ended	
	June 30, 2021	June 30, 2020
Revenues:		
Program revenues	\$ 2,910,204	\$ 8,716,600
Property taxes	35,692,368	33,893,914
Other revenues	6,453,258	2,758,044
Total revenues	45,055,830	45,368,558
Expenditures:		
Board of directors	202,902	239,325
Administration	2,284,691	2,923,275
Business and facilities	16,688,637	19,504,673
Park and recreation services	12,856,307	21,322,667
Capital outlay	2,010,407	4,148,641
Debt service	879,553	935,376
Total expenditures	34,922,497	49,073,957
Change in fund balance	10,133,333	(3,705,399)
Fund balance - beginning	11,134,820	14,840,219
Fund balance - ending	\$ 21,268,153	\$ 11,134,820

Tualatin Hills Park & Recreation District Management's Discussion and Analysis (continued)

Fund balance of the General Fund increased by \$10,133,333 or 91.0 percent on the modified accrual method of accounting, due primarily to the receipt of federal grants and the under-expenditure of budgeted costs in response to the state-ordered closures resulting from the COVID-19 pandemic.

Program revenues decreased \$5,806,396 or 66.6 percent. All categories of program revenues experienced decreases resulting from facility closures due to the COVID-19 pandemic. Revenues other than program revenues changed as follows:

- Increase of 5.3 percent or \$1,798,454 in property tax revenues related primarily to statutorily allowable growth in assessed property values and new construction in the district.
- Other revenues increased \$3,695,214 or 133.9 percent, due primarily to increases in grant revenue associated with the receipt of federal passthrough grant dollars intended to assist the district in covering pandemic related costs.

Non-capital and non-debt service operating expenditures decreased 27.1 percent or \$11,957,403 primarily due to decreases in personnel service costs caused by pandemic related staffing reductions that occurred throughout the fiscal year offset by budgeted cost-of-living and merit increases, increases in health insurance costs, increased retirement plan costs and payroll taxes. Capital expenditures decreased from the previous year by \$2,138,234 or 51.5 percent due to timing of construction projects, which were delayed or eliminated as part of the district's cost reductions to offset revenue losses in the pandemic.

The **Bonded Debt Fund** has a total fund balance of \$502,683, a decrease of \$225,146 versus the previous year, and is restricted for payment of debt service on existing general obligation debt.

The **Bond Capital Projects Fund** accounts for the proceeds received from the sale of the general obligation bonds, Series 2009 for \$58,505,000 and Series 2011 for \$40,060,000, and Series 2015 for \$1,435,000 (new monies only). In November 2008, district voters authorized a total levy of \$100 million to target a specific list of projects and land acquisitions throughout the district. A total of \$ 2,490,301 was expended during the current fiscal year. The majority of capital projects have been substantially completed; however, natural resource land restoration and development of one new athletic facility will continue for at least one more year. As of the end of the year, total fund balance in this fund restricted for capital project development is \$ 2,873,995.

The **System Development Charges Fund** accounts for development impact fees assessed on new construction within the district boundaries. Total revenues decreased by \$4,719,072 or 35.8 percent over last year, due to timing of new construction activity in the district. Total expenditures decreased by \$2,569,522 or 40.1 percent due to timing of construction on district projects. Fund balance increased by \$4,625,901 or 16.2 percent over the previous year. This total fund balance of \$33,198,543 is restricted for parks acquisition and development and improvements related to capacity expansion.

General Fund Budgetary Highlights

The district prepares and adopts its budget on an annual basis using a modified cash basis of accounting. General Fund revenues were less than budget by 15.7 percent, largely due to program and facility closures related to COVID-19 that led to program revenues less than budget of \$11,069,718, offset by grant revenues more than budget of \$2,204,554. Expenditures stayed well under budget by 44.9 percent, primarily due to non-expenditure of contingency and capital replacement reserve funds, control of costs in part-time personnel, COVID-19 related staffing reductions and capital expenditures at less than budgeted amounts.

Tualatin Hills Park & Recreation District Management's Discussion and Analysis (continued)

Capital Asset and Debt Administration

Capital assets

The district's investment in capital assets as of June 30, 2021 amounts to \$255,869,147 (net of accumulated depreciation). This investment in capital assets includes land, park sites and planning development, buildings and improvements, plus machinery, equipment and furnishings, and intangible assets. The net increase in the district's capital assets for the current fiscal year was \$1,513,569 or .6 percent, which reflected asset additions of \$8,515,194, disposals of \$3,270, and depreciation of \$6,998,355.

Additions of \$1,238,488 in land were primarily related to new acquisitions of park and natural area parcels. Additions of \$4,608,381 in park sites was due primarily to the completion of the Somerset West Park project and Yoshihara Trail project. Additions of \$261,191 in buildings and improvements was primarily due to various renovation projects throughout the district. Construction in process had net additions of \$5,941,039 which included construction at Somerset West Park and Yoshihara Trail, along with work on Pio Pio Park and Unity Park, offset by transfers out for completed projects of \$3,778,853. Deferred maintenance was funded for both buildings and parks improvements, to the extent of available funds.

Capital Assets (net of depreciation)

	June 30	
	2021	2020
Land	\$ 119,903,237	\$ 118,664,749
Parks sites and planning development	79,357,193	79,282,285
Buildings and improvements	41,907,591	43,682,690
Equipment and furnishings	875,256	1,040,439
Intangible assets	15,175	36,906
Construction in progress	13,810,695	11,648,509
Total	\$ 255,869,147	\$ 254,355,578

Additional information on the district's capital assets can be found in Note IV.B on page 40 of this report.

Long-term debt and other long-term obligations

At June 30, 2021, the district had \$68,005,079 in debt and other long-term obligations outstanding compared to \$75,587,065 last year. \$8,112,304 of the debt outstanding and other long-term obligations at June 30, 2021 is due within one year. Debt decreased by a net of \$7,581,986, mainly due to the principal payments made on existing debt. During Fiscal Year 2021, the district advance refunded the 2010A Full Faith & Credit Bonds, to provide for future interest cost savings. The district also advance refunded the 2011 General Obligation Bonds, resulting in future interest cost savings that will be passed on to district taxpayers through reduced property taxes for debt service.

Outstanding Debt and Obligations

	June 30	
	2021	2020
General obligation bonds	\$ 50,490,000	\$ 58,550,000
Premiums	6,541,108	5,642,830
Full faith and credit obligations	10,735,000	11,125,000
Direct borrowing and loans	238,971	269,235
Total	\$ 68,005,079	\$ 75,587,065

Tualatin Hills Park & Recreation District Management’s Discussion and Analysis (continued)

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

Due to the district’s strong credit rating, bond insurance was not financially advantageous, nor necessary, for the series 2011, 2015, 2016 and 2021 general obligation issues or the series 2020 and 2021 full faith issues.

Additional information on the district’s long-term obligations can be found in Note IV.D on pages 41 - 43.

Economic Factors and Next Year’s Budget and Rates

Impact of COVID-19 Pandemic

In March 2020 the District closed all District facilities, programs and certain outdoor amenities including athletic fields and playgrounds under order of the Oregon governor, due to the health emergency resulting from the COVID-19 global pandemic. The District lost an estimated \$4.5 million in program revenues during the period of March to June 2020. The District experienced program revenue loss of approximately \$6.9 million in fiscal year 2021. To offset the impact of lost program revenues resulting from the closures, the District responded by implementing cost reductions, including layoff of nearly 800 part-time and seasonal employees, and 24 full-time employees, as well as furlough of 39 employees from May 15 through and into the current fiscal year. Concurrently, the District supported the transition of most remaining staff to work-from-home status, and implemented online work capabilities for staff including on-line conferencing and virtual private network access to electronic work files and programs. The District also continued public meetings and hearings using online conferencing and District internet streaming and subsequent access to recordings of all public meetings. Public comment was offered at the online meetings via call-in capability, and written comment read into the record of the meeting. The District implemented an incident response team, which managed the District’s operations and response to the pandemic, including facility closures, signage and communication requirements, and response to regularly updated state mandates for safe operation of the District. This response has allowed the District to address lost revenue, while still providing safe parks, trails and natural areas for the community.

In summer 2020, the District was able to provide a reduced number of summer camp offerings and registered to provide emergency child care services to the community. The District continues to provide out-of-school care including support of online learning, to children in the community. The District has also opened fields and outdoor recreation amenities, including two outdoor pools and is providing outdoor programming and events in a safe manner. In February 2021, the State of Oregon authorized limited reopening of indoor recreational facilities, and the district is reopening facilities when they can safely provide recreational programming in accordance with state requirements. As of June 2021, the district has reopened a recreation center, a recreation aquatic center, the athletic center, and one indoor pool.

Working collaboratively with Washington County, the District has been awarded over \$4.2 million in federal CARES grant funding, for costs associated with safety protocols and alternative programming as a result of the pandemic. The District has also been awarded federal funds to support child care programs, summer camps and emergency response costs. The District is proactively seeking continued support for operations under the current restrictions. District staff are monitoring the regulations, and working to respond quickly to changing requirements.

Tualatin Hills Park & Recreation District Management's Discussion and Analysis (continued)

Fiscal Year 2021/22 Budget

Due to continued uncertainties related to the impact of the COVID-19 pandemic, the district's board adopted a normal operating budget for the upcoming fiscal year in June 2021. The district also committed to completing regular revised operating plans, that will guide the operations of the district during the months that continue to be impacted by the pandemic.

Some of the factors considered during the preparation of the 2021/22 budget were:

- Assessed value on property was estimated to increase by approximately 4.5 percent over the previous year.
- Cost of living increases of 3.0 percent for full and regular part-time staff and pension funding in compliance with the board approved pension funding policy.
- The budget includes the upgrade of all remaining regular part-time positions to full-time, and the addition of a Park Services Director.

Property taxes have been increased by the statutorily allowed 3.0 percent of assessed value on all properties. New development growth is estimated at 1.5 percent, for the combined rate of 4.5 percent. The district will continue to closely analyze the various properties to accurately estimate future resources. However, with the increased rate of new growth within district boundaries, and returning property values on existing homes, future resource growth should be strong and steady. Historically, property tax revenues have shown stability even during times of economic downturn and recession.

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

The district Board approved an updated district pension funding that will allow the district to address the funding level of the defined benefit pension plan. If investment results for the plan meet projections, the funding plan will allow for close to 100% funding of the plan's pension liability within a three-year period.

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

Requests for Information

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



Basic Financial Statements





Tualatin Hills Park & Recreation District
Statement of Net Position
June 30, 2021

	Governmental Activities	Component Unit - Tualatin Hills Park Foundation
Assets:		
Cash and cash equivalents	\$ 40,909,381	\$ 771,974
Investments	19,807,730	66,716
Due from other governments	695,184	-
Receivables (net of reserve for uncollectible accounts)	1,394,527	88,921
Inventories	119,910	-
Prepays	121,976	-
Cash and cash equivalents - restricted	24,082	-
Capital assets (net of accumulated depreciation):		
Land	119,903,237	-
Park sites and planning development	79,357,193	-
Buildings and improvements	41,907,591	-
Equipment and furnishings	875,256	-
Intangible assets	15,175	-
Construction in progress	13,810,695	-
Total assets	<u>318,941,937</u>	<u>927,611</u>
Deferred Outflows of Resources:		
Deferred outflows - pension	1,102,316	-
Deferred outflows - opeb	34,139	-
Deferred outflows - charge on debt refunding	3,373,818	-
Total deferred outflows of resources	<u>4,510,273</u>	<u>-</u>
Liabilities:		
Accounts payable and other current liabilities	3,114,237	132,721
Accrued interest payable	220,025	-
Unearned revenue	1,424,446	-
Long-term debt:		
Due within one year	8,112,304	-
Due in more than one year	59,892,775	-
Compensated absences		
Due within one year	537,145	-
Due in more than one year	557,497	-
Net other post-employment benefits liability		
Due in more than one year	454,543	-
Net pension liability		
Due in more than one year	22,848,655	-
Total liabilities	<u>97,161,627</u>	<u>132,721</u>
Deferred Inflows of Resources:		
Deferred inflows - opeb	777,113	-
Deferred inflows - pension	15,431,086	-
Total deferred inflows of resources	<u>16,208,199</u>	<u>-</u>
Net Position:		
Net investment in capital assets	191,237,885	-
Restricted for:		
Debt service	502,683	-
Capital improvements	33,198,543	-
With donor restrictions	-	157,782
Unrestricted	(14,856,727)	637,108
Total net position	<u>\$ 210,082,384</u>	<u>\$ 794,890</u>

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

Tualatin Hills Park & Recreation District
Statement of Activities
For the Year Ended June 30, 2021

Functions/Programs	Program Revenues					Net Revenue (Expense) and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Rents and Leases	Governmental Activities	Component Unit - Tualatin Hills Park Foundation
Primary government:							
Governmental activities:							
Board of Directors	\$ 202,902	\$ -	\$ -	\$ -	\$ -	\$ (202,902)	\$ -
Administration	1,894,447	-	-	-	-	(1,894,447)	-
Business and facilities	19,577,534	-	-	9,510,849	557,072	(9,509,613)	-
Park and recreation services	9,894,243	2,910,204	4,565,805	-	-	(2,418,234)	-
Interest on long-term debt	2,243,378	-	-	-	-	(2,243,378)	-
Total primary government	\$ 33,812,504	\$ 2,910,204	\$ 4,565,805	\$ 9,510,849	\$ 557,072	(16,268,574)	-
Component unit:							
Tualatin Hills Park Foundation	\$ 218,666	\$ -	\$ 68,177	\$ -	\$ -		(150,489)
General revenues:							
Property taxes levied for general purposes						35,653,238	-
Property taxes levied for debt service						7,934,035	-
Grants and contributions not restricted to specific programs						-	66,123
Unrestricted investments earnings						422,449	358
Miscellaneous						225,717	10,483
Total general revenues						44,235,439	76,964
Change in net position						27,966,865	(73,525)
Net position - beginning						182,115,519	868,415
Net position - ending						\$ 210,082,384	\$ 794,890

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

Tualatin Hills Park & Recreation District
Balance Sheet - Governmental Funds
June 30, 2021

	<u>General Fund</u>	<u>Bonded Debt Fund</u>	<u>Bond Capital Projects Fund</u>	<u>System Development Charges Fund</u>	<u>Other Governmental Fund</u>	<u>Total Governmental Funds</u>
Assets						
Assets:						
Cash and cash equivalents	\$ 24,150,982	\$ 448,940	\$ 2,979,165	\$ 13,144,098	\$ 186,196	\$ 40,909,381
Investments	-	-	-	19,807,730	-	19,807,730
Receivables:						
Interest	391	195	-	14,219	-	14,805
Property taxes, net	649,635	146,761	-	-	-	796,396
Accounts receivable	583,326	-	-	-	-	583,326
Intergovernmental	244,908	-	-	450,276	-	695,184
Cash and cash equivalents - restricted	-	-	-	24,082	-	24,082
Prepays	121,976	-	-	-	-	121,976
Inventories	119,910	-	-	-	-	119,910
Total assets	<u>\$ 25,871,128</u>	<u>\$ 595,896</u>	<u>\$ 2,979,165</u>	<u>\$ 33,440,405</u>	<u>\$ 186,196</u>	<u>\$ 63,072,790</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities:						
Accounts payable	\$ 1,208,008	\$ -	\$ 20,664	\$ 188,713	\$ -	\$ 1,417,385
Salaries payable	255,229	-	-	-	-	255,229
Retainages payable	1,297	-	84,506	53,149	-	138,952
Other current liabilities payable	1,302,671	-	-	-	-	1,302,671
Unearned revenue	1,424,446	-	-	-	-	1,424,446
Total liabilities	<u>4,191,651</u>	<u>-</u>	<u>105,170</u>	<u>241,862</u>	<u>-</u>	<u>4,538,683</u>
Deferred inflows of resources:						
Unavailable revenue - taxes	<u>411,324</u>	<u>93,213</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>504,537</u>
Fund balances:						
Nonspendable:						
Prepays	121,976	-	-	-	-	121,976
Inventory	119,910	-	-	-	-	119,910
Restricted:						
Debt service	-	502,683	-	-	-	502,683
Capital improvements	-	-	2,873,995	33,198,543	-	36,072,538
Committed - mitigation maintenance	-	-	-	-	186,196	186,196
Unassigned	21,026,267	-	-	-	-	21,026,267
Total fund balance	<u>21,268,153</u>	<u>502,683</u>	<u>2,873,995</u>	<u>33,198,543</u>	<u>186,196</u>	<u>58,029,570</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 25,871,128</u>	<u>\$ 595,896</u>	<u>\$ 2,979,165</u>	<u>\$ 33,440,405</u>	<u>\$ 186,196</u>	<u>\$ 63,072,790</u>

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

Tualatin Hills Park & Recreation District
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2021

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

Fund balances - total governmental funds:	\$	58,029,570
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		255,869,147
Unavailable revenues for those amounts that were not available to pay current period expenditures.		504,537
Other long-term items are not available to pay for current period expenditures and, therefore, are deferred in the fund statements:		
Deferred outflows - pension		1,102,316
Deferred outflows - other post employment benefits		34,139
Deferred outflow - charge on debt refunding		3,373,818
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable		(220,025)
Bonds, FFC and loans payable		(68,005,079)
Compensated absences		(1,094,642)
Net opeb liability		(454,543)
Deferred inflows - pension		(15,431,086)
Deferred inflows - other post employment benefits		(777,113)
Net pension liability		(22,848,655)
Net position of governmental activities	<u>\$</u>	<u>210,082,384</u>

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

Tualatin Hills Park & Recreation District
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
For the Year Ended June 30, 2021

	General Fund	Bonded Debt Fund	Bond Capital Projects Fund	System Development Charges Fund	Other Governmental Fund	Total Governmental Funds
Revenues:						
Property taxes	\$35,692,368	\$7,949,326	\$ -	\$ -	\$ -	\$ 43,641,694
Aquatic programs	581,351	-	-	-	-	581,351
Tennis center	264,137	-	-	-	-	264,137
Sports programs	1,112,604	-	-	-	-	1,112,604
Recreation programs	952,112	-	-	-	-	952,112
Grants and sponsorships	5,117,604	-	75,000	-	-	5,192,604
Rents and leases	557,072	-	-	-	-	557,072
System development charges	-	-	-	8,290,454	-	8,290,454
Interest earned	180,001	35,826	31,571	173,617	1,434	422,449
Charges for services	415,568	-	-	-	-	415,568
Miscellaneous revenues	183,013	-	-	-	-	183,013
Total revenues	<u>45,055,830</u>	<u>7,985,152</u>	<u>106,571</u>	<u>8,464,071</u>	<u>1,434</u>	<u>61,613,058</u>
Expenditures:						
Current:						
Board of Directors	202,902	-	-	-	-	202,902
Administration	2,284,691	-	-	-	-	2,284,691
Business and facilities	16,731,341	-	-	-	-	16,731,341
Park and recreation services	12,856,307	-	-	-	-	12,856,307
Capital outlay	2,010,407	-	2,490,301	3,679,549	-	8,180,257
Materials and services - SDC	-	-	-	158,621	-	158,621
Debt service	879,553	8,210,298	-	-	-	9,089,851
Total expenditures	<u>34,965,201</u>	<u>8,210,298</u>	<u>2,490,301</u>	<u>3,838,170</u>	<u>-</u>	<u>49,503,970</u>
Excess (deficiency) of revenues over (under) expenditures	10,090,629	(225,146)	(2,383,730)	4,625,901	1,434	12,109,088
Other financing sources (uses):						
Issuance of refunding bonds	14,390,000	-	-	-	-	14,390,000
Premiums on bonds issued	2,527,984	-	-	-	-	2,527,984
Payment to refunded bonds escrow	(16,875,280)	-	-	-	-	(16,875,280)
Total other finance sources (uses)	<u>42,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,704</u>
Net change in fund balances	10,133,333	(225,146)	(2,383,730)	4,625,901	1,434	12,151,792
Fund balances at beginning of year	<u>11,134,820</u>	<u>727,829</u>	<u>5,257,725</u>	<u>28,572,642</u>	<u>184,762</u>	<u>45,877,778</u>
Fund balances at end of year	<u>\$21,268,153</u>	<u>\$ 502,683</u>	<u>\$ 2,873,995</u>	<u>\$ 33,198,543</u>	<u>\$ 186,196</u>	<u>\$ 58,029,570</u>

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

**Tualatin Hills Park & Recreation District
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2021**

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

Net changes in fund balances - total governmental funds	\$12,151,792
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (for capitalized assets) exceeded depreciation in the current period.	923,243
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.	590,326
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.	(54,421)
The issuance of long-term debt (e.g., bond, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	6,831,072
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest payable	15,400
Accrued compensated absences payable	(236,999)
Net OPEB liability and related deferrals	112,779
Net pension liability and related deferrals	7,633,673
Change in net position of governmental activities	\$27,966,865

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

Tualatin Hills Park & Recreation District
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2021

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Property taxes	\$ 34,914,382	\$ 35,692,368	\$ 777,986
Aquatic programs	3,780,320	581,351	(3,198,969)
Tennis center	1,260,017	264,137	(995,880)
Sports programs	1,992,613	1,112,604	(880,009)
Recreation programs	6,382,547	856,730	(5,525,817)
Nature & Trails programs	564,425	95,382	(469,043)
Grants and sponsorships	2,913,050	5,117,604	2,204,554
Rents and leases	647,833	557,072	(90,761)
Interest earned	500,000	180,001	(319,999)
Charges for services	300,000	415,568	115,568
Debt proceeds	-	-	-
Miscellaneous revenues	165,000	183,013	18,013
Total revenues	<u>53,420,187</u>	<u>45,055,830</u>	<u>(8,364,357)</u>
Expenditures:			
Board of Directors	346,658	202,902	143,756
Administration	3,088,592	2,284,691	803,901
Business and facilities	23,736,891	17,915,219	5,821,672
Park and recreation services	24,995,844	12,856,307	12,139,537
Capital outlay	7,268,673	1,663,378	5,605,295
Contingency	2,500,000	-	2,500,000
Capital Replacement Reserve	1,500,000	-	1,500,000
Total expenditures	<u>63,436,658</u>	<u>34,922,497</u>	<u>28,514,161</u>
Net change in fund balance	<u>(10,016,471)</u>	<u>10,133,333</u>	<u>20,149,804</u>
Fund balances at beginning of year	<u>10,016,471</u>	<u>11,134,820</u>	<u>1,118,349</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 21,268,153</u>	<u>\$ 21,268,153</u>

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

Tualatin Hills Park & Recreation District
Statement of Fiduciary Net Position
June 30, 2021

	Pension and OPEB Trust Funds
Assets	
Cash	\$ 151,314
Investments @ fair value	
Mutual funds	14,543,206
US stock	121,674
International stock	8,109
Other	1,944
Total assets	14,826,247
 Liabilities	
Accounts payable	8,750
Total liabilities	8,750
 Net Position	
Restricted for pension	12,791,400
Restricted for other post-employment benefits	2,026,097
Total net position held in trust	\$ 14,817,497

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

Tualatin Hills Park & Recreation District
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2021

	Pension and OPEB Trust Funds
Additions:	
Contributions	
Employer	\$ 8,501,049
Employee	660,808
Total contributions	9,161,857
Transfer from defined benefit plan	2,343,198
Investment earnings	2,607,391
Total additions	14,112,446
Deductions:	
Benefits paid	524,848
Transfer to defined contribution plan	2,343,198
Administrative expenses	92,273
Total deductions	2,960,319
Change in net position	11,152,127
Net position, at beginning of year	3,665,370
Net position, at end of year	\$ 14,817,497

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements
June 30, 2021

I. Summary of significant accounting policies

A. Reporting entity

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

Discretely Presented Component Unit

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

B. Government-wide and fund financial statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the district.

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

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

Fund Financial Statements

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

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

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

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

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

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

The district reports the following major governmental funds:

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

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

The *Bond Capital Projects Fund* accounts for the financial resources received from the voter approved general obligation bond passed in April 2009. This fund details the acquisition and construction of the approved capital projects, utilizing the bond proceeds.

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

The other governmental fund includes the nonmajor funds of the district. The *Mitigation Maintenance Fund* is a special revenue fund that accounts for mitigation funds received from development impacting park property. This fund is accumulated for and committed to use on natural area restoration projects. The *Metro Bond Local Capital Fund* is a fund that accounts for projects that support clean water, protect and restore culturally significant native plant communities, protect and improve fish and wildlife habitat, reduce impacts of climate change, enhance trail networks, and make parks and natural areas more accessible and inclusive. The regional government entity for the Portland area, Metro, passed a renewal bond measure in November 2019 for these funds.

Additionally, the district reports fiduciary funds as follows:

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

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

Flow of resources

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

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

1. Cash, cash equivalents and investments

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

State statutes and the district's investment policy authorize the district to invest in obligations of the U.S. Treasury, commercial paper, repurchase agreements, bankers' acceptances, municipal bonds, mutual funds and the LGIP. Investments are reported at fair value, based on quoted prices for identical investments.

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

2. Receivables and payables

Recorded property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue in the fund financial statements. The remaining balance is recorded as unavailable revenue because it is not deemed available to finance operations of the current period in the fund financial statements. An allowance for doubtful accounts is estimated based upon the history of collections of property tax, and any information received from the county related to settlements for outstanding tax balances. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15 and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

3. Inventory and prepaid items

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

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

4. Capital assets

Capital assets, which include property, equipment, furnishings, improvements and intangible assets such as software, are reported in the government-wide financial statements. The district defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

5. *Deferred outflows/inflows of resources*

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

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

6. *Unearned revenue*

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

7. *Compensated absences*

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

8. Long-term obligations

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

In the fund financial statements, funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Fund balance

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

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

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

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

II. Reconciliation of government-wide and fund financial statements

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

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$(68,005,079) difference are as follows:

Bonds payable	\$ (50,490,000)
Plus: Issuance premiums (to be amortized over life of debt)	(5,393,275)
Full faith and credit obligations	(10,735,000)
Plus: Issuance premiums (to be amortized over life of debt)	(1,147,833)
Direct debt and loans payable	<u>(238,971)</u>
Net adjustment to decrease <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (68,005,079)</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliations between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$923,243 difference are as follows:

Capital outlay (for capitalized assets)	\$ 7,921,598
Depreciation expense	<u>(6,998,355)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at changes in <i>net position of governmental activities</i>	<u>\$ 923,243</u>

Another element of that reconciliation states “the net effect of various miscellaneous transactions involving capital assets (i.e. donations) is to increase net position.” The details of this \$590,326 difference are as follows:

Donations of capital assets increase the net position in the statement of net position, but do not appear in the governmental funds because they are not financial resources	\$ 593,596
Deletions of capital assets decrease the net position in the statement of net position, but do not appear in the governmental funds because they are not financial resources	<u>\$ (3,270)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at changes in <i>net position of governmental activities</i>	<u>\$ 590,326</u>

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this \$6,831,072 difference are as follows:

Principal repayments:	
General obligation debt	\$ 5,800,000
Other long-term debt	470,264
Amortization of premiums	1,629,705
Amortization of deferred charges/inflows on refundings	(544,679)
Proceeds from issuance of debt	(14,390,000)
Debt Refunded	
General obligation debt	15,525,000
Other long-term debt	1,075,000
Deferred inflow on refunding	(206,234)
Premiums on debt issued	(2,527,984)
	\$ 6,831,072
	\$ 6,831,072

Net adjustments to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*

III. Stewardship, compliance and accountability

A. Budgetary information

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

Governmental fund budgets are established in accordance with state law, and are adopted on a fund level except the General Fund. The General Fund budget is adopted on an organizational unit level. Organizational units are the levels of control for all funds established by the resolution. The detail budget document, however, is required to contain more specific information for the above mentioned appropriation levels. Unexpected additional resources may be added to the budget through the use of a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers and approval by the board. Original and supplemental budgets may be modified by the use of appropriations transfers between the levels of control. Such transfers require approval by the board. In the year ended June 30, 2021, the board approved a budget transfer in the system development charges fund to cover unanticipated materials and services costs.

IV. Detailed notes on all funds

A. Cash, cash equivalents and investments

Deposits with financial institutions include bank demand deposits and deposits in the Local Government Investment Pool (LGIP), as authorized by Oregon statutes.

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

At June 30, 2021, the district had the following cash, cash equivalents and investments at fair value:

Governmental funds:	
Demand deposits	\$ 585,350
Commercial paper	539,732
Investments in the State Treasurer's LGIP	39,808,381
Government and agency obligations	19,807,730
Total governmental funds cash, cash equivalents and investments	<u>60,741,193</u>
Fiduciary funds:	
Cash	151,314
Mutual funds	14,543,206
US stock	121,674
International stock	8,109
Other	1,944
Total cash, cash equivalents and investments at fair value	<u>\$ 75,567,440</u>

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

Cash and cash equivalents	\$ 40,909,381
Investments	19,807,730
Cash, cash equivalents and investments - restricted	24,082
Total cash, cash equivalents and investments - governmental activities	<u>60,741,193</u>
Cash and investments - fiduciary activities	14,826,247
Total cash, cash equivalents and investments - fiduciary activities	<u>14,826,247</u>
Total cash, cash equivalents and investments	<u>\$ 75,567,440</u>

The district categorizes its investments according to the fair value hierarchy established by GAAP. GASB Statement No. 72, *Fair value Measurement and Application*, provides a fair value hierarchy based on valuation inputs to measure the fair value of the investment. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Assets valued at fair value as of June 30, 2021 are as follows:

	Level 1	Level 2
Commercial paper	\$ -	\$ 539,732
Government and agency obligations	-	19,807,730
Mutual funds	14,543,206	-
US stock	121,674	-
International stock	8,109	-
Other	758	1,186
Total	<u>\$ 14,673,747</u>	<u>\$ 20,348,648</u>

Current investments ratings and weighted average maturities are:

	Moody's AAA	Total	Weighted Average Maturity (years)
Commercial paper	\$ 539,732	\$ 539,732	0.9583
Government and agency obligations	19,807,730	19,807,730	0.4056

All other investments are unrated.

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

A. Interest rate risk

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

Investments in the LGIP are stated at share value, which approximates fair value, and is the value at which the shares can be withdrawn. The LGIP does not report all investments at fair value in accordance with the provisions of GASB Statement No. 31. The LGIP is required by Oregon Revised Statutes (ORS) to compute the fair value of all investments maturing more than 270 days from the date the computation is made. If the fair value totals more than one percent of the balance of the LGIP in terms of unrealized gain or loss, the amount is required to be distributed to the pool participants. Fifty percent of the LGIP portfolio must mature within 93 days. Up to 25% of the LGIP portfolio may mature in over one year and no investment may mature in over three years. At June 30, 2021, the district's share of the amount of unrealized gain reported by the LGIP was considered immaterial.

A. Credit risk

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

B. Concentration of credit risk

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

In accordance with GASB Statement No. 40, the district is required to report all individual non-federal investments, which exceed 5% of total invested funds. As of June 30, 2021, the district did not hold any non-federal investments exceeding 5% of invested funds.

C. Custodial credit risk – deposits

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. The combined total bank balance is \$762,110. Of these deposits, \$250,000 is covered by federal depository insurance. As required by Oregon Revised Statutes, deposits in excess of federal depository insurance were held at a qualified depository for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer.

D. Custodial credit risk – investments

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

B. Capital assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance 6/30/20	Increases	Decreases	Transfers	Ending Balance 6/30/21
Governmental activities					
Capital assets, not being depreciated					
Land	\$ 118,664,749	\$ 1,212,567	\$ -	\$ 25,921	\$ 119,903,237
Construction in progress	11,648,509	5,944,309	(3,270)	(3,778,853)	13,810,695
Total capital assets, not being depreciated	<u>130,313,258</u>	<u>7,156,876</u>	<u>(3,270)</u>	<u>(3,752,932)</u>	<u>133,713,932</u>
Capital assets, being depreciated					
Parks, sites and planning development	125,919,025	1,057,901	-	3,550,480	130,527,406
Buildings and improvements	77,947,050	58,739	-	202,452	78,208,241
Equipment and furnishings	8,641,326	241,678	(45,632)	-	8,837,372
Intangible assets	341,762	-	-	-	341,762
Total capital assets being depreciated	<u>212,849,163</u>	<u>1,358,318</u>	<u>(45,632)</u>	<u>3,752,932</u>	<u>217,914,781</u>
Less accumulated depreciation for:					
Parks, sites and planning development	(46,636,740)	(4,533,473)	-	-	(51,170,213)
Buildings and improvements	(34,264,360)	(2,036,290)	-	-	(36,300,650)
Equipment and furnishings	(7,600,887)	(406,861)	45,632	-	(7,962,116)
Intangible assets	(304,856)	(21,731)	-	-	(326,587)
Total depreciation	<u>(88,806,843)</u>	<u>(6,998,355)</u>	<u>45,632</u>	<u>-</u>	<u>(95,759,566)</u>
Total capital assets being depreciated, net	<u>124,042,320</u>	<u>(5,640,037)</u>	<u>-</u>	<u>3,752,932</u>	<u>122,155,215</u>
Governmental activities capital assets, net	<u>\$ 254,355,578</u>	<u>\$ 1,516,839</u>	<u>\$ (3,270)</u>	<u>\$ -</u>	<u>\$ 255,869,147</u>

Depreciation expense of \$6,998,355 for governmental activities was charged to the business and facilities function.

The district has the following significant construction commitments related to projects begun prior to June 30, 2021:

	Commitments made before 6/30/21	Commitments made after 6/30/21	Total Commitments
Conestoga Pool Tank and Deck	\$ 1,715,149	\$ 233,167	\$ 1,948,317
Bonnie Meadow Neighborhood Park	4,511	99,235	103,746
Westside Trail Hwy 26 Bridge Overcrossing	86,626	-	86,626
Highland Park	634,321	100,116	734,436
155th Ave Trail Development	96,477	-	96,477
Neighborhood Park - SE Quadrant	36,013	73,176	109,189
Youth Athletic Fields - SW Quadrant	6,824	134,850	141,674
	<u>\$ 2,579,920</u>	<u>\$ 640,544</u>	<u>\$ 3,220,464</u>

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

C. Accrued compensated absences

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

	Beginning Balance 6/30/20	Increase	Repayments	Ending Balance 6/30/21	Due within one year
Compensated absences	\$ 857,643	\$ 709,200	\$ (472,201)	\$ 1,094,642	\$ 537,145

D. Long-term debt

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

	Beginning Balance 6/30/20	Increase	Repayments	Ending Balance 6/30/21	Due within one year
General Obligation Bonds					
Series 2011	\$ 17,680,000	\$ -	\$ (17,680,000)	\$ -	\$ -
Series 2015	32,160,000	-	(3,645,000)	28,515,000	3,980,000
Series 2016	8,710,000	-	-	8,710,000	-
Series 2021	-	13,265,000	-	13,265,000	2,200,000
Premium	4,372,793	2,527,984	(1,507,502)	5,393,275	1,319,706
Total General Obligation Bonds	62,922,793	15,792,984	(22,832,502)	55,883,275	7,499,706
Full Faith & Credit					
Series 2010A	1,145,000	-	(1,145,000)	-	-
Series 2010C	80,000	-	(80,000)	-	-
Series 2020	9,900,000	-	(290,000)	9,610,000	380,000
Series 2021	-	1,125,000	-	1,125,000	90,000
Premium	1,270,037	-	(122,204)	1,147,833	111,423
Total Full Faith & Credit	12,395,037	1,125,000	(1,637,204)	11,882,833	581,423
Direct Borrowing					
Energy Savings Contract	269,235	-	(30,264)	238,971	31,175
Total Direct Borrowing	269,235	-	(30,264)	238,971	31,175
Total Long-term debt	\$ 75,587,065	\$ 16,917,984	\$ (24,499,970)	\$ 68,005,079	\$ 8,112,304

General Obligations Bonds

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

General obligation bonds, Series 2011 were issued on September 13, 2011 in the amount of \$40,060,000, as the second series of the 2008 bond measure, to complete the voter approved list of acquisitions and projects. Stated interest rates for specific maturities ranged from 2.00% to 4.00%, in accordance with the terms agreed at issuance. In March 2021, the district advance refunded the remaining balance of the Series 2011 bonds.

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

The reacquisition price exceeded the net carrying amount of the old debt by \$4,840,819. This amount is amortized over the remaining life of the refunding debt. The bonds will be paid annually, with interest payments semi-annually, over a term of fourteen years.

On October 12, 2016, the district issued \$8,710,000 in general obligation bonds with interest rates between 3.0% and 4.0%. The proceeds were used to advance refund \$8,620,000 of the Series 2011 general obligation issue. The net proceeds of \$9,874,696 (including a \$1,283,919 premium and payment of \$119,223 in closing costs) were deposited in an irrevocable trust fund with an escrow agent to provide funds for future debt service payment on the refunded bonds. As a result, this portion of the Series 2011 bond is considered defeased and the liability was removed from the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$1,254,696. This amount is amortized over the remaining life of the refunding debt. The bonds will be paid annually, with interest payments semi-annually, over a term of twelve years.

On March 30, 2021, the district issued \$13,265,000 in general obligation bonds with interest rates between 3.0% and 4.0%. The proceeds were used to advance refund \$15,525,000 of the Series 2011 general obligation issue. The net proceeds of \$15,792,984 (including a \$2,527,984 premium and payment of \$155,837 in closing costs) were deposited in an irrevocable trust fund with an escrow agent to provide funds for future debt service payment on the refunded bonds. As a result, the remainder of the Series 2011 bonds are considered defeased and the liability was removed from the statement of net position. The difference between the reacquisition and the net carrying amount of the prior debt of \$206,234 is being amortized over the remaining life of the refunding debt. The refunding bonds will be paid annually, with interest payments semi-annually, over a term of eight years. The district completed the advance refunding to reduce its total debt service payments over the next 8 years by approximately \$1.9 million and to obtain an economic gain (difference between the present values of the old and new debt service payments) of approximately \$1.9 million.

Full Faith and Credit Obligations

On July 20, 2010, the district issued \$1,695,000 in Full Faith and Credit Obligations, Series 2010A. Proceeds were used to provide funding for the purchase and implementation of various energy conservation measures. Stated coupon rates for specific maturities ranged from 2.0% to 4.2%, in accordance with the terms agreed at issuance. In February 2021, the district refinanced and paid off all outstanding obligations of this issue.

On November 30, 2010, the district issued \$7,815,000 in Full Faith and Credit Obligations, to finance the acquisition, construction and renovation of a new maintenance facility and related capital projects, centrally located within district boundaries. The bonds were issued as Series 2010B and 2010C, for \$6,820,000 and \$995,000, respectively. Series 2010B was issued on a taxable basis, with a Recovery Zone Economic Development Bond subsidy associated with the issue. The stated coupon rates on specific maturities range from 5.25% to 6.741%, with a subsidy rate of 45% on the total interest cost, for the term of the bonds. In February 2020, the district advance refunded the Series 2010B bonds, and funds are held in irrevocable trust for future payment of the debt. As a result, this issue is considered defeased, and the liability was removed from the statement of net position. Because a portion of the new warehouse may be leased to a for-profit enterprise, Series 2010C was issued on a taxable basis with stated coupon rates on specific maturities ranging from 1.064% to 4.972%, in accordance with the terms agreed at issuance. Series 2010C bonds are paid annually, with interest payments semi-annually, over a term of 11 years, with the final payment paid in fiscal year 2021.

On February 12, 2020, the district issued \$9,900,000 in full faith and credit bonds with interest rates between 3.0% and 4.0%. The proceeds were used to advance refund \$6,820,000 of the Series 2010B full faith and credit issue and \$4,000,000 of the 2019 direct borrowing. The net proceeds of \$11,194,716 (including a \$1,294,716 premium and payment of \$126,325 in closing costs) were deposited in an irrevocable trust fund

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

with an escrow agent to provide funds for future debt service payment on the refunded bonds. As a result, this portion of the Series 2010 bond is considered defeased and the liability was removed from the statement of net position and the 2019 direct borrowing was paid in full. The reacquisition price exceeded the net carrying amount of the old debt by \$398,392. This amount is amortized over the remaining life of the refunding debt. The bonds will be paid annually, with interest payments semi-annually, over a term of twenty years.

On February 11, 2021, the district issued \$1,125,000 in full faith and credit bonds with an interest rate of 1.45% through November 30, 2025, and 1.95% from that date through the end of the term of the debt. The proceeds were used to refund \$1,080,000 of the Series 2010A full faith and credit obligations and \$38,687 in issuance costs. The obligations are paid annually, with interest payments semi-annually, through December 1, 2030. The district completed the refunding to reduce its total debt service payments over the next 10 years by \$119,564 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$111,326.

Direct Borrowing

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

The district's outstanding notes from direct borrowings and direct placements contain an event of default provision that allows the escrow agent to enforce the financing agreement. Annual principal requirements for all issues are as follows:

Year Ending June 30,	General Obligation Series			Full Faith & Credit		Direct Borrowing	Total
	2015	2016	2021	2020	2021	Energy Contract	
2022	\$ 3,980,000	\$ -	\$ 2,200,000	\$ 380,000	\$ 90,000	\$ 31,175	\$ 6,681,175
2023	4,340,000	-	2,100,000	390,000	95,000	32,114	6,957,114
2024	4,725,000	-	2,305,000	395,000	100,000	33,082	7,558,082
2025	5,125,000	-	2,525,000	415,000	105,000	34,079	8,204,079
2026	5,545,000	3,125,000	-	440,000	110,000	35,105	9,255,105
2027-2031	4,800,000	5,585,000	4,135,000	2,420,000	625,000	73,416	17,638,416
2032-2036	-	-	-	2,830,000	-	-	2,830,000
2037-2040	-	-	-	2,340,000	-	-	2,340,000
	<u>\$ 28,515,000</u>	<u>\$ 8,710,000</u>	<u>\$ 13,265,000</u>	<u>\$ 9,610,000</u>	<u>\$ 1,125,000</u>	<u>\$ 238,971</u>	<u>\$ 61,463,971</u>

Annual interest requirements for all issues are as follows:

Year Ending June 30,	General Obligation Series			Full Faith & Credit		Direct Borrowing	Total
	2015	2016	2021	2020	2021	Energy Contract	
2022	\$ 1,319,750	\$ 292,550	\$ 663,250	\$ 319,850	\$ 15,660	\$ 6,914	\$ 2,617,974
2023	1,120,750	292,550	553,250	308,450	14,319	5,975	2,295,294
2024	903,750	292,550	448,250	296,750	12,905	5,007	1,959,212
2025	667,500	292,550	333,000	280,950	11,419	4,011	1,589,430
2026	421,250	292,550	206,750	264,350	11,423	2,984	1,199,307
2027-2031	144,000	234,450	578,750	1,046,550	30,568	2,765	2,037,083
2032-2036	-	-	-	610,800	-	-	610,800
2037-2040	-	-	-	167,250	-	-	167,250
	<u>\$ 4,577,000</u>	<u>\$ 1,697,200</u>	<u>\$ 2,783,250</u>	<u>\$ 3,294,950</u>	<u>\$ 96,294</u>	<u>\$ 27,656</u>	<u>\$ 12,476,350</u>

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

Short-term Debt

On July 1, 2020, the district issued a Tax and Revenue Anticipation Note, Series 2020 in the amount of \$10,000,000 to continue operations of the general government prior to receipt of annual tax revenue. The note matured on December 31, 2020 and bore interest at a rate of 0.97%.

V. Other information

A. Defined benefit pension plan

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

General Information About the Pension Plan

Plan Description

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

Membership in the Plan as of June 30, 2021 was:

Active members	144
Vested inactive members	40
Retirees	20
Total	204

Benefits Provided

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

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

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

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

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

Contributions

The plan is funded by a combination of employer and employee contributions. Employer contributions used to liquidate the net pension liability are funded by the General Fund. The terms of the plan dictate that employee contributions are made on a pre-tax basis at a rate of 6% of eligible earnings for Tier I. Tier II employees are required to participate in the Individual Account Program Pension Plan, a defined contribution plan (see Note V.B. below). Per board direction, the employer contributions are based on an actuarially determined rate to contribute whatever amounts are required in addition to employee contributions, to provide benefits and pay expenses of the plan. Contributions are funded by the General Fund for the district. Total actual contributions to the plan for the year ended June 30, 2021 totaled \$8,866,891 which is 81.7% of annual covered payroll of \$10,850,513. Pension expense (benefit) for the fiscal year ended June 30, 2021 was \$866,327.

Tier I participants may make voluntary contributions up to a maximum of 10% of monthly salary. Benefits derived from such contributions are in addition to other plan benefits. Both mandatory and voluntary contributions are fully vested at all times.

Net Pension Liability

Actuarial Valuation Assumptions

The total pension liability reported as of June 30, 2021 with a measurement date of June 30, 2021, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Mortality assumptions	2019 adopted assumption for Oregon PERS General Service retirees (Pub-2010 retiree tables generationally projected).
Discount rate	6.0%
Salary growth assumption	4.0%
Inflation (post retirement COLA)	2.0%
Investment rate of return (net of expenses)	6.0%
Likelihood of a member selecting lump sum form of payment	50%

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

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

Changes in Net Pension Liability

The following table presents the changes in the net pension liability for the fiscal year ended June 30, 2021 based on the measurement date of June 30, 2021:

	Increases (Decreases)		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balances @ 6/30/2020	\$ 32,386,688	\$ 1,865,497	\$ 30,521,191
Changes for the year:			
Service cost	1,433,237	-	1,433,237
Interest	1,948,393	-	1,948,393
Effect of plan changes	-	-	-
Effect of economic/demographic gains	(462,157)	-	(462,157)
Effect of changes in assumptions or inputs	-	-	-
Benefit payments	(2,733,218)	(2,733,218)	-
Employer contributions	-	8,500,000	(8,500,000)
Member contributions	-	366,891	(366,891)
Net investment income	-	1,812,578	(1,812,578)
Administration expense	-	(87,460)	87,460
Net changes	186,255	7,858,791	(7,672,536)
Balances @ 6/30/2021	<u>\$ 32,572,943</u>	<u>\$ 9,724,288</u>	<u>\$ 22,848,655</u>

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

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

	1% Decrease (5.00%)	Discount rate (6.00%)	1% Increase (7.00%)
Total pension liability	\$ 37,303,593	\$ 32,572,943	\$ 28,710,745
Fiduciary net position	9,724,288	9,724,288	9,724,288
Net pension liability	27,579,305	22,848,655	18,986,457

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

For the year ended June 30, 2021, the district recognized pension expense of \$866,327. The following table presents the components of deferred inflows and outflows of resources for the fiscal year ended June 30, 2021:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 4,088,865
Change of assumptions or inputs	1,102,316	10,262,827
Net difference between projected and actual earnings	-	1,079,394
Total	<u>\$ 1,102,316</u>	<u>\$ 15,431,086</u>

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

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

Fiscal Years Ended June 30,	Deferred Outflows (Inflows) of Resources
2022	\$ (1,945,198)
2023	(1,945,200)
2024	(1,973,936)
2025	(2,000,820)
2026	(1,696,440)
Thereafter	(4,767,176)
	\$ (14,328,770)

B. Individual account program pension

Effective July 1, 2020, the district transitioned the Individual Account Program (IAP), a single employer defined contribution plan, to a separate trust. ICMA-RC is the administrator of the trust. Funding of the IAP occurs on a perpetual basis as part of the District's normal payroll processes.

Plan Description

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

Plan Investments

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

As of June 30, 2021, there were 92 active employees, respectively, covered by the IAP.

C. Deferred compensation plan

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

D. Other post-employment benefits (OPEB)

General Information About OPEB

Plan Description

The district administers a single-employer defined benefit healthcare plan per the requirements of the collective bargaining agreement. The plan provides the opportunity for postretirement healthcare insurance for eligible retirees from the Tier I plan, and their spouses, through the district's group health care insurance plan, which covers both active and retired participants.

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

Funding Policy

The net OPEB liability is liquidated via employer contributions from the General Fund. The district does not pay any portion of the health insurance premium for retirees; however, the retirees do receive benefits, as described below, through the district's retirement plan. Also, retirees receive an implicit benefit of a tiered healthcare premium at the same rate provided to active employees. Retirees may not convert either benefit into an in-lieu payment to secure coverage under independent plans. As of June 30, 2020, the last available actuarial report, 146 retirees were receiving post-employment healthcare benefits.

Net OPEB Liability

Actuarial Valuation Assumptions

The total OPEB liability reported as of June 30, 2021, with a measurement date of June 30, 2021, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Mortality assumptions	Pub-2010 General Employees table
Discount rate	7.0%
Salary growth assumption	3.5%
Inflation (post retirement COLA)	2.0%
Investment rate of return (net of expenses)	7.0%
Healthcare cost trend rates	6.7% in 2021/22, declining annual by 0.1% until 2038, 5.0% thereafter

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

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	65%	9.2%
Fixed income	35	3.0

Changes in Net OPEB Liability

The following table presents the changes in the net OPEB liability for the fiscal year ended June 30, 2021 based on the measurement date of June 30, 2021:

	Increases (Decreases)		
	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balances @ 6/30/2020	\$ 2,444,224	\$ 1,799,873	\$ 644,351
Changes for the year:			
Service cost	46,862	-	46,862
Interest	168,126	-	168,126
Differences between expected and actual experience	-	-	-
Changes of assumptions or other input	-	-	-
Employer contributions	-	90,732	(90,732)
Net investment income	-	316,460	(316,460)
Benefit payments	(178,572)	(178,572)	-
Administration expense	-	(2,396)	2,396
Net changes	36,416	226,224	(189,808)
Balances @ 6/30/2021	<u>\$ 2,480,640</u>	<u>\$ 2,026,097</u>	<u>\$ 454,543</u>

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

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

	1% Decrease (6.00%)	Discount rate (7.00%)	1% Increase (8.00%)
Net OPEB liability	\$ 664,151	\$ 454,543	\$ 268,391

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

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

	1% Decrease	Current trend rate	1% Increase
Net OPEB liability	\$ 332,288	\$ 454,543	\$ 595,657

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

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

For the year ended June 30, 2021, the district recognized OPEB expense (benefit) of \$(22,046). The following table presents the components of deferred outflows and deferred inflows of resources for the fiscal year ended June 30, 2021:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 650,778
Changes in assumptions or other inputs	34,139	-
Differences between expected and actual earnings on investments	-	126,335
	\$ 34,139	\$ 777,113

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

Fiscal Years Ended June 30,	Deferred Outflows (Inflows) of Resources
2022	\$ (116,597)
2023	(116,597)
2024	(118,687)
2025	(126,818)
2026	(88,091)
Thereafter	(176,184)
	\$ (742,974)

E. Risk management

The district is a member of the Special Districts Insurance Services (SDIS). The Special Districts Association of Oregon created SDIS in 1984 for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. SDIS has over 800 members, and is governed by a five member board of directors who are elected to three-year terms. In-house services of SDIS include risk management consultation, claims and litigation administration, investigation and loss analyses. SDIS contracts for specialists in land use problems and lobbyist services. SDIS is fully funded by its members, who pay annual assessments on an experience rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. New members initially contract for a one-year term, and thereafter automatically renew on an annual basis. Termination does not relieve a former member from its unresolved loss history incurred during membership. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

F. Commitments and contingencies

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

The district operated under a three year collective bargaining agreement during the fiscal year, that was effective July 1, 2019, with an employee union defining compensation and other considerations that expires at June 30, 2022.

On January 21, 2011, the district entered into an operating lease agreement with Peregrine Sports, LLC, doing business as the Portland Timbers (the Timbers), a professional soccer team, to lease a portion of the Fanno Creek Service Center facility for an initial term beginning July 1, 2011 and ending June 30, 2021. The Timbers initially occupied 6,000 square feet of the facility for a locker room, training area and office space, along with land underlying the Timbers practice field. The contract was amended on January 2, 2013 to add an additional 900 square feet of the facility. On September 23, 2014, the district entered into the third amendment of the operating lease agreement to add an additional 2,400 square feet of interior space and expand usage of the synthetic turf field located at the Fanno Creek Service Center facility. Then, on June 7, 2017, the contract was amended to add an additional 12,833 square feet of interior space for expanded locker rooms, training and maintenance equipment space. On October 9, 2020, the Timbers exercised the option to renew their lease for an additional 10 year term beginning July 1, 2021 and ending June 30, 2031. Peregrine will pay \$155,363 for interior space and \$67,500 per year for field space for the first year of the renewal term with a 3% annual increase to the interior space each year thereafter. Payments are due by December 31 of each year.

The Fanno Creek Service Center facility contains 90,000 square feet of interior space and was purchased and renovated at a cost of \$8.9 million in 2011-2012. Total annual depreciation expense for the facility is \$184,100 and the net carrying value as of June 30, 2021 approximates \$7.1 million. The synthetic turf practice field was purchased and constructed at a cost of \$2.1 million in 2011. Total annual depreciation for the constructed field approximates \$57,000 and the carrying value of the land and the constructed field approximates \$1.5 million.

Lease payments for the renewed terms are as follows:

Year Ending June 30,	Lease Payments
2022	\$ 222,863
2023	227,522
2024	232,324
2025	237,267
2026	242,362
2027-2031	1,293,718
	<u>\$ 2,456,056</u>

Tualatin Hills Park & Recreation District
Notes to Basic Financial Statements (continued)
June 30, 2021

G. Tax abatements

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

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

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

Working in partnership with both the non-profit and the private sector, the Washington County Department of Housing Services (DHS) combines traditional housing programs with economic opportunity to encourage self-sufficiency, skill enhancement and independence. The DHS offers rental assistance to low income households through various federally funded programs, and also creates affordable housing opportunities in the community for low- and moderate-income households through a combination of creative financing and partnerships with public and private entities.

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

The amount of tax abated during the year ended June 30, 2021 is:

Abatement Category	Abatement
Enterprise zone	\$ 900
Vertical housing	36,000
Housing for low income rental	5,000
Nonprofit corporations low income housing	130,000
	\$ 171,900

H. Subsequent events

The district issued a Tax and Revenue Anticipation Note, Series 2021 in the amount of \$10,000,000 on July 1, 2021 to continue operations of the general government prior to receipt of annual tax revenue. This note matures December 31, 2021 and bears interest at a rate of 0.35%.





Required Supplementary Information





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

Schedule of Changes in Net Pension Liability and Related Ratios

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

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

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

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

Notes to Schedule

Valuation date:	June 30, 2021
Measurement Date:	June 30, 2021
Actuarial cost method:	Entry age normal
Amortization method:	Level percentage of payroll, closed
Inflation (post retirement COLA)	2.0%
Discount rate	6.0%
Salary growth assumption:	4.0%
Investment rate of return (net of expenses):	6.0%
Mortality assumptions:	2019 adopted assumption for Oregon PERS General Service retirees (Pub-2010 General Employees retiree tables, generationally projected with unisex Social Security data scale, one year set back for males only).

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

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

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	\$ 46,862	\$ 76,153	\$ 73,577	\$ 71,089
Interest	168,126	214,629	205,773	195,921
Differences between expected and actual experience	-	43,893	-	-
Changes of assumptions or other input	-	(836,714)	-	-
Benefit payments	(178,572)	(163,574)	(144,672)	(110,357)
Net change in total OPEB liability	36,416	(665,613)	134,678	156,653
Total OPEB liability, beginning	2,444,224	3,109,837	2,975,159	2,818,506
Total OPEB liability, ending	2,480,640	2,444,224	3,109,837	2,975,159
Plan fiduciary net position:				
Total contributions	90,732	91,389	101,524	60,016
Net investment income	316,460	82,265	109,441	136,475
Benefit payments	(178,572)	(163,574)	(144,672)	(110,357)
Administrative expense	(2,396)	(4,323)	(6,483)	(5,410)
Net change in plan net position	226,224	5,757	59,810	80,724
Plan net position, beginning	1,799,873	1,794,116	1,734,306	1,653,582
Plan net position, ending	2,026,097	1,799,873	1,794,116	1,734,306
Net OPEB liability	\$ 454,543	\$ 644,351	\$ 1,315,721	\$ 1,240,853
Plan fiduciary net position as a percent of total OPEB liability	81.7%	73.6%	57.7%	58.3%
Covered payroll	\$ 11,474,146	\$ 14,434,641	\$ 13,759,095	\$ 13,613,440
Net OPEB liability as a percent of covered payroll	4.0%	4.5%	9.6%	9.1%
Annual money-weighted return on OPEB investments	16.6%	4.6%	6.2%	8.4%

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

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

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

Notes to Schedule

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

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



Supplemental Information





Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
BOARD OF DIRECTORS:				
Part time salaries	\$ 12,000	\$ 12,000	\$ 4,450	\$ 7,550
Payroll taxes	1,200	1,200	386	814
Personnel services	<u>13,200</u>	<u>13,200</u>	<u>4,836</u>	<u>8,364</u>
Professional services	223,451	223,451	135,511	87,940
Office supplies	5,157	5,157	2,366	2,791
Dues and memberships	3,650	3,650	3,575	75
Conferences	26,200	26,200	2,630	23,570
Materials and services	<u>258,458</u>	<u>258,458</u>	<u>144,082</u>	<u>114,376</u>
Elections	75,000	75,000	53,985	21,015
Total Board of Directors	<u>346,658</u>	<u>346,658</u>	<u>202,902</u>	<u>143,756</u>
ADMINISTRATION:				
General Manager				
Full time salaries	355,992	355,992	314,784	41,208
Employee benefits	259,602	259,602	262,522	(2,920)
Payroll taxes	27,156	27,156	20,864	6,292
Personnel services	<u>642,750</u>	<u>642,750</u>	<u>598,170</u>	<u>44,580</u>
Telecommunications	2,600	2,600	3,571	(971)
Office supplies	5,500	5,500	3,859	1,641
Program supplies	4,000	4,000	-	4,000
Dues and memberships	22,000	22,000	13,240	8,760
Conferences	23,500	23,500	734	22,766
Other travel	4,000	4,000	-	4,000
Technical training	8,800	8,800	3,111	5,689
Staff transportation	7,931	7,931	4,860	3,071
Small furniture & equipment	1,000	1,000	-	1,000
Materials and services	<u>79,331</u>	<u>79,331</u>	<u>29,375</u>	<u>49,956</u>
Total General Manager	<u>722,081</u>	<u>722,081</u>	<u>627,545</u>	<u>94,536</u>
Communications				
Full time salaries	533,206	533,206	459,076	74,130
Part time salaries	33,890	33,890	1,535	32,355
Employee benefits	442,858	442,858	440,356	2,502
Payroll taxes	52,137	52,137	39,534	12,603
Personnel services	<u>1,062,091</u>	<u>1,062,091</u>	<u>940,501</u>	<u>121,590</u>
Professional services	92,500	92,500	40,098	52,402
Technical services	21,800	21,800	16,249	5,551
Telecommunications	3,000	3,000	2,306	694
Printing and publications	155,875	155,875	27,894	127,981

Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Postage	\$ 111,500	\$ 111,500	\$ 22,733	\$ 88,767
Advertising	82,750	82,750	31,918	50,832
Office supplies	21,250	21,250	8,667	12,583
Program supplies	24,000	24,000	17,624	6,376
Dues and memberships	5,690	5,690	6,742	(1,052)
Conferences	4,463	4,463	-	4,463
Staff transportation	5,200	5,200	95,600	(90,400)
Small furniture and equipment	2,500	2,500	996	1,504
Materials and services	530,528	530,528	270,827	259,701
Total Communications	1,592,619	1,592,619	1,211,328	381,291
Security Operations				
Full time salaries	106,142	106,142	104,124	2,018
Part time salaries	152,012	152,012	123,563	28,449
Employee benefits	80,115	80,115	84,360	(4,245)
Payroll taxes	26,723	26,723	22,431	4,292
Personnel services	364,992	364,992	334,478	30,514
Technical services	87,483	87,483	65,763	21,720
Maintenance services	11,648	11,648	25,432	(13,784)
Printing and publications	500	500	-	500
Telecommunications	3,200	3,200	3,216	(16)
Office supplies	500	500	498	2
Program supplies	8,000	8,000	11,564	(3,564)
Dues and memberships	100	100	-	100
Conferences	225	225	-	225
Technical training	775	775	1,299	(524)
Staff transportation	150	150	-	150
Small furniture and equipment	350	350	-	350
Materials and services	112,931	112,931	107,771	5,161
Total Security Operations	477,923	477,923	442,249	35,674
Community Partnerships				
Full time salaries	153,052	153,052	-	153,052
Employee benefits	105,611	105,611	3,569	102,042
Payroll taxes	12,739	12,739	-	12,739
Personnel services	271,402	271,402	3,569	267,833
Professional services	19,767	19,767	-	19,767
Technical services	1,200	1,200	-	1,200
Staff transportation	3,600	3,600	-	3,600
Materials and services	24,567	24,567	-	24,567
Total Community Partnerships	295,969	295,969	3,569	292,400
Total Administration	3,088,592	3,088,592	2,284,691	803,901

Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
BUSINESS AND FACILITIES:				
Director of Business and Facilities				
Full time salaries	\$ 427,845	\$ 427,845	\$ 238,176	\$ 189,669
Employee benefits	299,499	299,499	270,098	29,401
Payroll taxes	33,278	33,278	19,330	13,948
Personnel services	<u>760,622</u>	<u>760,622</u>	<u>527,604</u>	<u>233,018</u>
Professional services	7,000	7,000	230,289	(223,289)
Technical services	120,000	120,000	54,000	66,000
Other miscellaneous services	58,500	58,500	52,279	6,221
Rental equipment	55,850	55,850	46,689	9,161
Bank charges and fees	6,400	6,400	6,924	(524)
Printing and publications	6,600	6,600	704	5,896
Postage	48,100	48,100	6,350	41,750
Advertising	4,200	4,200	675	3,525
Telecommunications	6,780	6,780	2,624	4,157
Office supplies	48,000	48,000	6,812	41,188
Dues and memberships	4,020	4,020	3,888	132
Conferences	11,450	11,450	-	11,450
Technical training	2,950	2,950	299	2,651
Staff transportation	7,860	7,860	4,400	3,460
Other travel	3,500	3,500	-	3,500
Small furniture and equipment	2,500	2,500	-	2,500
Materials and services	<u>393,710</u>	<u>393,710</u>	<u>415,933</u>	<u>(22,223)</u>
Debt principal	470,264	470,264	470,264	0
Debt interest	536,024	536,024	409,289	126,735
Debt service	<u>1,006,288</u>	<u>1,006,288</u>	<u>879,553</u>	<u>126,735</u>
Total Director of Business and Facilities	<u>2,160,620</u>	<u>2,160,620</u>	<u>1,823,090</u>	<u>337,530</u>
Finance				
Full time salaries	710,876	710,876	717,999	(7,123)
Part time salaries	107,273	107,273	-	107,273
Employee benefits	583,834	583,834	542,402	41,432
Payroll taxes	77,927	77,927	62,886	15,041
Personnel services	<u>1,479,910</u>	<u>1,479,910</u>	<u>1,323,288</u>	<u>156,622</u>
Professional services	15,600	15,600	8,275	7,325
Technical services	220,125	220,125	218,811	1,314
Bank charges and fees	18,000	18,000	14,990	3,010
Printing and publications	5,990	5,990	8,443	(2,453)
Telecommunications	-	-	1,182	(1,182)
Office supplies	500	500	206	294
Dues and memberships	900	900	1,640	(740)
Conferences	3,500	3,500	(290)	3,790
Technical training	3,910	3,910	415	3,495
Rental facility	43,610	43,610	42,960	650
Staff transportation	1,000	1,000	-	1,000
Small furniture and equipment	1,081	1,081	1,327	(246)
Materials and services	<u>314,216</u>	<u>314,216</u>	<u>297,959</u>	<u>16,257</u>
Total Finance	<u>1,794,126</u>	<u>1,794,126</u>	<u>1,621,247</u>	<u>172,879</u>

Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Human Resources				
Full time salaries	\$ 375,276	\$ 375,276	\$ 338,307	\$ 36,969
Employee benefits	313,869	313,869	311,056	2,813
Payroll taxes	37,241	37,241	33,112	4,129
Personnel services	<u>726,386</u>	<u>726,386</u>	<u>682,475</u>	<u>43,911</u>
Professional services	34,850	34,850	33,150	1,700
Technical services	103,424	103,424	36,180	67,244
Printing and publications	1,000	1,000	697	303
Advertising	7,787	7,787	3,701	4,086
Telecommunications	1,680	1,680	2,450	(770)
Office supplies	9,106	9,106	3,416	5,690
Program supplies	-	-	436	(436)
Dues and memberships	2,080	2,080	1,702	378
Conferences	9,000	9,000	237	8,763
Technical training	17,204	17,204	5,220	11,984
Staff transportation	1,100	1,100	24	1,076
Small furniture and equipment	1,000	1,000	67	934
Materials and services	<u>188,231</u>	<u>188,231</u>	<u>87,279</u>	<u>100,952</u>
Total Human Resources	<u>914,617</u>	<u>914,617</u>	<u>769,754</u>	<u>144,863</u>
Information Services				
Full time salaries	548,464	548,464	374,751	173,714
Employee benefits	429,861	429,861	373,826	56,035
Payroll taxes	51,453	51,453	33,231	18,222
Personnel services	<u>1,029,778</u>	<u>1,029,778</u>	<u>781,808</u>	<u>247,970</u>
Professional services	50,500	50,500	8,333	42,167
Technical services	367,400	367,400	271,482	95,918
Telecommunications	120,000	120,000	102,713	17,287
Office supplies	-	-	973	(973)
Program supplies	1,000	1,000	14,190	(13,190)
Maintenance supplies	3,000	3,000	4,627	(1,627)
Technical training	5,152	5,152	2,725	2,427
Conferences	3,000	3,000	-	3,000
Staff transportation	1,000	1,000	-	1,000
Small furniture and equipment	4,000	4,000	-	4,000
Materials and services	<u>555,052</u>	<u>555,052</u>	<u>405,042</u>	<u>150,010</u>
Computer technology replacement	138,000	138,000	225,005	(87,005)
Computer technology improvement	90,000	90,000	-	90,000
Capital outlay	<u>228,000</u>	<u>228,000</u>	<u>225,005</u>	<u>2,995</u>
Total Information Services	<u>1,812,830</u>	<u>1,812,830</u>	<u>1,411,855</u>	<u>400,975</u>
Risk and Contract Management				
Full time salaries	292,112	292,112	289,198	2,914
Part time salaries	6,396	6,396	-	6,396
Employee benefits	224,698	224,698	211,212	13,486
Payroll taxes	28,236	28,236	23,879	4,357
Personnel services	<u>551,442</u>	<u>551,442</u>	<u>524,289</u>	<u>27,153</u>

Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Professional services	\$ 11,500	\$ 11,500	\$ -	\$ 11,500
Technical services	2,000	2,000	75	1,925
Miscellaneous other services	5,800	5,800	7,389	(1,589)
Insurance	402,860	402,860	411,470	(8,610)
Printing and publications	800	800	544	256
Advertising	400	400	-	400
Telecommunications	1,920	1,920	1,261	659
Office supplies	975	975	147	828
Program supplies	18,350	18,350	6,491	11,859
Dues and memberships	7,800	7,800	5,376	2,424
Conferences	500	500	65	435
Technical training	5,950	5,950	147	5,803
Staff transportation	1,450	1,450	188	1,262
Small furniture and equipment	500	500	30	470
Materials and services	460,805	460,805	433,183	27,622
Total Risk and Contract Management	1,012,247	1,012,247	957,473	54,774
Maintenance Operations				
Full time salaries	3,940,834	3,940,834	3,094,981	845,853
Part time salaries	1,421,177	1,421,177	365,968	1,055,209
Employee benefits	3,344,264	3,344,264	2,912,260	432,004
Payroll taxes	557,089	557,089	358,537	198,552
Personnel services	9,263,364	9,263,364	6,731,746	2,531,618
Technical services	34,347	34,347	10,839	23,508
Heat	296,254	296,254	224,544	71,710
Electricity	554,712	554,712	447,480	107,232
Water and sewer	1,020,330	1,020,330	488,813	531,517
Refuse services	283,427	283,427	207,291	76,136
Rental equipment	8,513	8,513	2,481	6,032
Maintenance services	603,481	603,481	334,226	269,255
Vehicle and equipment services	34,471	34,471	(8,724)	43,195
Telecommunications	131,978	131,978	113,430	18,548
Office supplies	1,450	1,450	1,221	229
Program supplies	11,977	11,977	4,640	7,337
Maintenance supplies	863,700	863,700	506,142	357,558
Gas & oil (vehicles)	177,576	177,576	107,725	69,851
Dues and memberships	2,588	2,588	99	2,489
Conferences	600	600	-	600
Technical training	22,854	22,854	6,026	16,828
Staff transportation	8,711	8,711	2,003	6,708
Small furniture and equipment	500	500	-	500
Materials and services	4,057,469	4,057,469	2,448,236	1,609,233
Fleet capital replacement	359,320	359,320	122,024	237,296
Capital outlay	359,320	359,320	122,024	237,296
Total Maintenance Operations	13,680,153	13,680,153	9,302,006	4,378,147

Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Operations Analysis				
Full time salaries	\$ 182,316	\$ 182,316	\$ 93,972	\$ 88,344
Employee benefits	143,006	143,006	106,526	36,480
Payroll taxes	17,227	17,227	8,319	8,908
Personnel services	<u>342,549</u>	<u>342,549</u>	<u>208,817</u>	<u>133,732</u>
Telecommunications	1,200	1,200	1,225	(25)
Office supplies	1,000	1,000	-	1,000
Dues and memberships	490	490	150	340
Conferences	4,100	4,100	595	3,505
Technical training	1,010	1,010	-	1,010
Staff transportation	1,200	1,200	-	1,200
Materials and services	<u>9,000</u>	<u>9,000</u>	<u>1,970</u>	<u>7,030</u>
Total Operations Analysis	<u>351,549</u>	<u>351,549</u>	<u>210,787</u>	<u>140,762</u>
Planning				
Full time salaries	390,905	390,905	374,298	16,607
Employee benefits	301,061	301,061	281,941	19,120
Payroll taxes	34,262	34,262	32,715	1,547
Personnel services	<u>726,228</u>	<u>726,228</u>	<u>688,954</u>	<u>37,274</u>
Telecommunications	3,100	3,100	1,273	1,827
Office supplies	-	-	1,652	(1,652)
Program supplies	-	-	16	(16)
Professional services	25,000	25,000	583	24,417
Dues and memberships	1,720	1,720	859	861
Conferences	2,860	2,860	270	2,590
Technical training	1,230	1,230	-	1,230
Staff transportation	3,000	3,000	-	3,000
Materials and services	<u>36,910</u>	<u>36,910</u>	<u>4,654</u>	<u>32,256</u>
Total Planning	<u>763,138</u>	<u>763,138</u>	<u>693,608</u>	<u>69,530</u>
Design and Development				
Full time salaries	636,573	636,573	590,974	45,599
Part time salaries	10,976	10,976	4,532	6,445
Employee benefits	499,574	499,574	465,796	33,778
Payroll taxes	57,813	57,813	50,810	7,003
Personnel services	<u>1,204,936</u>	<u>1,204,936</u>	<u>1,112,112</u>	<u>92,824</u>
Professional services	9,500	9,500	-	9,500
Telecommunications	1,900	1,900	3,256	(1,356)
Office supplies	12,250	12,250	6,098	6,152
Program supplies	3,000	3,000	491	2,509
Dues and memberships	2,025	2,025	1,040	985
Conferences	8,200	8,200	190	8,010
Technical training	1,600	1,600	895	705
Staff transportation	3,200	3,200	1,317	1,883
Small furniture and equipment	1,000	1,000	-	1,000
Materials and services	<u>42,675</u>	<u>42,675</u>	<u>13,288</u>	<u>29,387</u>
Total Design and Development	<u>1,247,611</u>	<u>1,247,611</u>	<u>1,125,400</u>	<u>122,211</u>
Total Business and Facilities	<u>23,736,891</u>	<u>23,736,891</u>	<u>17,915,219</u>	<u>5,821,672</u>

Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
PARK AND RECREATION SERVICES:				
Director of Park and Recreation				
Full time salaries	\$ 233,074	\$ 233,074	\$ 232,688	\$ 386
Employee benefits	170,837	170,837	232,286	(61,449)
Part time salaries	17,500	17,500	14,996	2,504
Payroll taxes	20,890	20,890	19,944	946
Personnel services	442,301	442,301	499,915	(57,614)
Professional services	29,000	29,000	4,571	24,429
Fee reductions-family assistance	327,501	327,501	58,013	269,488
Telecommunications	1,500	1,500	1,911	(411)
Office supplies	8,841	8,841	2,535	6,306
Dues and memberships	3,500	3,500	5,433	(1,933)
Conferences	30,000	30,000	-	30,000
Technical training	-	-	250	(250)
Staff transportation	4,344	4,344	4,380	(36)
Materials and services	404,686	404,686	77,093	327,593
Total Director of Park and Recreation	846,987	846,987	577,008	269,979
Aquatics				
Full time salaries	1,687,478	1,687,478	423,210	1,264,268
Part time salaries	1,644,341	1,644,341	135,851	1,508,490
Employee benefits	1,398,599	1,398,599	499,186	899,413
Payroll taxes	341,262	341,262	52,335	288,927
Personnel services	5,071,680	5,071,680	1,110,581	3,961,099
Advertising	1,590	1,590	-	1,590
Bank fees	42,528	42,528	6,070	36,458
Technical services	-	-	2,136	(2,136)
Telecommunications	5,000	5,000	2,485	2,515
Office supplies	4,215	4,215	64	4,151
Program supplies	77,114	77,114	16,977	60,137
Dues and memberships	350	350	217	133
Conferences	5,200	5,200	-	5,200
Technical training	21,675	21,675	2,125	19,550
Staff transportation	2,250	2,250	-	2,250
Small furniture and equipment	600	600	-	600
Materials and services	160,522	160,522	30,073	130,449
Total Aquatics	5,232,202	5,232,202	1,140,654	4,091,548
Sports				
Full time salaries	1,325,718	1,325,718	820,403	505,315
Part time salaries	1,342,425	1,342,425	540,329	802,096
Employee benefits	1,262,721	1,262,721	944,459	318,262
Payroll taxes	262,335	262,335	125,346	136,989
Personnel services	4,193,199	4,193,199	2,430,537	1,762,662
Instructional services	78,210	78,210	-	78,210
Program services	-	-	1,910	(1,910)
Rental equipment	32,248	32,248	-	32,248
Printing and publications	350	350	-	350

Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Telecommunications	\$ 7,279	\$ 7,279	\$ 11,350	\$ (4,071)
Heat	47,360	47,360	56,177	(8,817)
Electricity	150,940	150,940	97,540	53,400
Water & sewer	3,816	3,816	-	3,816
Bank fees	40,202	40,202	16,355	23,847
Rental equipment	1,891	1,891	-	1,891
Maintenance services	45,368	45,368	43,063	2,305
Maintenance supplies	31,824	31,824	17,581	14,243
Office supplies	11,453	11,453	1,909	9,544
Program supplies	286,047	286,047	37,464	248,583
Dues and memberships	400	400	780	(380)
Conferences	3,050	3,050	708	2,342
Technical services	250	250	-	250
Staff transportation	2,734	2,734	135	2,599
Small furniture and equipment	3,650	3,650	-	3,650
Materials and services	<u>747,072</u>	<u>747,072</u>	<u>284,973</u>	<u>462,099</u>
Total Sports	<u>4,940,271</u>	<u>4,940,271</u>	<u>2,715,509</u>	<u>2,224,762</u>
Recreation				
Full time salaries	1,967,154	1,967,154	1,378,589	588,565
Part time salaries	4,076,572	4,076,572	965,093	3,111,479
Employee benefits	2,057,120	2,057,120	1,892,939	164,181
Payroll taxes	605,928	605,928	226,278	379,650
Personnel services	<u>8,706,774</u>	<u>8,706,774</u>	<u>4,462,899</u>	<u>4,243,875</u>
Technical services	138	138	-	138
Maintenance services	40,648	40,648	15,879	24,769
Bank fees	116,260	116,260	29,840	86,420
Postage	500	500	-	500
Advertising	4,600	4,600	-	4,600
Telecommunications	11,359	11,359	19,740	(8,381)
Heat	29,893	29,893	27,494	2,399
Electricity	64,359	64,359	33,090	31,269
Maintenance supplies	23,000	23,000	2,441	20,559
Office supplies	48,564	48,564	8,287	40,277
Program supplies	486,608	486,608	204,722	281,886
Dues and memberships	-	-	16	(16)
Conferences	7,000	7,000	574	6,426
Technical training	11,938	11,938	3,299	8,639
Staff transportation	3,029	3,029	256	2,773
Water and sewer	121,174	121,174	69,225	51,949
Small furniture and equipment	4,200	4,200	-	4,200
Materials and services	<u>973,270</u>	<u>973,270</u>	<u>414,863</u>	<u>558,407</u>
Total Recreation	<u>9,680,044</u>	<u>9,680,044</u>	<u>4,877,762</u>	<u>4,802,282</u>

Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Community Programs				
Full time salaries	\$ 338,251	\$ 338,251	\$ 338,324	\$ (73)
Part time salaries	162,953	162,953	13,042	149,911
Employee benefits	272,403	272,403	356,431	(84,028)
Payroll taxes	48,525	48,525	30,440	18,085
Personnel services	<u>822,132</u>	<u>822,132</u>	<u>738,237</u>	<u>83,895</u>
Technical services	52,363	52,363	23,462	28,901
Rental facility	2,400	2,400	2,400	-
Telecommunications	1,538	1,538	1,051	487
Office supplies	6,969	6,969	1,862	5,108
Program supplies	43,406	43,406	3,822	39,584
Dues and memberships	1,128	1,128	99	1,029
Conferences	5,512	5,512	60	5,452
Technical training	500	500	300	200
Staff transportation	2,200	2,200	568	1,632
Materials and services	<u>116,016</u>	<u>116,016</u>	<u>33,625</u>	<u>82,391</u>
Total Community Programs	<u>938,148</u>	<u>938,148</u>	<u>771,862</u>	<u>166,286</u>
Nature and Trails				
Full time salaries	1,132,619	1,132,619	1,043,859	88,760
Part time salaries	944,985	944,985	462,818	482,167
Employee benefits	709,465	709,465	916,430	(206,965)
Payroll taxes	190,082	190,082	119,622	70,460
Personnel services	<u>2,977,151</u>	<u>2,977,151</u>	<u>2,542,730</u>	<u>434,421</u>
Instructional services	3,000	3,000	-	3,000
Technical services	79,300	79,300	76,263	3,037
Rental equipment	18,066	18,066	84	17,982
Maintenance services	68,000	68,000	3,621	64,379
Bank fees	6,375	6,375	4,313	2,062
Printing and publications	1,000	1,000	291	709
Advertising	600	600	35	565
Telecommunications	9,140	9,140	10,563	(1,423)
Office supplies	13,592	13,592	4,486	9,106
Program supplies	40,976	40,976	61,177	(20,201)
Heat	2,604	2,604	2,672	(68)
Electricity	10,943	10,943	9,343	1,600
Water and sewer	5,375	5,375	2,795	2,580
Refuse services	3,900	3,900	2,026	1,874
Maintenance supplies	60,580	60,580	25,553	35,027
Dues and memberships	1,700	1,700	1,147	553
Conferences	4,500	4,500	-	4,500
Technical training	45,650	45,650	24,664	20,986
Staff transportation	2,340	2,340	1,748	592
Small furniture and equipment	3,400	3,400	-	3,400
Materials and services	<u>381,041</u>	<u>381,041</u>	<u>230,782</u>	<u>150,259</u>
Total Nature and Trails	<u>3,358,192</u>	<u>3,358,192</u>	<u>2,773,511</u>	<u>584,681</u>
Total Park and Recreation Services	<u>24,995,844</u>	<u>24,995,844</u>	<u>12,856,307</u>	<u>12,139,537</u>

Tualatin Hills Park & Recreation District
General Fund
Schedule of Expenditures – Budget and Actual (continued)
For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
CAPITAL OUTLAY				
Carryforward projects	\$ 3,033,571	\$ 3,033,571	\$ 616,777	\$ 2,416,794
Athletic facility replacements	137,000	137,000	12,122	124,878
Park and trail replacement	536,085	536,085	179,785	356,300
Park and trail improvements	2,823,700	2,823,700	537,739	2,285,961
Building replacement	613,317	613,317	299,614	313,703
ADA projects	50,000	50,000	17,341	32,659
Program facility challenge grants	75,000	75,000	-	75,000
Total Capital Outlay	7,268,673	7,268,673	1,663,378	5,605,295
CONTINGENCY				
Contingency	2,500,000	2,500,000	-	2,500,000
CAPITAL REPLACEMENT RESERVE				
Capital replacement reserve	1,500,000	1,500,000	-	1,500,000
Total General Fund Expenditures	\$ 63,436,658	\$ 63,436,658	\$ 34,922,497	\$ 28,514,161

Tualatin Hills Park & Recreation District
Bonded Debt Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Property taxes	\$ 7,780,306	\$ 7,949,327	\$ 169,021
Interest earned	30,000	35,825	5,825
Total Revenues	<u>7,810,306</u>	<u>7,985,152</u>	<u>174,846</u>
Expenditures			
Debt service	8,310,306	8,210,298	100,008
Total Expenditures	<u>8,310,306</u>	<u>8,210,298</u>	<u>100,008</u>
Excess of revenues over expenditures	(500,000)	(225,146)	274,854
Fund balance at beginning of year	<u>500,000</u>	<u>727,829</u>	<u>227,829</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 502,683</u>	<u>\$ 502,683</u>

Tualatin Hills Park & Recreation District
Bond Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2021

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues			
Grants	\$ -	\$ 75,000	\$ 75,000
Interest earned	90,000	31,571	(58,429)
Total Revenues	<u>90,000</u>	<u>106,571</u>	<u>16,571</u>
Expenditures			
Capital outlay	5,764,599	2,490,301	3,274,298
Total Expenditures	<u>5,764,599</u>	<u>2,490,301</u>	<u>3,274,298</u>
Deficiency of revenues under expenditures	(5,674,599)	(2,383,730)	3,290,869
Fund balance at beginning of year	<u>5,674,599</u>	<u>5,257,725</u>	<u>(416,874)</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 2,873,995</u>	<u>\$ 2,873,995</u>

**Tualatin Hills Park & Recreation District
System Development Charges Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2021**

	<u>Original Budgeted Amount</u>	<u>Final Budgeted Amount</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues				
System development charges	\$ 10,532,558	\$ 10,532,558	\$ 8,290,453	\$ (2,242,105)
Interest earned	232,500	232,500	173,617	(58,883)
Total Revenues	<u>10,765,058</u>	<u>10,765,058</u>	<u>8,464,070</u>	<u>(2,300,988)</u>
Expenditures				
Materials and services	50,000	183,760	158,621	25,139
Capital outlay	35,446,278	35,312,518	3,679,548	31,632,970
Total Expenditures	<u>35,496,278</u>	<u>35,496,278</u>	<u>3,838,169</u>	<u>31,658,109</u>
Excess (deficiency) of revenues over (under) expenditures	(24,731,220)	(24,731,220)	4,625,901	29,357,121
Fund balance at beginning of year	<u>24,731,220</u>	<u>24,731,220</u>	<u>28,572,642</u>	<u>3,841,422</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,198,543</u>	<u>\$ 33,198,543</u>

Tualatin Hills Park & Recreation District
Mitigation Maintenance Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2021

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Interest earned	\$ 4,500	\$ 1,434	\$ (3,066)
Total Revenues	<u>4,500</u>	<u>1,434</u>	<u>(3,066)</u>
Expenditures			
Materials and services	<u>186,500</u>	-	<u>186,500</u>
Total Expenditures	<u>186,500</u>	<u>-</u>	<u>186,500</u>
Excess (deficiency) of revenues over (under) expenditures	(182,000)	1,434	183,434
Fund balance at beginning of year	<u>182,000</u>	<u>184,762</u>	<u>2,762</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 186,196</u>	<u>\$ 186,196</u>

Tualatin Hills Park & Recreation District
Metro Bond Local Project Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
For the Year Ended June 30, 2021

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Resources			
Intergovernmental revenue	\$ 8,628,870	\$ -	\$ (8,628,870)
Total Resources	<u>8,628,870</u>	<u>-</u>	<u>(8,628,870)</u>
Expenditures			
Capital outlay	8,628,870	-	8,628,870
Total Expenditures	<u>8,628,870</u>	<u>-</u>	<u>8,628,870</u>
Excess (deficiency) of resources over (under) expenditures	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Tualatin Hills Park & Recreation District
Trust Funds
Combining Balance Sheet
June 30, 2021

	Pension Trust Fund			Total Trust Funds
	Defined Benefit	Defined Contribution	OPEB Trust Fund	
Assets				
Cash	\$ 127,085	\$ -	\$ 24,229	\$ 151,314
Investments @ fair value	9,605,953	3,067,112	2,001,868	14,674,933
Total assets	<u>9,733,038</u>	<u>3,067,112</u>	<u>2,026,097</u>	<u>14,826,247</u>
Liabilities				
Accounts payable	8,750	-	-	8,750
Total liabilities	<u>8,750</u>	<u>-</u>	<u>-</u>	<u>8,750</u>
Net Position				
Net position restricted for pension	9,724,288	3,067,112	-	12,791,400
Net position restricted for other post-employment benefits	-	-	2,026,097	2,026,097
Total net position	<u>\$ 9,724,288</u>	<u>\$ 3,067,112</u>	<u>\$ 2,026,097</u>	<u>\$ 14,817,497</u>

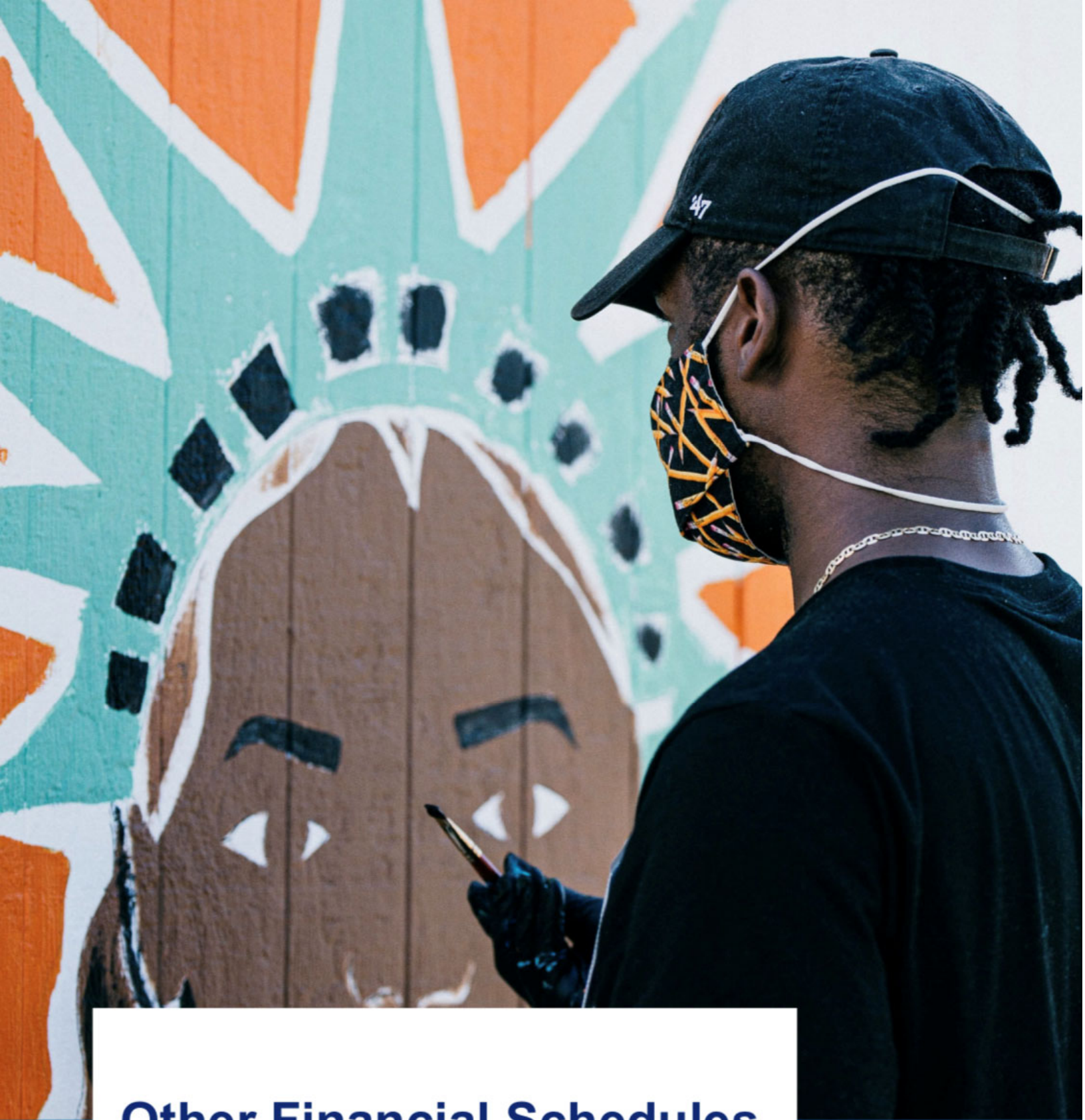
The notes to the basic financial statements are an integral part of this statement

Tualatin Hills Park & Recreation District
Trust Funds
Statement of Changes in Net Position
For the Year Ended June 30, 2021

	Pension Trust Fund		OPEB Trust Fund	Total Trust Funds
	Defined Benefit	Defined Contribution		
Additions				
Contributions				
Employer	\$ 8,500,000	\$ -	\$ 1,049	\$ 8,501,049
Employee	366,891	293,917	-	660,808
Total contributions	<u>8,866,891</u>	<u>293,917</u>	<u>1,049</u>	<u>9,161,857</u>
Transfer from defined benefit plan	-	2,343,198	-	2,343,198
Investment earnings	1,812,578	478,353	316,460	2,607,391
Total additions	<u>10,679,469</u>	<u>3,115,468</u>	<u>317,509</u>	<u>14,112,446</u>
Deductions				
Benefits paid	390,020	46,988	87,840	524,848
Transfer to defined contribution plan	2,343,198	-	-	2,343,198
Administrative expenses	87,460	1,368	3,445	92,273
Total deductions	<u>2,820,678</u>	<u>48,356</u>	<u>91,285</u>	<u>2,960,319</u>
Change in net position	7,858,791	3,067,112	226,224	11,152,127
Net position at beginning of year	<u>1,865,497</u>	<u>-</u>	<u>1,799,873</u>	<u>3,665,370</u>
Net position at end of year	<u>\$ 9,724,288</u>	<u>\$ 3,067,112</u>	<u>\$ 2,026,097</u>	<u>\$ 14,817,497</u>

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





Other Financial Schedules





Tualatin Hills Park & Recreation District
Schedule of Property Tax Transactions and Outstanding Balances
For the Year Ended June 30, 2021

	Taxes Uncollected June 30, 2020	Add Levy as Extended by Assessor	Add (Deduct) Discounts Allowed	Add Interest Received	Add (Deduct) Cancellations and Adjustments	Deduct Interest and Tax Collected	Taxes Uncollected June 30, 2021
2020-2021	\$ -	\$ 44,818,066	\$ (1,216,977)	\$ 10,163	\$ (115,056)	\$ (43,057,843)	\$ 438,352
2019-2020	449,992	-	58	14,009	(2,050)	(317,355)	144,654
2018-2019	155,133	-	13	10,907	2,259	(102,034)	66,277
2017-2018	62,484	-	4	7,732	(454)	(46,448)	23,319
2016-2017	20,320	-	1	2,980	(783)	(15,059)	7,458
2015-2016	5,668	-	-	458	(299)	(1,887)	3,940
Prior Years	20,524	-	(3,693)	1,416	193	(4,136)	14,305
	<u>\$ 714,121</u>	<u>\$ 44,818,066</u>	<u>\$ (1,220,594)</u>	<u>\$ 47,665</u>	<u>\$ (116,190)</u>	<u>\$ (43,544,762)</u>	<u>698,305</u>

June property tax receivable collected by the County	118,091
Less allowance for uncollectibility	(20,000)
	<u>\$ 796,396</u>

General Fund

\$ 574,636		\$ 568,302
	June property tax receivable collected by the County	96,333
	Less allowance for uncollectibility	(15,000)
		<u>649,635</u>

Debt Service Fund

139,485		130,003
	June property tax receivable collected by the County	21,758
	Less allowance for uncollectibility	(5,000)
		<u>146,761</u>

<u>\$ 714,121</u>		<u>\$ 796,396</u>
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**Tualatin Hills Park & Recreation District
Schedule of District Pension Contributions
Last Ten Fiscal Years**

Fiscal Year	Actuarially Determined Contribution (ADC)	District Contributions	District Contributions as a Percentage of ADC	Contribution Deficiency (Excess)
2012	\$ 2,164,122	\$ 2,140,583	98.91 %	\$ 23,539
2013	2,294,355	2,198,333	95.81	96,022
2014	2,331,957	2,423,313	103.92	(91,356)
2015	2,321,835	2,318,042	99.84	3,793
2016	2,491,300	2,491,219	100.00	81
2017	2,582,219	2,582,762	100.02	(543)
2018	2,773,861	2,774,158	100.01	(297)
2019	4,022,258	4,022,258	100.00	-
2020	10,000,223	10,000,223	100.00	-
2021	8,500,000	8,500,000	100.00	-

Source: The Standard Tualatin Hills Park & Recreation District Retirement Plan Actuarial Valuations (2011-2018);
Milliman Actuarial Valuations (2019-2021)



Statistical Section



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

CONTENTS	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changed over time.</i>	76
Revenue Capacity <i>These schedules contain information to help the reader assess the district's most significant local revenue source, property tax revenue.</i>	80
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.</i>	87
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.</i>	91
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.</i>	94

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

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

	Fiscal Year									
	2012	2013	2014	2015 (as restated)	2016	2017 (as restated)	2018 (as restated)	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 111,753,935	\$ 115,214,103	\$ 120,178,588	\$ 118,443,566	\$ 135,202,585	\$ 152,863,521	\$ 161,615,483	\$ 174,412,777	\$ 185,215,804	\$ 191,237,885
Restricted	3,393,951	5,506,718	8,113,102	13,104,560	12,350,287	9,760,567	17,307,632	22,307,182	29,300,471	33,701,226
Unrestricted	6,270,492	7,578,867	7,413,183	9,444,786	6,814,560	6,307,713	(40,874,234)	(40,145,774)	(32,400,756)	(14,856,727)
Total primary government net position	<u>\$ 121,418,378</u>	<u>\$ 128,299,688</u>	<u>\$ 135,704,873</u>	<u>\$ 140,992,912</u>	<u>\$ 154,367,432</u>	<u>\$ 168,931,801</u>	<u>\$ 138,048,881</u>	<u>\$ 156,574,185</u>	<u>\$ 182,115,519</u>	<u>\$ 210,082,384</u>

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

Expenses	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
Board of Directors	\$ 229,942	\$ 200,248	\$ 154,475	\$ 218,847	\$ 178,381	\$ 209,412	\$ 183,678	\$ 287,244	\$ 239,325	\$ 202,902
Administration	1,678,446	1,717,417	1,963,226	1,860,162	2,048,290	2,210,239	2,313,893	2,465,436	2,090,232	1,894,447
Business and facilities	14,337,163	14,917,033	15,126,974	14,575,963	16,447,289	23,818,025	24,953,742	25,269,252	21,184,639	19,577,534 ³⁾
Planning and development	640,871	800,198	897,304	554,465	550,044	-	-	-	-	- ²⁾
Park and recreation services	18,210,409	19,536,037	19,758,250	19,188,743	21,180,758	15,186,213	16,186,439	20,303,450	16,108,717	9,894,243 ³⁾
Interest on long-term debt	4,085,516	4,124,974	3,946,193	3,853,264	3,334,042	3,074,328	2,965,355	2,878,707	2,673,373	2,243,378
Total governmental activities expenses	\$ 39,182,347	\$ 41,295,907	\$ 41,846,422	\$ 40,251,444	\$ 43,738,804	\$ 44,498,217	\$ 46,603,107	\$ 51,204,089	\$ 42,296,286	\$ 33,812,504
Program Revenues										
Governmental activities:										
Park and recreation services:										
Charges for services	\$ 9,622,209	\$ 10,248,497	\$ 10,244,780	\$ 10,633,560	\$ 10,485,707	\$ 10,641,932	\$ 11,830,934	\$ 12,141,602	\$ 8,716,600	\$ 2,910,204
Operating grants and contributions	195,890	173,616	214,865	91,112	32,385	161,744	56,719	87,829	67,081	4,565,805
Capital grants and contributions	3,621,810	3,925,320	4,685,175	7,096,827	9,994,683	10,276,395	13,795,425	14,485,201	15,073,128	9,510,849
Rents and leases	-	-	-	-	648,897	635,913	591,040	548,759	573,847	557,072 ¹⁾
Total governmental program revenues	\$ 13,439,909	\$ 14,347,433	\$ 15,144,820	\$ 17,821,499	\$ 21,161,672	\$ 21,715,984	\$ 26,274,118	\$ 27,263,391	\$ 24,430,656	\$ 17,543,930
Net revenue(expense)										
Governmental activities	(25,742,438)	(26,948,474)	(26,701,602)	(22,429,945)	(22,577,132)	(22,782,233)	(20,328,989)	(23,940,698)	(17,865,630)	(16,268,574)
Total primary government net expense	\$ (25,742,438)	\$ (26,948,474)	\$ (26,701,602)	\$ (22,429,945)	\$ (22,577,132)	\$ (22,782,233)	\$ (20,328,989)	\$ (23,940,698)	\$ (17,865,630)	\$ (16,268,574)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 32,536,833	\$ 32,998,488	\$ 34,325,378	\$ 35,389,201	\$ 35,118,802	\$ 36,692,351	\$ 37,548,487	\$ 40,631,613	\$ 42,020,224	\$ 43,587,273
Unrestricted grants and contributions	233,515	245,112	237,636	261,528	185,805	183,894	184,024	184,637	92,506	-
Investment earnings	507,727	447,101	365,782	380,671	458,566	516,989	872,511	1,391,423	1,160,881	422,449
Gain on sale of capital assets	-	-	-	-	-	945,760	-	-	-	-
Miscellaneous	171,665	139,083	159,819	203,731	188,479	172,235	289,943	258,329	133,353	225,717
Total governmental activities	\$ 33,449,740	\$ 33,829,784	\$ 35,088,615	\$ 36,235,131	\$ 35,951,652	\$ 38,511,229	\$ 38,894,965	\$ 42,466,002	\$ 43,406,964	\$ 44,235,439
Change in Net Position										
Governmental activities	\$ 7,707,302	\$ 6,881,310	\$ 8,387,013	\$ 13,805,186	\$ 13,374,520	\$ 15,728,996	\$ 18,565,976	\$ 18,525,304	\$ 25,541,334	\$ 27,966,865
Total primary government	\$ 7,707,302	\$ 6,881,310	\$ 8,387,013	\$ 13,805,186	\$ 13,374,520	\$ 15,728,996	\$ 18,565,976	\$ 18,525,304	\$ 25,541,334	\$ 27,966,865

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

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

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

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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Nonspendable	\$ 64,728	\$ 211,223	\$ 225,668	\$ 172,449	\$ 316,161	\$ 179,842	\$ 182,432	\$ 383,337	\$ 250,319	\$ 241,886
Unassigned	3,773,265	4,895,327	5,302,635	8,264,609	8,955,176	9,740,569	12,401,382	14,456,882	10,884,501	21,026,267
Total general fund	\$ 3,837,993	\$ 5,106,550	\$ 5,528,303	\$ 8,437,058	\$ 9,271,337	\$ 9,920,411	\$ 12,583,814	\$ 14,840,219	\$ 11,134,820	\$ 21,268,153
All other governmental funds										
Restricted, reported in:										
Debt service fund	\$ 413,134	\$ 440,064	\$ 477,206	\$ 450,745	\$ 286,350	\$ 153,507	\$ -	\$ 509,991	\$ 727,829	\$ 502,683
Capital project funds	70,061,111	56,750,162	42,117,723	42,833,171	39,290,859	25,899,989	31,956,484	31,285,596	33,830,367	36,072,538
Committed, reported in:										
Special revenue fund	183,657	182,071	163,989	166,364	164,356	166,052	168,952	178,481	184,762	186,196
Unassigned, reported in:										
Debt service fund	-	-	-	-	-	-	(44,480)	-	-	-
Total all other governmental funds	\$ 70,657,902	\$ 57,372,297	\$ 42,758,918	\$ 43,450,280	\$ 39,741,565	\$ 26,219,548	\$ 32,080,956	\$ 31,974,068	\$ 34,742,958	\$ 36,761,417

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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property taxes	\$ 32,122,160	\$ 33,076,378	\$ 34,203,849	\$ 35,471,678	\$ 34,952,393	\$ 36,541,016	\$ 38,014,442	\$ 41,267,126	\$ 41,990,380	\$ 43,641,694
Aquatic programs	2,604,415	2,680,571	2,567,782	2,761,776	2,450,847	2,732,311	3,028,311	3,207,755	2,086,197	581,351
Tennis center	853,427	881,620	952,762	1,025,969	1,017,285	978,178	1,062,214	1,061,398	886,052	264,137
Sports programs	1,287,406	1,338,838	1,424,626	1,423,992	1,565,716	1,631,316	1,840,300	1,913,715	1,280,082	1,112,604
Recreation programs	4,770,489	5,295,594	5,177,432	5,060,475	5,451,861	5,300,127	5,900,109	5,958,734	4,464,269	952,112
Grants and sponsorships	1,742,561	1,608,261	1,275,106	1,300,759	279,707	806,995	1,718,491	611,325	1,264,767	5,192,604
Rents and leases	-	-	-	-	648,896	635,913	591,040	548,759	573,847	557,072
System development charges	1,897,759	2,676,196	3,858,370	5,855,512	5,367,366	9,631,364	12,287,677	8,500,336	12,716,580	8,290,454
Interest earned	507,727	447,101	365,782	380,671	458,566	516,988	872,511	1,391,423	1,160,881	422,449
Charges for services	799,091	689,931	579,099	511,362	328,170	367,696	337,469	294,820	312,357	415,568
Miscellaneous	278,137	190,957	281,997	565,079	188,479	172,235	289,943	258,329	157,029	183,013
Total revenues	46,863,172	48,885,447	50,686,805	54,357,273	52,709,286	59,314,139	65,942,507	65,013,720	66,892,441	61,613,058
Expenditures										
Board of Directors	229,942	200,248	154,475	218,847	178,381	274,731	226,289	287,244	239,325	202,902
Administration	1,675,574	1,713,305	1,953,992	2,028,622	2,104,826	2,193,086	2,334,048	2,379,832	2,923,275	2,443,312
Business and facilities	14,018,655	14,590,241	14,901,004	15,621,414	16,074,842	17,489,302	18,502,519	17,816,512	19,480,998	16,731,341
Planning and development	1,430,176	1,503,184	1,497,804	1,211,690	1,262,721	-	-	-	-	-
Park and recreation services	13,996,776	14,476,812	14,593,069	14,725,729	15,501,975	15,022,217	16,152,894	19,625,019	21,322,667	12,856,307
Capital outlay	22,534,645	19,924,569	22,563,320	9,421,194	12,539,440	30,504,743	11,841,833	18,141,926	14,937,760	8,180,257
Debt service										
Principal	5,100,000	4,605,000	5,018,988	5,390,327	3,961,090	4,436,876	4,817,686	5,208,520	5,784,379	6,270,264
Interest	4,566,274	4,346,236	4,195,779	4,225,622	3,960,447	3,789,741	3,542,427	3,405,150	3,116,870	2,819,587
Total expenditures	63,552,042	61,359,595	64,878,431	52,843,445	55,583,722	73,710,696	57,417,696	66,864,203	67,805,274	49,503,970
Excess of revenues over (under) expenditures	(16,688,870)	(12,474,148)	(14,191,626)	1,513,828	(2,874,436)	(14,396,557)	8,524,811	(1,850,483)	(912,833)	12,109,088
Other financing sources (uses)										
Proceeds from debt issuance	40,060,000	-	-	37,880,000	-	8,710,000	-	4,000,000	9,900,000	14,390,000
Premiums on debt issuance	1,859,558	-	-	6,987,825	-	1,283,919	-	-	1,294,716	2,527,984
Proceeds from sale of capital assets	-	-	-	399,283	-	1,404,391	-	-	-	-
Payment to escrow	-	-	-	(43,180,819)	-	(9,874,696)	-	-	(11,218,392)	(16,875,280)
Loan proceeds	-	457,100	-	-	-	-	-	-	-	-
Total other financing sources (uses)	41,919,558	457,100	-	2,086,289	-	1,523,614	-	4,000,000	(23,676)	42,704
Net change in fund balances	\$ 25,230,688	\$ (12,017,048)	\$ (14,191,626)	\$ 3,600,117	\$ (2,874,436)	\$ (12,872,943)	\$ 8,524,811	\$ 2,149,517	\$ (936,509)	\$ 12,151,792
Debt service as a percentage of noncapital expenditures	23.3%	21.2%	21.5%	21.9%	18.0%	18.8%	18.1%	17.4%	16.9%	21.9%

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

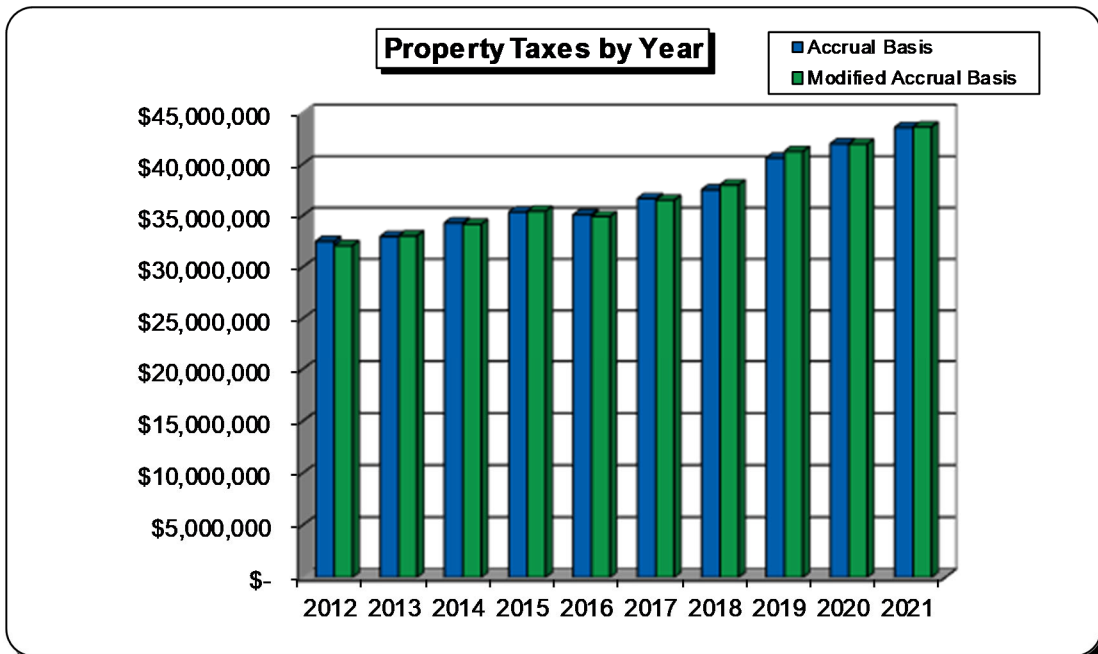
²⁾ In FY 2017, Planning and Development expenditures were moved to Business and Facilities.

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

<u>Fiscal Year</u>	<u>Property Tax</u>
2012	\$ 32,536,833
2013	32,998,488
2014	34,325,378
2015	35,389,201
2016	35,118,802
2017	36,692,351
2018	37,548,487
2019	40,631,613
2020	42,020,224
2021	43,587,273

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

<u>Fiscal Year</u>	<u>Property Tax</u>
2012	\$ 32,122,160
2013	33,076,378
2014	34,203,849
2015	35,471,678
2016	34,952,393
2017	36,541,016
2018	38,014,442
2019	41,267,126
2020	41,990,380
2021	43,641,694



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

Fiscal Year Ended June 30	Real Property		Personal Property and Manufactured Structures		Public Utilities		Total		Assessed Value as a Percentage of Market Value	Direct Tax Rate per \$1,000
	Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value	Market Value	Assessed Value		
2012	\$24,106,665,298	\$ 18,012,341,620	\$ 587,010,937	\$ 580,369,457	\$ 578,886,050	\$ 555,788,140	\$ 25,272,562,285	\$ 19,148,499,217	75.77 %	\$1.7372
2013	23,607,540,340	18,581,040,050	617,142,106	610,830,076	624,892,048	559,899,100	24,849,574,494	19,751,769,226	79.49	1.7298
2014	25,100,916,650	19,261,563,030	607,228,905	600,748,735	637,019,227	565,666,850	26,345,164,782	20,427,978,615	77.54	1.7282
2015	27,933,899,694	20,049,326,753	610,281,231	603,605,791	647,433,574	592,184,300	29,191,614,499	21,245,116,844	72.78	1.7167
2016	30,055,910,584	21,034,184,283	661,326,115	652,465,905	701,056,667	598,739,300	31,418,293,366	22,285,389,488	70.93	1.6246
2017	33,870,049,729	22,045,761,923	697,114,641	683,052,351	721,904,470	704,324,200	35,289,068,840	23,433,138,474	66.40	1.6192
2018	37,964,311,493	23,143,902,554	736,600,520	712,522,070	736,796,581	712,342,161	39,437,708,594	24,568,766,785	62.30	1.6111
2019	42,018,755,716	24,394,680,474	788,727,155	746,681,555	643,170,899	642,837,559	43,450,653,770	25,784,199,588	59.34	1.6241
2020	43,446,117,853	25,553,688,704	913,544,961	859,280,751	617,118,119	616,705,600	44,976,780,933	27,029,675,055	60.10	1.6141
2021	48,929,480,488	26,821,395,980	971,453,085	856,536,938	708,812,991	708,263,500	50,609,746,564	28,386,196,418	56.09	1.5936

Source: Washington County, Department of Assessment and Taxation

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Direct Government:										
Tualatin Hills Park and Recreation District										
Permanent Tax Rate	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073	\$ 1.3073
Bond Levy Tax Rate	0.4299	0.4225	0.4209	0.4094	0.3173	0.3119	0.3038	0.3168	0.3068	0.2863
Total Tax Rate	1.7372	1.7298	1.7282	1.7167	1.6246	1.6192	1.6111	1.6241	1.6141	1.5936
Overlapping Government:										
Washington County	2.9744	2.9670	2.9605	2.8254	2.8235	2.9354	2.9584	2.9583	2.8918	2.8767
Washington County - Enhanced Patrol	1.2477	1.2285	1.3165	1.3165	1.3165	1.3165	1.3165	1.3165	1.3165	1.3165
Washington County - Road Maintenance	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456	0.2456
Washington County - RFPD #2	1.6919	1.6919	1.6919	1.6919	1.6919	1.6919	1.6919	-	-	-
Washington County - North Bethany SD	-	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500	1.2500
Northwest Regional ESD	0.1538	0.1536	0.1534	0.1530	0.1528	0.1523	0.1538	0.1538	0.1494	0.1485
Multnomah ESD	0.4134	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576	0.4576	-
Portland Community College	0.5981	0.6646	0.7329	0.7199	0.5837	0.6756	0.6756	0.6874	0.6769	0.6700
School District No. 48, Beaverton	6.8603	6.7749	8.0537	8.0368	7.9571	7.9205	8.0527	8.0205	7.9075	8.0257
School District No. 1J, Hillsboro	7.4663	7.4881	7.3794	7.3812	7.1812	7.1268	7.1512	7.1388	7.0178	7.0560
School District No. 1J, Portland	6.5166	7.2681	8.3571	8.3535	8.3632	8.3304	8.8052	9.7571	9.6734	9.6698
Tualatin Valley Fire and Rescue District	1.9302	1.9145	1.9061	1.8911	2.1078	2.0978	2.0457	2.0839	2.0725	2.1167
Port of Portland	0.0701	0.0701	0.0699	0.0697	0.0697	0.0694	0.0693	0.0701	0.0681	0.0677
City of Beaverton	4.1791	4.2350	4.3662	4.3517	4.3279	4.3109	4.2851	4.3196	4.3037	4.2793
Urban Renewal - Beaverton	-	0.0113	0.0361	0.0929	0.1731	0.2233	0.2961	0.3718	0.4052	0.4525
City of Hillsboro	5.3827	5.3815	5.3755	5.3652	5.3621	5.3485	5.3387	5.3147	5.2823	5.2614
Urban Renewal - Hillsboro	0.0141	0.0187	0.0415	0.0776	0.0867	0.1374	0.0856	0.1296	0.3514	0.4223
City of Portland	6.9497	7.0558	7.2043	7.1759	7.0455	6.9712	4.7097	4.7353	4.6867	7.3130
Urban Renewal - Portland	1.1314	1.1529	1.1727	1.0878	1.0608	1.1069	3.5073	3.5890	3.5492	1.1896
Metro Service District	0.3154	0.4043	0.4667	0.4575	0.3876	0.3960	0.3777	0.4342	0.6601	0.5867
TriMet	0.0583	-	-	-	-	-	-	-	-	-
Rate per \$1,000 of assessed valuation										

Source: Washington County, Department of Assessment and Taxation

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

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Nike, Inc.	\$ 1,381,669,216	1	4.87 %	\$ 372,130,123	1	1.94 %
Portland General Electric	210,774,743	2	0.74	130,855,602	4	0.68
Comcast Corporation	153,910,000	3	0.54	120,273,900	5	0.63
Maxim Integrated Products, Inc.	153,532,610	4	0.54	96,248,470	7	0.50
Northwest Natural Gas Co.	147,395,600	5	0.52	83,274,800	8	0.43
Beaverton LLC	108,820,030	6	0.38			
Portland 2 LLC	71,404,990	7	0.25			
MG Pallas Apartments MOS LLC	65,932,490	8	0.23			
Mail 1 LLC	63,887,470	9	0.23			
G+I X Nimbus Corp Ctr LLC	61,347,910	10	0.22			
Frontier Communications				140,366,000	2	0.73
Tektronix Inc.				132,532,873	3	0.69
PS Business Parks LP				109,808,499	6	0.57
Bernard Properties Partnership				59,371,003	9	0.31
Nimbus Center LLC				57,218,120	10	0.30
All other taxpayers	25,967,521,359		91.48	17,846,419,827		93.22
Totals	<u>\$ 28,386,196,418</u>		<u>100.00 %</u>	<u>\$ 19,148,499,217</u>		<u>100.00 %</u>

Source: Washington County, Department of Assessment and Taxation

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

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Intel	\$ 1,941,050,338	1	2.72 %	\$ 1,316,340,035	1	2.73 %
Nike Inc.	1,435,297,509	2	2.01	437,733,767	2	0.91
Portland General Electric	819,111,924	3	1.15	405,597,504	3	0.84
Pacific Realty Associates	417,932,187	4	0.59	299,183,240	5	0.62
Northwest Natural Gas Co.	408,827,140	5	0.57	279,691,970	6	0.58
Verizon Communications	299,376,000	6	0.42			
Genentech Inc.	273,303,730	7	0.38	239,110,040	7	0.50
Comcast Corporation	263,248,000	8	0.37	223,356,000	8	0.46
Lam Research Corporation	198,542,849	9	0.28			
BV Centercal LLC	155,910,754	10	0.22			
Frontier Communications				350,700,000	4	0.73
Maxim Integrated Products Inc.				133,369,640	9	0.28
Tektronix Inc.				132,546,208	10	0.27
All other taxpayers	65,060,763,723		91.29	44,419,153,759		92.08
Totals	\$ 71,273,364,154		100.00 %	\$ 48,236,782,163		100.00 %

Source: Washington County, Department of Assessment and Taxation

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

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 33,334,482	\$ 31,713,114	95.1 %	\$ 584,847	\$ 32,297,961	96.9 %
2013	34,166,612	32,623,087	95.5	730,946	33,354,033	97.6
2014	35,308,500	33,590,906	95.1	719,005	34,309,911	97.2
2015	36,433,185	34,828,560	95.6	592,945	35,421,505	97.2
2016	36,088,203	34,488,930	95.6	462,451	34,951,381	96.8
2017	37,804,820	36,089,763	95.5	431,939	36,521,702	96.6
2018	39,400,040	37,551,090	95.3	469,141	38,020,231	96.4
2019	41,606,766	39,939,463	96.0	351,417	40,290,880	96.6
2020	43,274,691	41,507,632	95.9	303,346	41,810,978	95.9
2021	44,818,066	43,047,680	96.0	-	43,047,680	96.0

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

Fiscal Year Ended June 30	Rate per Type of Dwelling Unit		
	Single Family	Multi-Family	Non-residential
2012	\$ 5,299	\$ 3,963	\$ 137
2013	5,247	3,924	136
2014	5,524	4,131	143
2015	6,450	4,824	167
2016	6,450	4,824	167
2017	10,800	8,619	360
2018	10,800	8,619	360
2019	11,545	9,214	385
2020	11,895	9,494	397
2021	11,787	8,840	466

Source: Tualatin Hills Park and Recreation District

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

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income ^{a)}	Per Capita ^{b)}
	General Obligation Bonds	Full Faith & Credit Obligations	Direct Borrowing			
2012	\$ 97,915,383	\$ 10,059,107	\$ 60,000	\$ 108,034,490	0.444 %	\$ 470.77
2013	93,313,622	9,851,204	477,100	103,641,926	0.417	446.27
2014	88,345,559	9,634,002	433,112	98,412,673	0.374	418.73
2015	89,388,275	9,407,542	407,785	99,203,602	0.333	417.09
2016	84,691,847	9,161,865	381,695	94,235,407	0.298	391.50
2017	80,802,769	8,907,017	354,819	90,064,605	0.267	369.74
2018	75,200,647	8,633,003	327,133	84,160,783	0.231	341.41
2019	69,241,413	8,349,901	4,298,613	81,889,927	n/a	328.26
2020	62,922,793	12,395,037	269,235	75,587,065	n/a	299.40
2021	55,883,275	11,882,833	238,971	68,005,079	n/a	266.43

n/a - not available at time of printing

^{a)} based on Washington County total population

^{b)} based on estimated population of district

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

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Assessed Taxable Value of Property	Per Capita ^{a)}
2012	\$ 97,915,383	\$ 413,134	\$ 97,502,249	0.51 %	\$ 424.87
2013	93,313,622	440,064	92,873,558	0.47	399.90
2014	88,345,559	477,206	87,868,353	0.43	373.87
2015	89,388,275	450,745	88,937,530	0.42	373.93
2016	84,691,847	286,350	84,405,497	0.38	350.67
2017	80,802,769	153,507	80,649,262	0.34	331.09
2018	75,200,647	-	75,200,647	0.31	305.06
2019	69,241,413	509,991	68,731,422	0.27	275.51
2020	62,922,793	727,829	62,194,964	0.23	246.35
2021	55,883,275	502,683	55,380,592	0.20	216.97

^{a)} per capita based on estimated district population

Source: Portland State University Center for Population Research and Census

Tualatin Hills Park & Recreation District
Direct And Overlapping Governmental Activities Debt
June 30, 2021

<u>Overlapping Government</u>	<u>Overlapping Debt</u>	<u>Percentage Applicable</u>	<u>Estimated Share of Overlapping Net Direct Debt</u>
Debt repaid with property taxes:			
Tualatin Hills Park & Recreation District	\$ 55,883,275	100.00 %	\$ 55,883,275
Direct debt	<u>55,883,275</u>		<u>55,883,275</u>
City of Beaverton	33,173,396	99.00	32,841,231
City of Hillsboro	76,372,669	0.11	86,454
City of Portland	759,328,159	0.01	53,153
Metro	958,580,000	13.16	126,112,702
Multnomah County SD 1J, Portland	1,450,005,667	0.40	5,730,422
Multnomah ESD	23,395,000	0.30	69,366
Northwest Regional ESD	1,964,662	32.66	641,574
Port of Portland	51,330,000	12.10	6,212,419
Portland Community College	607,975,000	16.53	100,502,523
Tualatin Valley Fire & Rescue	26,035,000	43.50	11,324,834
Washington County	196,818,344	40.88	80,464,259
Washington County SD 1J Hillsboro 7 Bd	263,751	3.05	8,057
Washington County SD 1J Hillsboro	556,907,167	3.05	16,992,351
Washington County SD 23J Tigard Tualatin	322,883,542	0.03	103,969
Washington County SD 48J Beaverton	957,104,907	82.78	792,254,115
Overlapping debt	<u>6,022,137,264</u>		<u>1,173,397,429</u>
Other Debt:			
Tualatin Hills Park & Recreation District	12,121,804	100.00	12,121,804
Direct debt	<u>12,121,804</u>		<u>12,121,804</u>
City of Beaverton	217,235,091	99.00	215,059,917
City of Hillsboro	346,751,711	0.11	392,524
City of Portland	2,980,983,605	0.01	208,669
Clean Water Services	151,760,000	42.65	64,725,640
HFA Hillsboro	12,715,000	0.11	14,393
Home Forward	135,016,919	0.01	9,451
Metro	49,775,000	13.16	6,548,499
Port of Portland	1,366,502,287	12.10	165,386,417
TriMet	829,575,001	13.71	113,726,437
Tualatin Valley Water District	450,359,551	63.63	286,563,782
Washington County Housing Authority	37,159,583	40.88	15,191,766
Washington County SD 1J Hillsboro	1,735,125	3.05	53,004
West Slope Water District	2,190,000	100.00	2,190,000
Overlapping debt	<u>6,581,758,873</u>		<u>870,070,500</u>
Total Tualatin Hills Park & Recreation District	68,005,079		68,005,079
Total overlapping debt	<u>12,603,896,137</u>		<u>2,043,467,929</u>
Total direct and overlapping debt	<u>\$ 12,671,901,216</u>		<u>\$ 2,111,473,008</u>

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

Source: Oregon State Treasury, Municipal Debt Information System

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

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 631,814,057	\$ 621,239,362	\$ 658,629,120	\$ 729,790,362	\$ 785,457,334	\$ 882,226,721	\$ 985,942,715	\$ 1,086,266,344	\$ 1,124,419,523	\$ 1,265,243,664
Total net debt application to limit	97,915,383	93,313,622	88,345,559	89,388,275	84,691,847	80,802,769	75,200,647	69,241,413	62,922,793	55,883,275
Legal debt margin	\$ 533,898,674	\$ 527,925,740	\$ 570,283,561	\$ 640,402,087	\$ 700,765,487	\$ 801,423,952	\$ 910,742,068	\$1,017,024,931	\$ 1,061,496,730	\$ 1,209,360,389
Total net debt applicable to the limit as a percentage of debt limit	15.50%	15.02%	13.41%	12.25%	10.78%	9.16%	7.63%	6.37%	5.60%	4.42%

Legal Debt Margin Calculation for Fiscal Year 2021

Real market value (2020/21)	\$ 50,609,746,564
General obligation debt capacity (2.5% of Real market value)	1,265,243,664
Less: Outstanding debt	<u>55,883,275</u>
Remaining legal debt capacity	<u>\$ 1,209,360,389</u>

Source: Tualatin Hills Park and Recreation District

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

Washington County							
Fiscal Year	District Population (estimated)	Population (estimated) ^{a)}	Personal Income (amounts expressed in thousands) ^{b)}	Per Capita Personal Income ^{b)}	Unemployment Rate ^{c)}	School Enrollment	
2012	229,486	547,672	\$ 24,314,346	\$ 44,396	7.3 %	39,054	
2013	232,239	554,996	25,919,173	46,735	6.6	38,775	
2014	235,026	562,998	28,387,146	50,542	5.8	39,088	
2015	237,847	574,326	30,840,797	53,878	5.0	40,725	
2016	240,701	582,779	32,076,558	55,044	4.6	40,715	
2017	243,589	589,957	33,765,596	57,331	3.7	40,912	
2018	246,512	597,695	36,442,209	60,999	3.6	41,016	
2019	249,470	600,933	38,114,149	63,425	3.4	40,860	
2020	252,464	603,514	40,333,177	66,831	10.4	41,215	
2021	255,493	n/a	n/a	n/a	4.4	39,515	

Source: ^{a)} U.S. Census Bureau
^{b)} U.S. Dept. of Commerce, Bureau of Economic Analysis
^{c)} U.S. Dept. of Labor, Metropolitan District
^{d)} Beaverton School District

n/a data not available at time of printing

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

Industry	2021		2012	
	Annual Average	Percentage of Total County Employment	Annual Average	Percentage of Total County Employment
Mining and logging	400	0.1 %	300	0.1 %
Construction	17,700	6.0	11,600	4.8
Manufacturing:				
Computer and electronic products	29,100		26,100	
Other durable goods	14,800		11,700	
Non-durable goods	7,800		5,300	
	51,700	17.6	43,100	17.7
Trade, transportation and utilities:				
Wholesale trade	14,000		16,700	
Retail trade	31,600		28,300	
Transportation, warehousing and utilities	7,400		3,400	
	53,000	18.0	48,400	19.9
Information	7,300	2.5	7,900	3.2
Financial activities	17,600	6.0	15,300	6.3
Professional and business services:				
Professional and technical services	16,000		11,700	
Management of companies and enterprises	15,700		5,700	
Administrative and waste services	22,200		19,000	
	53,900	18.3	36,400	14.9
Educational and health services	37,500	12.7	30,400	12.5
Leisure and hospitality	23,100	7.8	20,100	8.2
Other services	9,400	3.2	7,200	3.0
Government:				
Federal government	900		800	
State government	2,200		2,700	
Local government	8,200		7,600	
Local education	11,400		11,900	
	22,700	7.7	23,000	9.4
Total non-farm employment	294,300	100.0 %	243,700	100.0 %

Source: Oregon Labor Market Information System

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

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administration										
Office of the General Manager	2	2	2	3	3	3	3	3	3	2
Communications	6	6	7	7	7	8	8	8	8	6
Security operations	4	4	4	4	4	4	5	5	5	6
Community partnerships	-	-	-	1	1	1	1	1	1	9
Business and facilities										
Director	4	4	4	4	4	3	3	3	3	2
Finance services	7	7	7	7	7	6	7	7	10	8
Information services	5	5	5	5	5	5	6	6	6	6
Human resources	3	3	3	4	4	4	4	4	5	6
Risk and contract management	2	2	2	2	2	2	2	2	3	3
Operations analysis	-	-	-	-	-	2	2	2	2	3
Maintenance										
Operations Manager	3	5	5	6	7	7	7	7	5	3
Park maintenance	46	43	43	45	45	46	-	-	-	-
Fleet maintenance	6	6	6	6	6	6	6	6	6	6
Athletic facilities	23	25	25	26	26	27	-	-	-	-
Building and pool maintenance	49	50	51	49	48	48	27	27	25	8
Park and athletic facilities north	-	-	-	-	-	-	35	35	36	35
Park and athletic facilities south	-	-	-	-	-	-	31	31	31	28
Planning	2	3	3	3	3	3	4	4	4	4
Design and development	10	11	9	8	7	6	7	7	7	8
Park and recreation										
Director	3	3	3	3	3	4	3	3	3	2
Aquatics	73	74	77	79	83	78	78	78	80	79
Sports and Inclusion	31	31	29	30	45	58	62	62	63	106
Community programs	41	42	42	38	23	14	18	4	7	-
Recreation	105	102	100	100	101	108	130	144	151	135
Nature and trails	23	25	25	27	29	29	38	38	38	15
Total full-time equivalent employees	448	453	452	457	463	472	487	487	502	478

Source: Tualatin Hills Park and Recreation District

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

	2012 actual	2013 actual	2014 actual	2015 actual	2016 actual	2017 actual	2018 actual	2019 actual	2020 actual	2021 estimate
Parks and Recreation										
Cultural and recreational activities:										
Aquatics										
Attendance at open/drop-in programs and classes	472,057	558,152	531,824	539,836	511,251	481,665	524,137	496,844	323,044	31,500
Number of classes held	5,123	5,282	4,823	5,029	5,237	4,289	4,128	5,347	3,816	-
Sports										
Attendance at open/drop-in programs and classes	679,600	650,623	607,130	781,490	792,878	652,680	750,272	755,094	608,480	83,414
Number of classes held	700	527	537	1,985	2,205	2,030	2,331	2,177	1,695	475
Recreation										
Attendance at open/drop-in programs and classes	944,324	945,676	1,022,117	929,397	983,487	984,343	995,770	973,541	941,337	26,867
Number of classes held	3,972	4,236	4,199	4,184	3,919	4,111	4,379	3,611	3,745	533
Community programs										
Attendance at open/drop-in programs and classes	284,232	285,698	265,174	140,440	141,000	143,000	145,000	148,198	21,050	4,884
Number of classes held	1,954	1,819	2,283	575	580	580	591	575	16	18
Nature and trails										
Attendance at open/drop-in programs and classes	180,704	198,997	197,877	233,790	234,967	249,189	250,310	249,407	279,528	266,500
Number of classes held	643	647	707	664	720	678	711	691	471	250
Maintenance activities:										
Buildings maintained (shown per 1,000 sq. ft)	450	461	461	461	461	461	461	461	461	461
Cost per sq. ft. of buildings	\$6.30	\$6.52	\$6.61	\$6.63	\$7.07	\$7.00	\$6.55	\$6.52	\$8.83	\$8.76
Pool facilities maintained (shown per 1,000 sq. ft.)	117	117	117	117	125	125	125	125	125	125
Cost per sq. ft. of pools	\$17.01	\$16.15	\$16.29	\$17.28	\$15.35	\$15.34	\$16.66	\$16.42	\$18.49	\$20.33
Parks maintained - developed acres	1,026	1,024	1,052	1,062	1,067	1,089	1,089	1,098	1,103	1,124
Cost per developed acre	\$2,879	\$2,720	\$2,740	\$2,892	\$3,133	\$3,288	\$3,288	\$2,737	\$2,843	\$3,073
Parks maintained - undeveloped acres	1,186	1,233	1,236	1,244	1,276	1,290	1,290	1,308	1,346	1,367
Cost per undeveloped acre	\$131	\$254	\$260	\$274	\$293	\$308	\$308	\$255	\$259	\$281
Vehicle and equipment units maintained	436	472	490	490	502	514	530	540	657	658
Cost per vehicle and equipment unit	\$1,990	\$1,757	\$1,801	\$1,768	\$1,653	\$1,720	\$1,709	\$1,677	\$1,564	\$1,760

Source: Tualatin Hills Park & Recreation District

Tualatin Hills Park & Recreation District

Capital Asset Statistics By Function

June 30, 2021

Parks and Recreation:

Number of parks	305
Park acreage:	
Developed sites (neighborhood, community and regional parks)	1,124
Undeveloped sites (wetlands and natural areas)	1,371
Pathways and trails mileage	52
Lakes	3
Stream corridor mileage	27

Facilities:

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

Fields and courts:

Tennis:	
Indoor	6
Outdoor ¹⁾	108
Basketball:	
Indoor	6
Outdoor ¹⁾	52
Volleyball ¹⁾	6
Sports fields: ¹⁾	
Soccer/football/lacrosse	147
Softball/baseball	99
Bocce	4
Hockey	1
Indoor running track	1
Skate park	3

¹⁾ these facilities are maintained either through direct ownership or joint use agreement

Source: Tualatin Hills Park and Recreation District



Audit Comments and Disclosures Section







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

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

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Tualatin Hills Park & Recreation District, Beaverton, Oregon (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 20, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

COMPLIANCE

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

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

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

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



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

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

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

PURPOSE OF THIS REPORT

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

Talbot, Kowolow & Warwick, LLP

Portland, Oregon
December 20, 2021