



POPULAR ANNUAL FINANCIAL REPORT

Fiscal Year 2023-2024



TUALATIN HILLS PARK & RECREATION DISTRICT • BEAVERTON, OREGON

Message from the General Manager

Dear Tualatin Hills Park & Recreation District Community Members,

The Board of Directors and I are pleased to present our Popular Annual Financial Report (PAFR) for fiscal year 2024. This report highlights the district's financial performance, and we are proud to announce that, once again, our independent auditors have awarded us an unmodified opinion, reaffirming the sound management of our public resources.

An unmodified opinion commonly referred to as a "clean opinion," means that our financial statements are presented fairly and accurately, in accordance with all applicable accounting principles accepted in the United States of America. The PAFR is a condensed, easy-to-read version of the Annual Comprehensive Financial Report (ACFR). While the ACFR provides a detailed and extensive look at our financial position the PAFR aims to offer a more accessible snapshot into how the district manages public resources.

We would also like to take this opportunity to extend our heartfelt gratitude to the community for their continued support. Thanks to your support of the local option levy this past May, we will be able to maintain park maintenance service levels, preserve staffing levels, preserve the district's childcare programs, maintain facilities and service hours and maintain programs and events that make the district such a vital part of the community. Your trust and support are invaluable as we work to create safe, inclusive environments and provide play for everyone.

Thank you for being a part of our shared success.

Sincerely,

Doug Menke



General Manager, Tualatin Hills Park & Recreation District



General Manager Doug Menke

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Board of Directors & Leadership Team

Board of Directors



Felicita Montebalanco
Director



Alfredo Moreno
Secretary
Director



Barbie Minor
President
Director



Miles Palacios
Director



Tya Ping
Director

The governing board is composed of five elected members who are responsible for the overall budgetary and policy direction of THPRD. The board of directors approves the scope and direction of services to be provided to all members of the public within district boundaries and ensures that the needs of this public are met, in so far as possible, with available resources. In addition to setting policy and hiring the general manager, the board appoints advisory committee members, including the audit and budget committees.

Board meetings are typically held on the second Wednesday of each month and are open to the public. Additional work sessions will be scheduled if needed; public input is welcome. Please see the schedule or call 503-645-6433 for further information.

Leadership Team



Doug Menke



Aisha Panas



Holly Thompson



Jared Isaksen



Steve Sutton



Sabrina Taylor Schmitt



Julie Rocha

THPRD is organized into five divisions, led by directors who report to Doug Menke the general manager, that oversee district operations. Those divisions include:

Park Services – Led by Aisha Panas, Deputy General Manager

Communications – Led by Holly Thompson, Communications Director

Finance – Led by Jared Isaksen, Finance Director

Human Resources – Led by Steve Sutton, Human Resources Director

Recreation Services – Led by Sabrina Taylor Schmitt, Recreation & Aquatics Director and Julie Rocha Sports & Inclusion Director

Introduction & History

The Tualatin Hills Park & Recreation District (THPRD) proudly serves a vibrant and diverse community of approximately 270,000 residents. Spanning eastern unincorporated Washington County and the city of Beaverton, THPRD offers an array of parks, trails, recreational facilities, and programs designed to enhance the quality of life for all who call this area home.

The roots of THPRD trace back to 1953, when physical education teacher Elsie Stuhr envisioned a place where local residents could engage in recreation, stay healthy, and connect with one another. Through her tireless efforts and community involvement, THPRD was officially established in 1955, initially serving just 3,000 people. Today, that small vision has grown into a robust district that is integral to the well-being and vitality of the ever-expanding community.

As part of our commitment to transparency and accountability, we produce two key financial documents each year. The PAFR is a user-friendly summary of our financial activities, offering the public an accessible way to understand how we manage taxpayer funds. In contrast, the ACFR is a more detailed and comprehensive report that adheres to rigorous accounting standards and is required by Oregon state law. This thorough document ensures full compliance with all financial reporting regulations and provides an in-depth look at the district's financial condition.

Both reports are critical in maintaining public trust and demonstrating our dedication to responsible financial stewardship. Each year, independent auditors carefully review our financial statements, and we are pleased to report that once again, THPRD has received an unmodified (clean) opinion, signifying that our financial records are accurate and reliable.

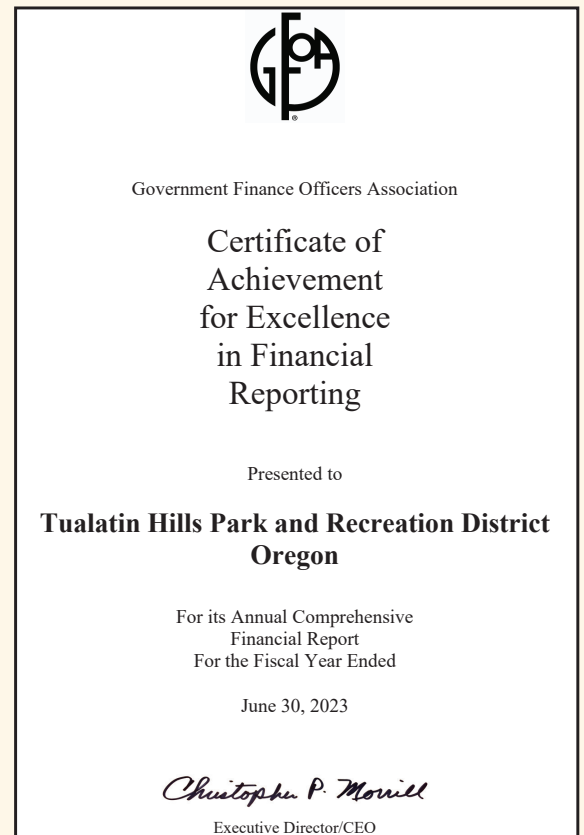
The financial information presented in this PAFR does not include the Tualatin Hills Park Foundation, a component unit of the district.



Elsie Stuhr (center) and others breaking ground for THPRD's first building, the Beaverton Swim Center, 1956.



Grand opening of La Raíz Park, THPRD's newest park, Summer 2024



2023 Certificate of Achievement for Excellence in Financial Reporting - awarded by the Government Finance Officers Association (GFOA)



Talking Walls event (left), child in THRIVE program (center), and THPRD outreach at City of Beaverton PRIDE event (right).

Vision Statement

We will enhance healthy and active lifestyles while connecting more people to nature, parks, and programs. We will do this through stewardship of public resources and by providing programs/spaces to fulfill unmet needs.

Mission Statement

The mission of the Tualatin Hills Park & Recreation District is to provide high-quality park and recreation facilities, programs, services, and natural areas that meet the needs of the diverse communities it serves.

Values

Leading with Equity with special attention to Racial Equity –

THPRD values all dimensions of equity including ability, age, ethnicity, gender, race, sexual orientation, and other identities. We see it as an essential core value that we prioritize all aspects of equity. A commitment to equity means looking at individuals’ needs and understanding that people need different things to achieve equitable outcomes. THPRD recognizes that to achieve meaningful equity we must prioritize investments in activities to reach those most marginalized therefore we support a comprehensive investment in equitable outcomes for the most impacted people and at this time, due to disparate impacts, a special focus on activities to advance racial equity is an important component of our overall equity strategies.

Environmental Stewardship – We value our natural environment and demonstrate this value through how we acquire, plan for, and maintain these areas. Environmental stewardship extends to the way we build and maintain our facilities, and the practices we use to procure goods and services.

Commitment to Community Vision – We are committed to honoring and realizing the community feedback captured through the district’s visioning process. We will integrate the public’s feedback into our planning and operational efforts to honor the four visioning goals to be Welcoming and Inclusive, provide Play for Everyone, to be Accessible and Safe, and to Preserve Natural Spaces.

Budget Priorities

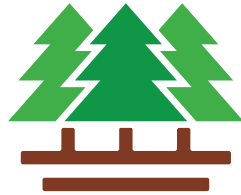
Investing in our Employees and Technology

Focus on Strengthening Programming Opportunities

Develop Sustainable Operating and Financial Models for the Future

THPRD by the Numbers

- 117 parks
- 70 miles of trails
- 162 natural areas
- 15 facilities
- 250+ multipurpose fields
- 115 tennis courts
- 23,000 summer registrations
- 2,800+ summer campers
- 100+ community events



District Map



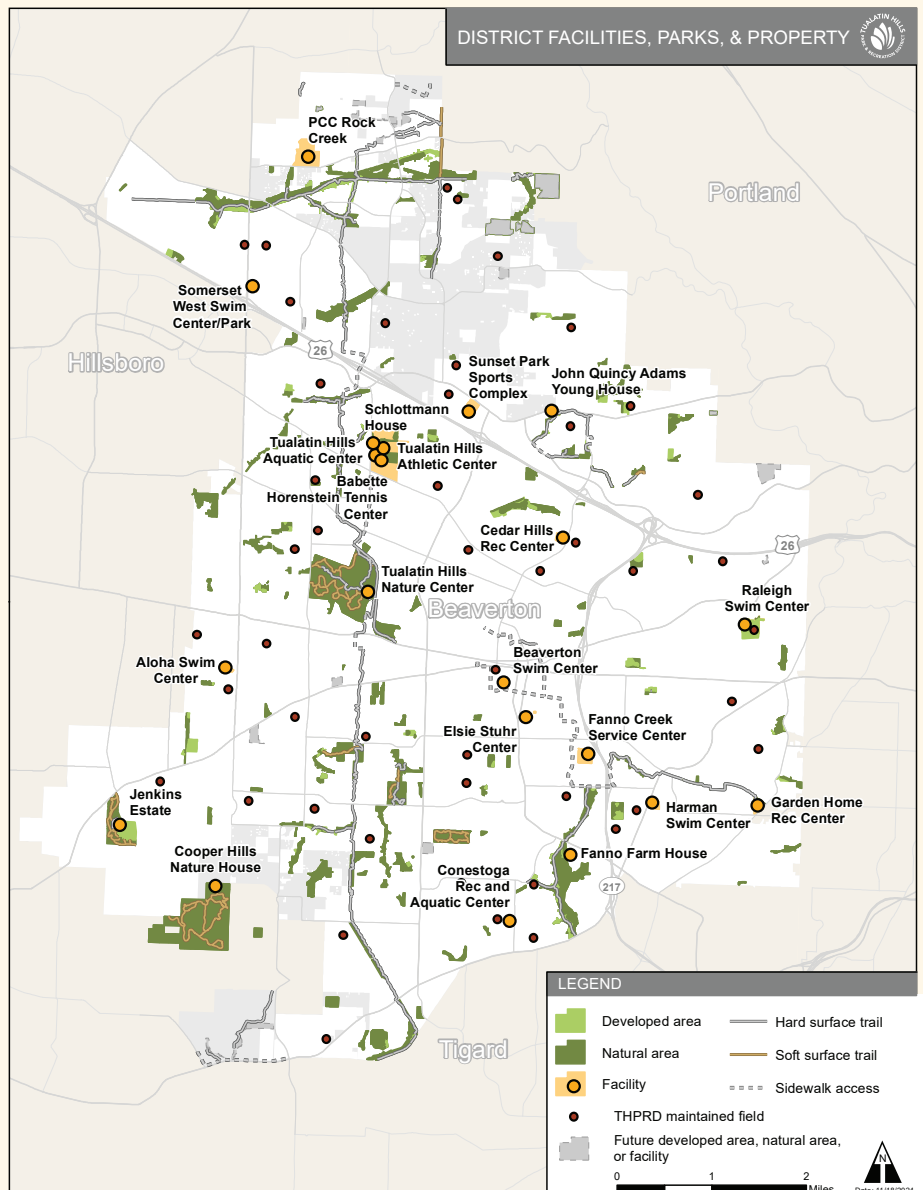
Bonny Slope Park



Bethany Lake Park



HMT Skate Park



Where does the funding come from?

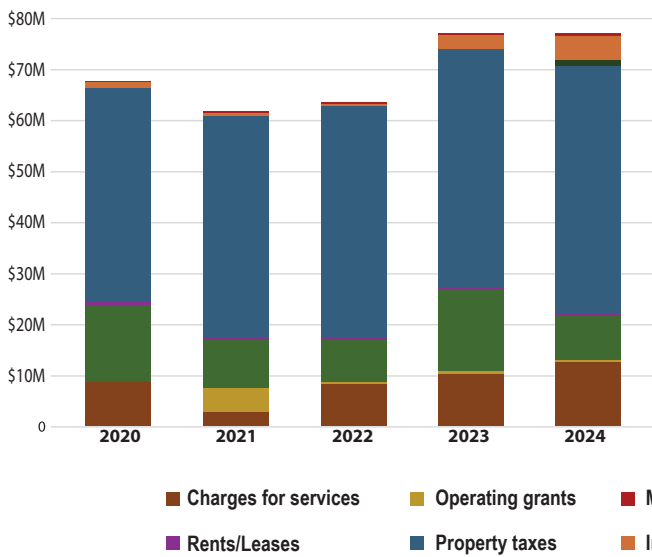
For the year ending June 30, 2024, revenues totaled \$77,140,923 which is a decrease of \$142,572 from the prior year. This decrease is primarily related to decreases in grant revenue.

The district's largest sources of revenue are from property taxes and charges for services, which combined account for \$61,284,990 or 79% of the district's total revenue.

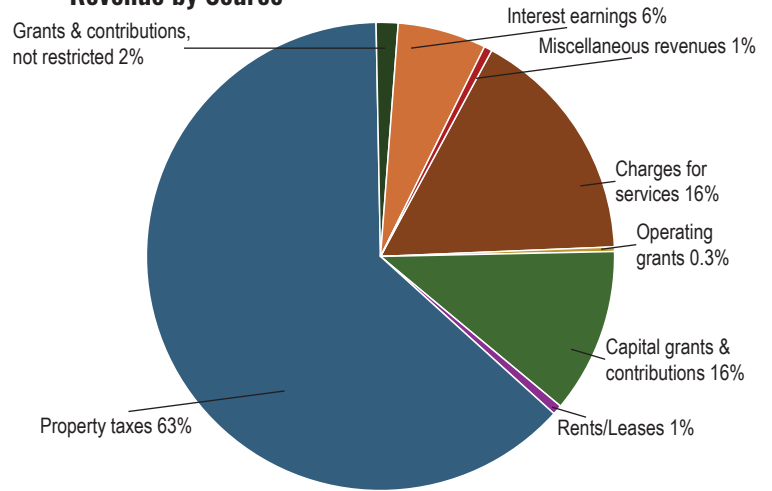
Revenue Type 2023-2024

Charges for Services	\$12,701,610
Operating Grants	\$245,193
Capital grants and contributions	\$8,773,954
Rents/Leases	\$524,256
Property taxes	\$48,583,380
Grants and Contributions, not restricted	\$1,167,848
Interest	\$4,720,176
Miscellaneous Revenues	\$424,506
TOTAL REVENUE	\$77,140,923

5 Year Major Revenue Comparison



Revenue by Source



Theater in the Park event





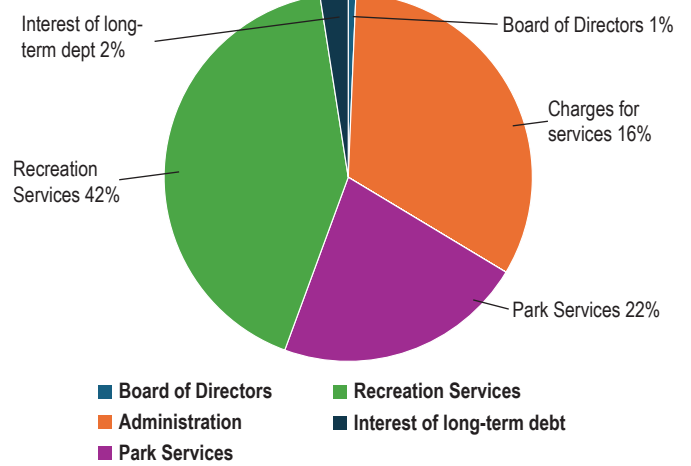
Tri Together Triathlon event

How is the funding distributed?

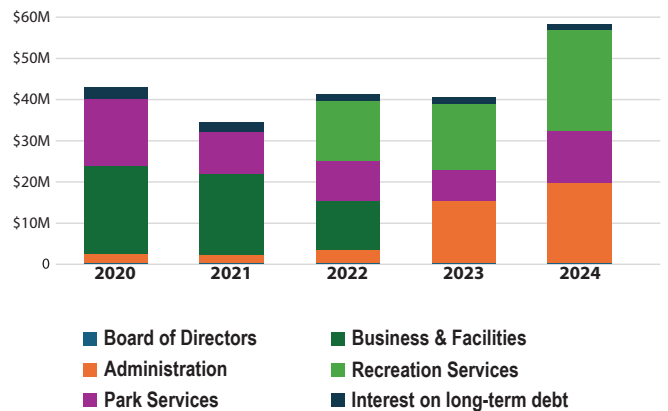
For the fiscal year 2024, total expenses were \$57,608,072 which is a \$17,560,346 increase from the prior year. The largest component at 42% is recreation services expenditures.

We continue to see operating expenses increasing. These increases come from multiple directions including labor market pressures, part-time pay increases, classification and compensation increases for full-time employees, implementing Oregon Paid Leave, implementing Oregon Pay Equity, inflation pressures, and costs associated with maintaining new parks and trails brought into the system without accompanying increases in operational dollars. With this in mind, the board voted unanimously to place a local option levy before district voters at the May 21, 2024 election.

Expenditures by Activity



5 Year Major Expenditure Comparison



Five-year Comparison Major Expenditures

Over the past five years, THPRD has navigated unprecedented challenges that have reshaped our approach to budgeting, spending, and operational planning. The onset of the COVID-19 pandemic in March 2020 marked a significant turning point, forcing us to close all facilities, programs, and outdoor amenities for several months under state mandates. While we initially hoped for a “return to normal,” we recognized that pre-pandemic operations are not feasible for fiscal year 2024 with current funding levels, labor market realities, and shifting public demands. Instead, we focused on adapting to a new normal that reflects today’s fiscal and operational environment.

In response to ongoing financial constraints, THPRD has adopted a more flexible approach to budgeting, with a focus on quarterly adjustments based on actual revenues and expenditures. This agile model allows us to adapt to changing circumstances, but it also requires careful monitoring of spending and proactive planning. Each year, we develop a full budget appropriation while adjusting our spending plans throughout the fiscal year to ensure alignment with real-time financial conditions.

The System Development Charges (SDC) Fund has played a critical role in supporting capital improvements across the district. Recently, residential construction has been strong securing THPRD SDC funds for parks and recreational spaces in urban expansion areas such as North Bethany and South Cooper Mountain. The current five-year SDC Capital Improvement Plan projects available resources of between \$46.7 million and \$64.8 million, with approximately \$16.8 million designated for new projects in FY 2023/24. These investments are essential to maintaining and expanding district infrastructure, though uncertainties in SDC revenue collection may affect project timelines.

Looking ahead, THPRD faces the challenge of ensuring long-term financial sustainability. This time last year we faced a \$16 million budget shortfall. In response, voters approved the local option levy to fill that funding gap. Our focus now is on reducing spending to sustainable levels and building sustainable funding models that support core services without relying on one-time fixes. This long-term approach will guide our financial planning as we continue to navigate fiscal pressures brought on by the pandemic, labor market dynamics, and the costs of maintaining and expanding the district.

Expense by Function	2020	2021	2022	2023	2024
Board of Directors	\$239,325	\$202,902	\$199,592	\$351,088	\$383,356
Administration	\$2,090,232	\$1,894,447	\$3,245,954	\$14,657,122	\$19,068,059
Business and facilities	\$21,184,639	\$19,577,534	\$11,587,219	\$-	\$-
Park services	\$-	\$-	\$9,554,414	\$7,392,144	\$12,642,035
Recreation services	\$16,108,717	\$9,894,243	\$14,368,060	\$16,109,044	\$24,120,718
Interest on long-term debt	\$2,673,373	\$2,243,378	\$1,678,766	\$1,538,328	\$1,393,904
Total governmental activities expenses	\$42,296,286	\$33,812,504	\$40,634,005	\$40,047,726	\$57,608,072

Successes & Challenges

2024 Successes

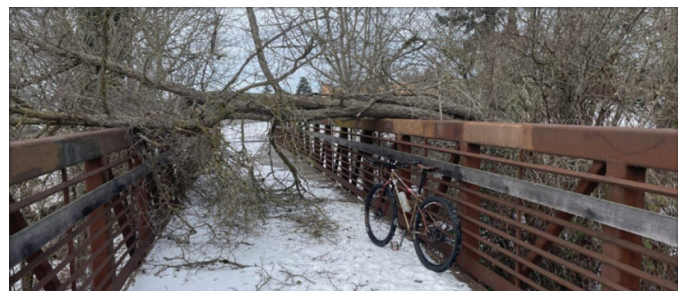
- In 2024, THPRD successfully passed a five-year local option levy to address a significant \$16 million budget shortfall, thanks to the overwhelming support of the community. We greatly appreciate all those who came out to vote, ensuring that THPRD can maintain service levels in parks, programs and facilities.
- As part of THPRD's environmental stewardship efforts, the district successfully completed the installation of its first electric vehicle charging station at the Fanno Creek Service Center. This supports four new electric vehicles within the Maintenance Operations department and expands the reach of the Rec Mobile program. The program continues to grow, reaching underserved communities and participating in community events, supported by two new EV vans from PGE's Drive Change Fund.
- Using funds allocated from the American Rescue Plan Act, THPRD successfully constructed permanent restrooms at three district locations. This improvement provides enhanced amenities for park visitors while reflecting THPRD's commitment to long-term infrastructure investment.
- THPRD's Financial Aid Program reached its goal of 100% utilization in 2024, demonstrating the district's dedication to social equity and accessibility. By breaking down financial barriers, this program continues to ensure more community members have access to THPRD's facilities and programs, fostering inclusivity throughout the district.
- THPRD successfully secured nearly \$947,000 in funding from the Department of Housing and Urban Development to renovate district buildings for use as air-filtered cooling and warming shelters during extreme weather events. These improvements increase THPRD's capacity to support vulnerable community members during emergencies, providing critical resources to underserved populations.



\$947,000 in funding from the Department of Housing and Urban Development

2024 Challenges

- A severe winter storm in fiscal year 2024 caused extensive damage to THPRD's parks, natural areas, and facilities, affecting over 117 parks, 162 natural areas, 70 miles of trails, and numerous sports courts. Staff worked diligently on cleanup and restoration. Notably, the storm impacted key buildings like the Elsie Stuhr Center, Harman Swim Center, and Jenkins Estate's Gatehouse, which require significant restoration work.
- The Elsie Stuhr Center experienced flooding and power outages, requiring extensive repairs to plumbing, flooring, and data lines. The Harman Swim Center lost heating capabilities, and trees fell on its property, blocking access. The Jenkins Estate Gatehouse suffered water damage due to broken pipes, requiring significant restoration.
- The storm left widespread damage across many parks and natural areas, with downed trees causing hazards and damage to fences, playgrounds, and sports courts. Cleanup and restoration efforts were significant, but the tireless efforts of our facilities and maintenance teams ensured we could get back to serving our community as quickly and safely as possible.



Fanno Creek Trail storm

A Look Ahead

THPRD envisions a future where strong financial stewardship ensures the sustainability and growth of parks, natural areas, and community programs. Our commitment to proactive planning and diversifying revenue sources builds a resilient foundation that can weather economic fluctuations and support evolving community needs. Strategic investments will align with community priorities, balancing fiscal responsibility with initiatives that enhance parks and facilities. Equity will guide our financial decisions to ensure resources benefit all, including historically underserved groups.

Looking ahead, preparing for bond and levy renewals will be essential to maintaining and expanding the services that enrich our community. By planning strategically and involving residents in these efforts, we can secure the future funding needed to support the district's mission. Our dedication to transparency, accountability, and continuous improvement will uphold the trust placed in us by the community.

THPRD remains committed to responsible financial practices that create value for all. With gratitude to the community for their continued support, we look forward to serving you and protecting the natural beauty of our shared spaces for generations to come.



Kids at Tualatin Hills Nature Park



Spring Egg Hunt at Mountain View Champions Park



Sweetheart Stroll event at Commonwealth Lake Park



STAY CONNECTED

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texting "join" to 833-340-0174.



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