



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDING JUNE 30, 2021



NCPRD IS A COMPONENT UNIT OF CLACKAMAS COUNTY, OREGON



**NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)**

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

Prepared by:

Clackamas County Department of Business & Community Services and Department of Finance
Michael Bork, Director, North Clackamas Parks and Recreation District
Elizabeth Gomez, Financial Operations Manager, North Clackamas Parks and Recreation District
Elizabeth Comfort, Director of Finance
Christa Bosserman Wolfe, Deputy Director

(This page intentionally left blank)

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)

TABLE OF CONTENTS

	<u>Page</u>
<u>INTRODUCTORY SECTION:</u>	
Letter of Transmittal	i
Certificate of Achievement for Excellence in Financial Reporting	vii
Organization Chart	viii
List of Principal Officials	ix
 <u>FINANCIAL SECTION:</u>	
 REPORT OF INDEPENDENT AUDITORS	 1
 MANAGEMENT'S DISCUSSION AND ANALYSIS	 5
 BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	14
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16
General Fund - Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	17
System Development Charges Zone 1 Fund - Statement of Revenues, Expenditures and Changes In Fund Balance - Budget and Actual	18
Notes to Basic Financial Statements	19
 SUPPLEMENTARY INFORMATION:	
Other Governmental Funds:	
Combining Balance Sheet	31
Combining Statement of Revenues, Expenditures and Changes In Fund Balances	32
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual:	
Nutrition and Transportation Fund	33
System Development Charges Zone 2 Fund	34
System Development Charges Zone 3 Fund	35
Series 2010 Debt Service Fund	36
Major Fund Budgetary Schedules:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Capital Projects Fund	37
Capital Asset Replacement Fund	38

**NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)**

TABLE OF CONTENTS

SUPPLEMENTARY INFORMATION (Continued):

Other Financial Schedule:	
Schedule of Property Tax Transactions	39

STATISTICAL SECTION:

Net Position By Component - Last Ten Fiscal Years	41
Changes in Net Position - Last Ten Fiscal Years	42
Fund Balances, Governmental Funds - Last Ten Fiscal Years	43
Changes in Fund Balances, Governmental Funds - Last Ten Years	44
Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years	46
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	48
Principal Property Tax Payers - June 30, 2021 and Nine Years Ago	49
Property Tax Levies and Collections - Last Ten Fiscal Years	50
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	51
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	52
Direct and Overlapping Governmental Activities Debt - June 30, 2021	53
Legal Debt Margin - Last Ten Fiscal Years	54
Demographic and Economic Statistics - Last Ten Fiscal Years	55
Principal Employers - June 30, 2021 and Nine Years Ago	56
Full-Time Equivalent Employees By Program - Last Ten Fiscal Years	57
Operating Indicators - Last Ten Fiscal Years	58
Operating Indicators - Capital Assets Statistics – Last Ten Fiscal Years	59

REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	61
---	----

REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH OREGON MINIMUM AUDIT STANDARDS	63
--	----

INTRODUCTORY SECTION

(This page intentionally left blank)



NORTH CLACKAMAS

PARKS & RECREATION DISTRICT

Administration

150 Beaver Creek Rd.
Oregon City, OR 97045
503.742.4348 phone 503.742.4349 fax
ncprd.com

December 13, 2021

To the Honorable Chair Tootie Smith, Commissioner Paul Savas, Commissioner Martha Schrader, Commissioner Sonya Fischer, Commissioner Mark Shull, and Citizens of the North Clackamas Parks and Recreation District (NCPRD):

State law requires that every local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ending June 30, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Moss Adams has issued an unmodified opinion on NCPRD'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.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and these should be read in conjunction with each other.

Profile of the Government

NCPRD (the District), created November 21, 1990, is located in the urbanized northwest portion of Clackamas County (the County), one of Oregon's fastest growing regions. As of July 1, 2020, the District includes a large unincorporated area of urban Clackamas County and the City of Milwaukie. It does not include the bordering cities of Happy Valley, Gladstone or Johnson City. Of the District's approximately 105,000 residents, roughly 3/4 live in the unincorporated area and 1/4 live in the City of Milwaukie. The District is bounded on the east by SE 177th Avenue, on the west by the Willamette River, by the Multnomah/Clackamas County boundary to the north, and by the Clackamas River to the south. The District includes key areas of economic activity within the County, including one of the State's largest commercial concentrations at Clackamas Town Center and the Clackamas Promenade shopping center, both thriving retail centers. Another strong area of economic activity is the industrial/commercial corridor along Highway 212/224.

The District is legally authorized to levy a property tax on both real and personal property located within its boundaries. It is also empowered by State statute to extend its boundaries by annexation.

The District was formed as a County Service District under Oregon Revised Statute Chapter 451, and is a component unit of Clackamas County. The five-member Board of County Commissioners serves as the Board of Directors (Board) for the District and the Commissioners are elected on a non-partisan basis. Board members serve four-year terms and the Chair is specifically elected by voters. The Chair and other Board members are elected not by geographic region but at-large.

The Budget Committee is composed of the Commissioners plus five citizen members who reside within the District. The Budget Committee reviews and approves the budget annually. An eleven-member citizen District Advisory Committee (DAC) exists to make recommendations to the Board of Directors and Budget Committee.

The District, a division within the County's Business and Community Services Department, provides a full range of park and recreation services to the community. These services include natural and developed parks; recreational and sports programming; community events; a full-service older adult community center providing social and recreational programs; a full-service indoor aquatic center with multiple pools, water recreation, and instruction programs; and a full-service outdoor sports complex with all-weather turf ball fields.

The Board is required to adopt a budget annually by June 30 for the upcoming fiscal year. Fiscal years run from July 1 through the following June 30. This annual budget serves as the foundation for the District's financial planning and control. The budget is prepared by fund in accordance with Oregon Budget Law.

Local Economic Condition and Outlook

According to the State of Oregon Office of Economic Analysis, the state of the economy overall remains bright. Increased consumer spending, a result of strong household incomes boosted by federal aid during the pandemic, continues to be a driving force and should result in robust job growth in the quarters ahead. The actual number of jobs created this year will be the largest on record in Oregon. The state's labor market is expected to regain all of its lost jobs by summer 2022, one quarter sooner than previously forecasted. The state's unemployment insurance boosted incomes by more than \$11 billion and recovery rebates added nearly \$13 billion. Combined, this represents an almost 11 percent boost to incomes in the state in the past 18 months. More encouragingly, underlying income that excludes the direct federal aid has nearly regained its pre-pandemic trend. Additionally, local financial institutions are seeing a trend in excess household savings accounts beyond what would have been expected absent a pandemic. These are strong indicators of an optimistic forecast, but the strong outlook does not rest on these outcomes. The overall recovery rests on the continued increase in spending out of current income, which is why the delta variant is potentially worrisome. Spending on services remains low, especially as consumers have foregone elective services and delay routine medical and dental appointments. The gap between service spending and pre-pandemic trend remains at 5% as of June 2021, but that gap is slowly closing. On the other hand, sales of physical goods continue to be robust and are holding steady at double-digits above pre-

pandemic trends. Despite this optimistic forecast, negative impacts on supply chains, workplaces, and lowered demand of in-person activities will continue to be a challenge as long as the pandemic remains.¹

If the September 2022 forecast proves accurate, the recovery will be faster, more complete, and more inclusive than the recent experiences coming out of the tech and housing bubbles.

The Workforce and Economic Research Section of the Oregon Employment Department projects that Oregon's total employment will grow by 317,600 jobs between 2020 and 2030. These projections account for recovery from low employment levels in 2020 due to the COVID-19 pandemic and its associated recession. Additionally, many job openings are expected due to the need to replace workers who have left their occupations. The jobs recovery for Oregon is uneven across different areas of the economy. In September, local government fell short of its typical hiring level by 3,700 jobs. Local government continues to struggle to regain jobs since the pandemic recession, only adding back about 26% of the jobs lost in spring 2020. Oregon's leisure and hospitality sector has also struggled to return to pre-pandemic job levels. That industry has regained 62% of the jobs lost in spring 2020, but adding back nearly 111,000 jobs lost last spring remains a challenge, especially during a time of record job openings and employer competition for workers.²

Other industries have fully recovered and expanded beyond their February 2020 job levels. Professional and technical services added 1,200 jobs in September and have 6,000 more jobs in September than they did before the recession. Employment in transportation, warehousing, and utilities surged during 2020, adding 1,000 jobs in September, accumulating 3,900 more jobs than it had before the recession. The financial activities sector, which includes banks, insurance, and real estate, have also regained 99% of the jobs lost in spring 2020.

Clackamas County is similar to the State when looking at its major industries and other economic indicators. Mirroring the State's unemployment rates, the County's unemployment rate decreased to 9.8 percent in September 2021 from a high of 15.9 percent in December 2020.³ Real market value for 2021 in Clackamas County grew 9.6%, continuing a growth trend that started in 2013. The growth rate for 2021 was nearly double the 2020 growth rate of 5% and was the highest year-over-year growth rate since 2017.⁴

NCPRD is directly impacted by the construction industry and housing market with the collection of Parks System Development Charges (PSDCs). While permit activity remains strong, it is not as robust as the past several years. During fiscal year 2020-2021, Clackamas County issued 83 residential and commercial permits for new construction in the unincorporated portion of the District. This is a decrease from 123 permits issued in fiscal year 2019-2020. During the fiscal year 2020-2021, the City of Milwaukie issued 43 commercial and residential permits for new construction, a slight decrease from the 48 collected in fiscal year 2019-2020. Oregon and

¹ <https://www.oregon.gov/das/OEA/Documents/forecast0921.pdf> p. 1-3

² <https://oregonemployment.blogspot.com/>

³ https://ycharts.com/indicators/portland_clackamas_county_or_unemployment_rate

⁴ <https://www.clackamas.us/news/2021-10-20/2021-2022-property-tax-information>

Clackamas County are expected to see continued slow growth in the construction industry in the coming year, coupled with supply chain and employment issues, which will drive costs higher.

As economic and revenue outlooks are never certain, it is important to identify and monitor potential economic threats and risks. The labor market will continue to recover, buoyed by more plentiful and better paying job opportunities. However, the pandemic remains the wildcard in terms of how it affects household decisions regarding health, and any ongoing disruption to everyday lives. Persistent inflation is also a risk. During recent months, inflation has been running hot, reflective of reopening sectors of the economy and shortages in the automobile industry. However, despite these temporary issues, inflation has been persistently higher than its 2% target. If this persistence continues, the Federal Reserve may need to step in and raise interest rates. This could slow economic growth, and possibly lead to a recession.

Despite these risks, economists project Oregon's economy will continue to fare well, and remains in the middle of the pack when it comes to employment, the unemployment rate, and wages. Oregon lags the national average by .6 percentage points, as of July 2021. This is almost entirely due to local trends in education and leisure and hospitality. Oregon's economy is recovering in line with the nation. New business formation is strong since the start of the pandemic, bringing new products and increased efficiencies, and raising overall productivity. Additionally, increased production capacity should also relieve price pressures. Oregon's General Fund is in good shape for the current biennium and an infusion of federal money has helped keep firms' and households' heads above water.⁵

Long-term Financial Planning

In order to preserve a strong financial position, the District Board established a reserve/contingency policy for the District's General Fund. This policy is reviewed annually to ensure it is reflective of the current cash flow projections for the District. This policy has proven to be a prudent financial decision and has allowed the District to avoid borrowing in the early months of each fiscal year to fund operations while awaiting property tax proceeds, the bulk of which are received each November.

The General Fund ending fund balance at June 30, 2020 was \$6.8 million and increased to \$8.4 million at the end of fiscal year 2020-2021. This increase can be largely attributed to a reduction in expenditures, especially in part-time temporary staff due to program and facility closures, as well as funding received from the CARES Act for reimbursement of expenses related to COVID-19.

The District finance team continues to enhance the financial reporting of the District to include a five-year forecast as well as quarterly financial updates. This additional reporting has provided the management team, the District Board, the District Budget Committee, and District residents with insight and knowledge of the District's current and projected fiscal position. This enhanced reporting has enabled District staff to continually assess operations, set priorities, evaluate services and programs, and pursue new ways to deliver services more effectively and efficiently to District residents.

⁵ <https://www.oregon.gov/das/OEA/Documents/forecast0921.pdf> p. 6-7

District staff completed their annual analysis and update of the capital assets inventory, which is used to determine the dollars needed each year for the replacement and repair of the District's aging assets. This analysis and annual update help to ensure that funds are systematically set aside each year to ensure that capital assets are replaced as needed and remain in good repair. The analysis and information have also been incorporated into the District's Five-Year Forecast.

Capital Improvement Plan

Over the past several years, the District has had an ambitious long-term capital improvement plan. Although the District's capital improvement plan has been somewhat curtailed by limited capital funding, the District continues to move forward with the planning of several future Districtwide projects, including Milwaukie Bay Park and Concord Property.

Milwaukie Bay Park

N CPRD staff is working in partnership with the City of Milwaukie to complete the final phase of Milwaukie Bay Park (previously known as Riverfront Park). Contingent on project approvals and funding, the proposed elements in the final phase include a children's play area, event space, interactive fountain, pathways for pedestrians, and alignment of the Trolley Trail connection through the park. N CPRD anticipates design and preconstruction to be completed in 2023 and construction to start in 2024.

Concord Master Plan

The District acquired three former elementary school facilities and grounds in fiscal year 2017-2018 in a strategic partnership with North Clackamas School District, including Concord Elementary School, located on SE Concord near McLoughlin Blvd. The acquisition of the Concord School was a high priority because of its potential uses as a park, community center, and library, as well as the high level of community interest in preservation of the school building. The District, in partnership with the Oak Lodge Library (a BCS division), completed a master plan for the 6-acre Concord Property and began design and engineering. Construction estimates came in significantly higher than available funds, so a re-design of the project is underway to match budgetary ability. Anticipated construction to begin in 2023-24.

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 Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This was the twenty-sixth consecutive year the District received the award. In order to be awarded such a Certificate, the District has to publish an easily readable, efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year. We believe our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the Government Finance Officers Association to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the District and especially the District's Finance Department. We express appreciation to all staff members who assisted and contributed to its preparation. Credit

must also be given to the Board of County Commissioners for their support in maintaining the highest standards of public service in the management of the District and to our citizen members who serve on both the Budget Committee and District Advisory Board.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael Bork". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael Bork
Director
North Clackamas Parks and Recreation District

Elizabeth Gomez

Elizabeth Gomez
Financial Operations Manager
North Clackamas Parks and Recreation District



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**North Clackamas Parks and Recreation District
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

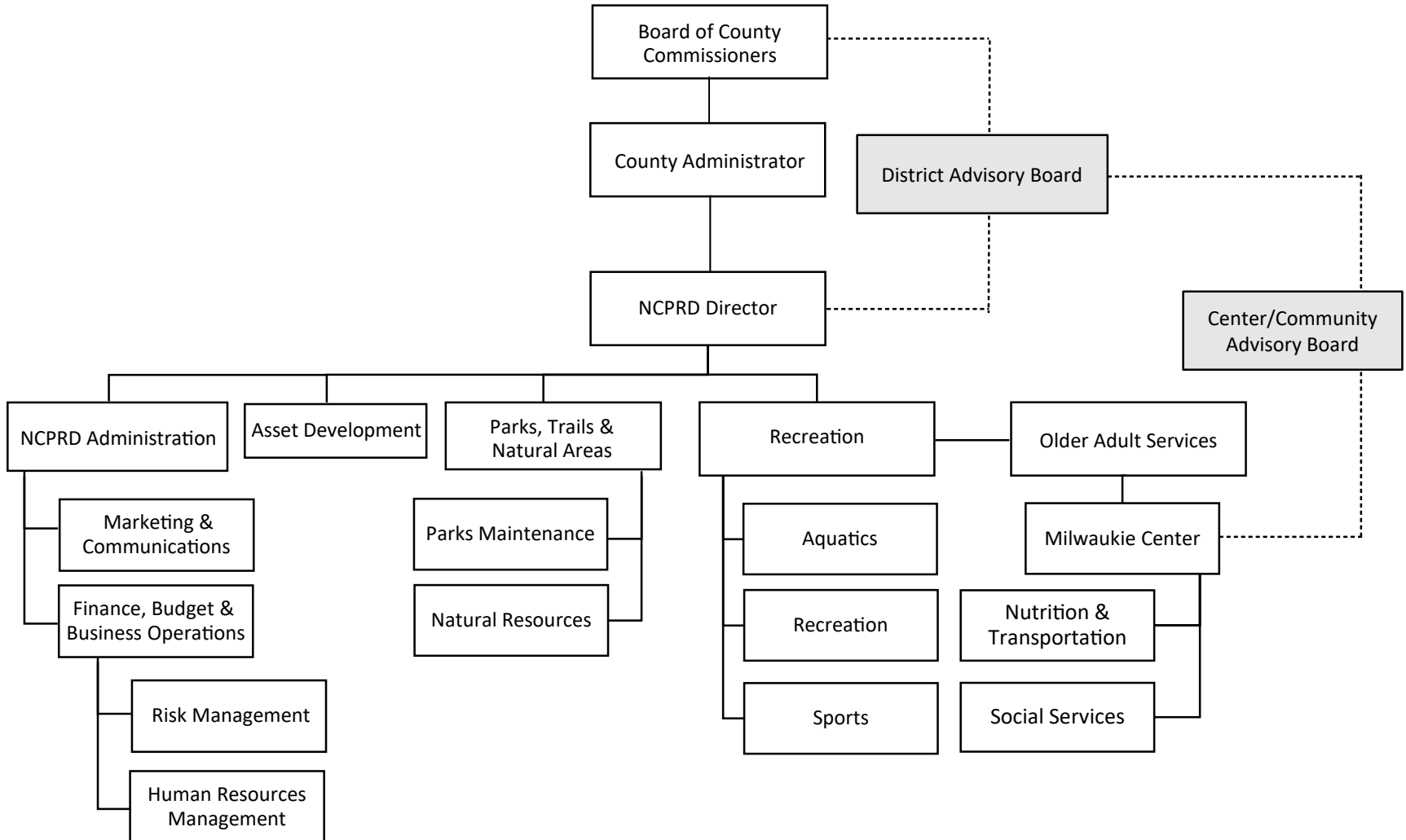
Christopher P. Morill

Executive Director/CEO



North Clackamas Parks and Recreation District

Organization Chart
FY 20-21



NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)

GOVERNING BODY UNDER ORS 451.485
BOARD OF COUNTY COMMISSIONERS
CLACKAMAS COUNTY, OREGON

Public Services Building
2051 Kaen Road
Oregon City, Oregon 97045

COMMISSIONERS AS OF JUNE 30, 2021

<u>Name</u>	<u>Term Expires</u>
Tootie Smith, Chair Public Services Building	December 31, 2024
Sonya Fischer, Commissioner Public Services Building	December 31, 2022
Mark Shull, Commissioner Public Services Building	December 31, 2024
Paul Savas, Commissioner Public Services Building	December 31, 2022
Martha Schrader, Commissioner Public Services Building	December 31, 2024



ADMINISTRATIVE OFFICES

Clackamas County, Oregon
2051 Kaen Road
Oregon City, Oregon 97045

LEGAL COUNSEL

Stephen Madkour
2051 Kaen Road
Oregon City, Oregon 97045

(This page intentionally left blank)

FINANCIAL SECTION

(This page intentionally left blank)

REPORT OF INDEPENDENT AUDITORS

(This page intentionally left blank)



Report of Independent Auditors

Board of County Commissioners of
Clackamas County, Oregon, as Governing Body of
North Clackamas Parks and Recreation District
Oregon City, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the respective budgetary comparisons of the General Fund and System Development Charges Zone 1 Fund of North Clackamas Parks and Recreation District (the District), a component unit of Clackamas County, Oregon, 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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 comparisons for the General Fund and System Development Charges Zone 1 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 management's discussion and analysis 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The supplementary 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 supplementary 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other 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 introductory and statistical sections, each 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.

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 13, 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 the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated December 13, 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.



Ashley Osten, Partner for
Moss Adams, LLP
Portland, Oregon
December 13, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

(This page intentionally left blank)

This discussion and analysis of the North Clackamas Parks and Recreation District's financial performance provides an overview of the financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- Assets of the District exceeded liabilities at the close of the fiscal year by \$54,921,730. Of this amount, \$12,695,963 may be used to meet ongoing obligations.
- Net position increased by \$1,451,109. The increase is due to the decrease in program expenses due to the District shuttering facilities and canceling programs because of the COVID-19 pandemic.
- Governmental funds reported a combined ending fund balance of \$26,521,117, an increase of \$2,518,283 from the prior year. Please see the Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances to Statement of Activities on page 18, which reconciles the increase in fund balances to the increase in net position in detail.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include activities of the North Clackamas Parks and Recreation District (District) using the integrated approach as prescribed by Governmental Accounting Standards Board Statement No. 34.

The government-wide financial statements, including the Statement of Net Position and the Statement of Activities, present the financial picture of the District as a whole from the economic resources measurement focus using the accrual basis of accounting. These statements include all assets of the District (including capital assets) as well as all liabilities (including long-term debt). Current year revenues and expenses are taken into account regardless of when cash is received or paid. Additionally, certain adjustments have occurred to eliminate interfund activity such as payables and receivables.

The Statement of Net Position and the Statement of Activities report district-wide net position and change from the prior year. Net position is the difference between assets and liabilities and represents a measurement of financial health. Over time, increases or decreases in net position indicate whether financial health is improving or deteriorating.

The focus of the Statement of Activities is to match program costs to revenues. To the extent that program costs exceed program-specific revenue, those costs are paid from general District resources. This statement aids the user in determining the extent to which a program is self-supporting or subsidized by general revenues.

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Following the government-wide financial statements are the governmental fund financial statements which are prepared using the current financial resources measurement focus and modified accrual basis of accounting. Major funds are reported individually and the remaining funds are combined. Reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences in the two methods of reporting.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, the net position of the District increased over the prior year. The increase arises from the excess of revenues over expenses in the Statement of Activities and flows to the Statement of Net Position.

Statement of Net Position

A condensed version of the Statement of Net Position for fiscal years ended June 30, 2021 and June 30, 2020 follows:

	2021	2020
Assets:		
Current assets	\$ 28,531,897	\$ 25,787,707
Capital assets	28,193,991	28,709,906
Total assets	56,725,888	54,497,613
Liabilities:		
Current liabilities	1,804,158	1,026,992
Total liabilities	1,804,158	1,026,992
Net position:		
Net investment in capital assets	28,193,991	28,709,906
Restricted for acquisition and development	14,031,776	13,288,728
Unrestricted	12,695,963	11,471,987
Total net position	\$ 54,921,730	\$ 53,470,621

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Total net position from governmental activities increased by \$1,451,109 or 2.7%. Net investment in capital assets decreased by \$515,915 or -1.8%. This decrease can be attributed to the net effect of capital asset additions, deletions and depreciation expenses during the fiscal year. There were no significant capital asset additions during the fiscal year. Focus this year was on project planning. Net position restricted for acquisition and development increased by \$743,048 or 5.6%. These restricted assets are primarily system development charge revenues, which are generated by commercial and residential development activity.

Statement of Activities: The Statement of Activities for fiscal years ended June 30, 2021 and 2020 follows:

	2021	2020
Revenues		
Program revenues:		
Charges for services	\$ 598,171	\$ 1,658,571
Operating grants and contributions	1,424,961	1,399,788
Capital grants and contributions	1,379,654	2,833,282
Total program revenues	3,402,786	5,891,641
General revenues:		
Property taxes	6,466,047	7,839,539
Earnings on investments	177,743	727,519
Miscellaneous	85,635	99,500
Total general revenues	6,729,425	8,666,558
Total revenues	10,132,211	14,558,199
Expenses		
Culture, education and recreation	5,632,975	7,434,393
Health and welfare	3,048,127	2,377,903
Interest on long-term debt	-	49,448
Total expenses	8,681,102	9,861,744
Changes in net position before special item	1,451,109	4,696,455
Special Item		
Settlement agreement	-	(19,282,112)
Changes in net position	1,451,109	(14,585,657)
Net position, beginning of year	53,470,621	68,056,278
Net position, end of year	\$ 54,921,730	\$ 53,470,621

GOVERNMENT-WIDE FINANCIAL ANALYSIS

District program expenditure categories include culture, education and recreation, as well as health and welfare. Culture, education and recreation include all activities in the aquatic, sports and leisure program areas, park planning and maintenance. Health and welfare activities include nutrition, transportation, as well as recreation and education programs for older adults, with the majority of activities taking place at the Milwaukie Center.

District program revenues decreased by \$2,488,855 or -42.2%. The decrease can be attributed to the shutdown of NCPRD programs and facilities in response to the COVID-19 pandemic, beginning March 13, 2020 and continuing through fiscal year 2020-2021.

District general revenues decreased by \$1,937,133 or -22.4%, due in part to the property taxes collected from the residents in the City of Happy Valley in fiscal year 2019-2020. The District did not collect property taxes from the residents within the City of Happy Valley during fiscal year 2020-2021 after the City successfully withdrew from the District. In addition, earnings of investments decreased \$549,776 due to a lower cash balance throughout the fiscal year.

While all programs experienced increases in wages and benefits expenses, overall program expenses decreased by \$1,180,642 or -12%, due in part to the shutdown of District programs and facilities in response to the COVID-19 pandemic. The District continues to put forth a strong effort to provide services in the most cost effective manner possible.

Program-specific expenses exceeded program revenues in 2021 by \$5,278,316 as compared to \$3,970,103 in the prior year. Property taxes collected within the District are used to fund this gap in funding. The change reflects the increase in wages and benefits mentioned above, as well as loss of revenue attributable to the shutdown caused by the COVID-19 pandemic. Additionally, capital expenses and depreciation expenses decreased compared to the prior year.

The District continues to work on a cost analysis methodology called the Cost Recovery Model to better determine the actual operational costs of individual programs. With this detailed information, District staff can strategically decide which programs to subsidize and to what degree those programs will be subsidized with property tax dollars.

FUND ANALYSIS

The primary fund of the District, the General Fund, ended the year with a fund balance of \$8,493,874, an increase of \$1,627,693 from the prior year. All District revenues declined from the previous year due to program cancelations and facility shutdowns due to the COVID-19 pandemic, but expenditures also declined. By keeping expenditures in line with available revenues, the change in fund balance for fiscal year 2021 was similar to the change for fiscal year 2020.

The System Development Charges Fund (Zone 1) ended the year with a fund balance of \$4,933,219, an increase of \$992,533. This increase is due primarily to the growth in construction and system development charge fees collected in these areas.

FUND ANALYSIS (continued)

The Capital Projects Fund ended the year with an ending fund balance of \$4,363,234, a decrease of \$146,531 from the prior year. The decrease is primarily due to continued investments in capital projects.

The Capital Asset Replacement Fund ended the year with a fund balance of \$3,377,147, a decrease of \$35,414 from the prior year. This decrease was primarily due to continued investment in the repair and replacement of the District's capital assets.

General Fund Budgetary Highlights

When comparing the final budget to actual revenues, total actual General Fund revenues are lower than budgeted by \$949,066. This variance is largely due to the fees and charges revenue category, which was \$1,825,456 less than anticipated. NCPRD programs were cancelled and facilities were closed March 13, 2020 in response to the COVID-19 pandemic and remained paused for the majority of fiscal year 2020-2021. Total expenditures (excluding contingency) in the General Fund Programs were under budget by \$3,038,514. This is primarily due to an intentional staff effort to examine and reduce expenditures where possible, as well as the reduction in part-time staff and reduced materials and services costs because of the COVID-19 pandemic. To ensure that we optimize the use of taxpayer dollars while continuing to provide a high level of service to the citizens of the District, management continued a comprehensive review of District operations, capital assets and staffing levels.

CAPITAL ASSETS

As of June 30 of 2021 and 2020, the District had invested \$28,193,991 and \$28,709,906 respectively in capital assets, net of depreciation as reflected in the following table:

	2021	2020
Land	\$ 12,708,765	\$ 12,675,892
Construction in progress	1,477,266	812,143
Buildings	1,662,317	1,841,533
Office equipment	414,459	492,361
Improvements	11,838,139	12,776,634
Vehicles	93,045	111,343
	\$ 28,193,991	\$ 28,709,906

Overall, investment in capital assets decreased \$515,915 during the year. Decreases were realized in *Buildings* and *Vehicles* due to the depreciation expense on current assets. Increases were realized in *Land* and *Construction in Progress* for the purchase of a small piece of land adjacent to the Concord Property and continued planning and design efforts for the Concord Property and Milwaukie Bay Park. Please refer to Notes to Basic Financial Statements - Note 1 for capital asset policy, and Note 5 for a detailed summary of activity.

ECONOMIC FACTORS

Property taxes represent a significant revenue source for the District's governmental funds, 59.9% and 58.1% of total revenues in 2021 and 2020, respectively. This increase in the percentage of property taxes in relation to total revenues is largely attributable to reduction of charges for services. Programs were cancelled and facilities closed during the majority of fiscal year 2020-2021 due to the COVID-19 pandemic. All program areas are dependent upon property taxes; therefore, it is appropriate in this section to discuss the continued effect Measure 50 is having on the District.

The property tax limitation measure approved by voters in May 1997 amended Oregon's constitution to cut local property taxes and limit their growth. Measure 50 rolled back assessed values to 90 percent of 1995-96 levels and established permanent tax rates and limited assessed value growth for individual properties to 3 percent per year with exceptions for new construction, subdivision and rezoning. Certain taxes, such as those to pay bonded debt, were exempted from Measure 50 reductions. The maximum permanent tax rate for the North Clackamas Parks and Recreation District as calculated by the Oregon Department of Revenue is \$.5382 per \$1,000 of assessed value.

The District is also dependent on System Development Charge (SDC) revenue, which is generated through new residential and commercial development throughout the District. These resources are used to fund growth-related capital projects within the District. In fiscal year 2019-2020, SDC revenue was \$2,205,769 and decreased to \$1,379,654 in fiscal year 2020-2021. This decrease is largely due to a decrease of residential and commercial development in Zone 2 and Zone 3. As previously noted, revenue increased in Zone 1, due to increased construction and collection of SDCs in that area. Since SDCs are one of the only revenue sources available to construct new capital assets, staff must monitor and forecast this revenue on a regular basis to ensure projections accurately reflect the economic climate of the County and surrounding Portland Metro area.

FINANCIAL CONTACT

The District's financial statements are designed to present users (residents, taxpayers, customers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, please contact the Financial Operations Manager at 150 Beaver Creek Road, Oregon City, Oregon 97045. The District's telephone number is (503)742-4352. You can also reach us through our web page at www.ncprd.com.

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank)

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
STATEMENT OF NET POSITION
JUNE 30, 2021

	<u>Governmental Activities</u>
ASSETS:	
Cash and investments	\$ 19,258,663
Property taxes receivable	198,677
Accounts receivable	32,648
Grants receivable	29,000
Prepaid expense	10,395
Restricted cash and investments	9,002,514
Capital assets	
Capital assets not being depreciated	14,186,031
Capital assets being depreciated, net	<u>14,007,960</u>
TOTAL ASSETS	<u>56,725,888</u>
LIABILITIES:	
Accounts payable	499,710
Due to Clackamas County	<u>1,304,448</u>
TOTAL LIABILITIES	<u>1,804,158</u>
NET POSITION:	
Net investment in capital assets	28,193,991
Restricted for acquisition and development	14,031,776
Unrestricted	<u>12,695,963</u>
TOTAL NET POSITION	<u><u>\$ 54,921,730</u></u>

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

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Culture, education and recreation	\$ 5,632,975	\$ 418,720	\$ 997,473	\$ 1,379,654	\$ (2,837,128)
Health and welfare	3,048,127	179,451	427,488	-	(2,441,188)
Total	8,681,102	598,171	1,424,961	1,379,654	(5,278,316)
GENERAL REVENUES					
Property taxes levied for general purposes					6,466,047
Earnings on investments					177,743
Miscellaneous					85,635
TOTAL GENERAL REVENUES					6,729,425
CHANGE IN NET POSITION					1,451,109
NET POSITION, July 1, 2020					53,470,621
NET POSITION, June 30, 2021					\$ 54,921,730

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

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Special Revenue	Capital Projects Funds			Total
		Fund	System Development Charges Zone 1 Fund	Capital Projects Fund	Capital Asset Replacement Fund	
ASSETS						
Cash and investments	\$ 10,434,842	\$ -	\$ 4,676,344	\$ 3,380,118	\$ 767,359	19,258,663
Taxes receivable	198,677	-	-	-	-	198,677
Accounts receivable	14,895	17,753	-	-	-	32,648
Grants receivable	29,000	-	-	-	-	29,000
Due from Clackamas County	-	573,398	57,079	1,404	74,877	706,758
Prepaid items	10,395	-	-	-	-	10,395
Restricted cash and investments	-	4,342,068	-	-	4,660,446	9,002,514
TOTAL ASSETS	\$ 10,687,809	\$ 4,933,219	\$ 4,733,423	\$ 3,381,522	\$ 5,502,682	\$ 29,238,655
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable and accrued liabilities	\$ 114,429	\$ -	\$ 370,189	\$ 4,375	\$ 10,717	\$ 499,710
Due to Clackamas County	1,872,884	-	-	-	138,322	2,011,206
TOTAL LIABILITIES	1,987,313	-	370,189	4,375	149,039	2,510,916
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	206,622	-	-	-	-	206,622
TOTAL DEFERRED INFLOWS OF RESOURCES	206,622	-	-	-	-	206,622
FUND BALANCES						
Nonspendable	10,395	-	-	-	-	10,395
Restricted	-	4,933,219	4,363,234	-	4,735,323	14,031,776
Assigned	-	-	-	3,377,147	618,320	3,995,467
Unassigned	8,483,479	-	-	-	-	8,483,479
TOTAL FUND BALANCES	8,493,874	4,933,219	4,363,234	3,377,147	5,353,643	26,521,117
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 10,687,809	\$ 4,933,219	\$ 4,733,423	\$ 3,381,522	\$ 5,502,682	\$ 29,238,655

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

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

TOTAL FUND BALANCE	\$ 26,521,117
Total net position shown in the Statement of Net Position and the Statement of Activities are different because:	
Capital assets are not financial resources for fund reporting purposes and therefore are not reported in the governmental funds.	28,193,991
A portion of the District's receivables are collected after year-end; but they are not collected soon enough to be available as financial resources for the current year. The revenues related to these receivables are deferred and not reported in the governmental funds.	<u>206,622</u>
TOTAL NET POSITION	<u><u>\$ 54,921,730</u></u>

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

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Special Revenue	Capital Projects Funds			Total
		Fund	Capital Projects Funds			
		System Development Charges Zone 1 Fund	Capital Projects Fund	Capital Asset Replacement Fund	Other Governmental Funds	
REVENUES:						
Property taxes	\$ 6,475,391	\$ -	\$ -	\$ -	\$ -	\$ 6,475,391
Licenses and permits	-	1,086,643	-	-	293,011	1,379,654
Interest	60,133	28,468	30,897	22,773	35,472	177,743
Intergovernmental	966,427	19,063	313,051	8,220	517,038	1,823,799
Charges for services	598,171	-	-	-	-	598,171
Interfund services provided	115,095	-	-	-	-	115,095
Donations/Grants	9,150	-	-	-	141,765	150,915
Miscellaneous	77,797	-	-	-	-	77,797
TOTAL REVENUES	8,302,164	1,134,174	343,948	30,993	987,286	10,798,565
EXPENDITURES:						
Current:						
Culture, education and recreation	4,663,437	129,441	-	3,459	6,897	4,803,234
Health and welfare	1,998,616	-	-	-	704,546	2,703,162
Capital outlay	-	-	710,938	62,948	-	773,886
TOTAL EXPENDITURES	6,662,053	129,441	710,938	66,407	711,443	8,280,282
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,640,111	1,004,733	(366,990)	(35,414)	275,843	2,518,283
OTHER FINANCING SOURCES (USES):						
Transfers in	262,393	-	220,459	-	230,000	712,852
Transfers out	(274,811)	(12,200)	-	-	(425,841)	(712,852)
TOTAL OTHER FINANCING SOURCES (USES)	(12,418)	(12,200)	220,459	-	(195,841)	-
NET CHANGE IN FUND BALANCE	1,627,693	992,533	(146,531)	(35,414)	80,002	2,518,283
FUND BALANCE, JUNE 30, 2020	6,866,181	3,940,686	4,509,765	3,412,561	5,273,641	24,002,834
FUND BALANCE, JUNE 30, 2021	\$ 8,493,874	\$ 4,933,219	\$ 4,363,234	\$ 3,377,147	\$ 5,353,643	\$ 26,521,117

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

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

NET CHANGE IN FUND BALANCES		\$ 2,518,283
<p>The change in net position reported in the Statement of Activities is different because:</p> <p>Government funds report capital outlay as expenditures. However, in the Statement of Activities the cost of those assets is capitalized. Their value is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay	732,840	
Depreciation	<u>(1,248,755)</u>	(515,915)
<p>Receivables that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities they are recognized as revenue when levied or earned.</p>		
		<u>(551,259)</u>
CHANGE IN NET POSITION		<u>\$ 1,451,109</u>

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

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Property taxes	\$ 6,248,995	\$ 6,248,995	\$ 6,483,805	\$ 234,810
Fees and charges	2,423,627	2,423,627	598,171	(1,825,456)
Intergovernmental	168,550	198,545	966,427	767,882
Donations	34,000	34,000	9,150	(24,850)
Interest	130,000	130,000	60,133	(69,867)
Miscellaneous	109,382	109,382	77,797	(31,585)
TOTAL REVENUES	9,114,554	9,144,549	8,195,483	(949,066)
EXPENDITURES:				
Current:				
Administration	737,649	737,649	615,557	122,092
Parks maintenance	1,945,889	1,945,889	1,582,286	363,603
Recreation	558,569	558,569	360,774	197,795
Milwaukie Center	818,786	818,786	717,650	101,136
Aquatic Park	2,345,412	2,345,412	1,263,811	1,081,601
Marketing and communications	532,172	532,172	320,318	211,854
Planning and development	719,913	719,913	387,652	332,261
Natural Resources	534,705	564,700	484,179	80,521
Sports	1,476,477	1,476,477	929,826	546,651
Special Payments	1,000	1,000	-	1,000
Contingency	3,500,000	3,500,000	-	3,500,000
TOTAL EXPENDITURES	13,170,572	13,200,567	6,662,053	6,538,514
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,056,018)	(4,056,018)	1,533,430	5,589,448
OTHER FINANCING SOURCES (USES):				
Transfers in	629,025	629,025	377,488	(251,537)
Transfers out	(449,520)	(449,520)	(274,811)	174,709
TOTAL OTHER FINANCING SOURCES (USES)	179,505	179,505	102,677	(76,828)
Reserve for Future Expenditure	1,885,466	1,885,466	-	(1,885,466)
NET CHANGE IN FUND BALANCE	(5,761,979)	(5,761,979)	1,636,107	7,398,086
FUND BALANCE, JUNE 30, 2020	5,761,979	5,761,979	6,828,875	1,066,896
FUND BALANCE, JUNE 30, 2021	\$ -	\$ -	\$ 8,464,982	\$ 8,464,982
ADJUSTMENT TO ACCOUNTING PRINCIPLES				
GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA (U.S. GAAP BASIS):				
Property taxes susceptible to accrual recognized as revenue on the U.S. GAAP basis			\$ 28,892	
FUND BALANCE (U.S. GAAP BASIS) - June 30, 2021			\$ 8,493,874	
Revenue/Other Financing Sources reconciliation:				
Revenues, budgetary basis			\$ 8,195,483	
Property tax accrual adjustment (U.S. GAAP basis)			(8,414)	
Interfund services provided (U.S. GAAP Basis)			115,095	
Revenues (U.S. GAAP Basis)			\$ 8,302,164	
Other financing sources (uses), budgetary basis			\$ 102,677	
Interfund services provided			(115,095)	
Other financing sources (uses) (U.S. GAAP Basis)			\$ (12,418)	

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

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
SYSTEM DEVELOPMENT CHARGES ZONE 1 FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 179,718	\$ 179,718	\$ 1,086,643	\$ 906,925
Intergovernmental	20,000	20,000	19,063	(937)
Interest	41,650	41,650	28,468	(13,182)
TOTAL REVENUES	241,368	241,368	1,134,174	892,806
EXPENDITURES:				
Current:				
Materials and services	20,000	40,000	19,063	20,937
Capital outlay	1,219,397	1,199,397	-	1,199,397
TOTAL EXPENDITURES	1,239,397	1,239,397	19,063	1,220,334
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(998,029)	(998,029)	1,115,111	2,113,140
OTHER FINANCING (USES):				
Transfers out	(1,108,872)	(1,108,872)	(122,578)	986,294
NET CHANGE IN FUND BALANCE	(2,106,901)	(2,106,901)	992,533	3,099,434
FUND BALANCE, JUNE 30, 2020	2,106,901	2,106,901	3,940,686	1,833,785
FUND BALANCE, JUNE 30, 2021	\$ -	\$ -	\$ 4,933,219	\$ 4,933,219

Expenditures/Other Financing Uses reconciliation:

Expenditures, budgetary basis	\$ 19,063
Interfund services (U.S. GAAP Basis)	110,378
Expenditures (U.S. GAAP Basis)	<u>\$ 129,441</u>
Other financing uses, budgetary basis	\$ (122,578)
Interfund services	110,378
Other financing uses (U.S. GAAP Basis)	<u>\$ (12,200)</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

(This page intentionally left blank)

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District

The North Clackamas Parks and Recreation District (the District), a blended component unit of Clackamas County, Oregon, (the County), was formed under the provisions of Oregon Revised Statutes Chapter 451, "County Service Facilities". The District has evaluated potential component units and determined there are no component units. As provided by ORS 451.485, the Clackamas County Board of Commissioners (the Board) is the governing body of the District. The District provides a full range of park and recreation services to the community. These services include natural and developed park areas; recreational programs and activities; a full-service senior center providing social and recreational programs; a full-service aquatic center with multiple pools, water recreation, instruction programs, and a full-service sports complex with world-class ball fields with all-weather turf and a walking path. Personnel of the Clackamas County Finance Department provide partial assistance to Business and Community Services staff, which is responsible for District fiscal and accounting functions. Since the County is financially accountable for and significantly influences the operations of the District, the District is included in the financial statements of the County.

Basis of Presentation, Measurement Focus, and Basis of Accounting

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District, including all of its financial activities. The effect of interfund activities has been removed from these statements. Governmental activities are financed primarily through property taxes and charges for services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of the District's programs. Direct expenses are those that are specifically associated with a program and, therefore, are clearly identifiable to that program. The District partially allocates indirect expenses. Program revenues include (a) fees and charges paid for services, (b) operating grants and contributions and (c) capital grants and contributions. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

Net position is reported as restricted when constraints placed on them are either externally restricted, imposed by creditors (such as through debt covenants, grantors, contributors, or laws), or are imposed through constitutional provisions or enabling legislation.

Fund Financial Statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining funds are aggregated and reported as other governmental funds.

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation, Measurement Focus, and Basis of Accounting (Continued)

Fund Financial Statements (Continued)

The District reports the following major funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources, except those accounted for in another fund.

The System Development Charges Zone 1 Fund is a special revenue fund, accounting for the system development fees on new residential and commercial development in Zone 1 of the District. The fund's resources are transferred to the Capital Projects Fund on a reimbursement basis for construction of specific capital projects in Zone 1's boundaries.

The Capital Projects Fund accounts for expenditures funded primarily by the issuance of long-term debt, system development charges, and grant revenue designated for the construction of specific capital projects. The District deems the Fund is important enough to be reported as major for qualitative reasons.

The Capital Asset Replacement Fund accounts for expenditures primarily funded by transfers from other funds for the repair and replacement of capital assets.

The District reports the following fund types:

General Fund: Main operating fund used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds: Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Funds: Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Debt Service Funds: Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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 the taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Under terms of grant agreements, the District funds certain programs by a combination of restricted resources (i.e. specific cost-reimbursement grants) and unrestricted resources (i.e. general revenues). Thus, when program expenses are incurred, there are both restricted and unrestricted

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation, Measurement Focus, and Basis of Accounting (Continued)

net position available to finance the program. It is the District's policy to first apply restricted resources to such programs and then unrestricted resources.

Governmental fund financial statements are reported using the current financial resources measurement focus and 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 in the current period or soon enough to pay the liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual. Capital asset acquisitions are reported as expenditures. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are only recorded when payment is due.

Fund Balances

In the financial statements, assets and deferred outflows of resources in excess of liabilities and deferred inflows of resources are presented as either fund balances or net position, depending on the measurement focus used for financial reporting in the fund.

Governmental funds report assets in excess of liabilities as fund balances and will be reported in the classifications that comprise a hierarchy based on the extent that the District is bound to honor those constraints on the specific purposes for which amounts in those funds can be spent.

Fund balance is reported as *Non-spendable* when the resources cannot ever be spent, whether due to legal restrictions (such as a permanent fund) or items not spendable in form such as prepaid expenses, inventory balances or interfund loans/receivables.

Fund balance is reported as *Restricted* when the resources have externally enforceable legal restrictions, representing a spending constraint such as grants or contracts, fines and forfeitures, lender requirements, or laws and regulations of other governments.

Fund balance is reported as *Committed* when the Board of County Commissioners passes a resolution, the formal action of the District's highest decision-making level of authority, to establish a specific spending constraint on how the resources may be used. The Board can also modify or rescind the resolution through the passage of another formal resolution.

It is the policy of the Board of County Commissioners to report as *Assigned* fund balance any unrestricted or uncommitted resources that are constrained by the government's intent to use them for a specific purpose. Intent may be expressed by the Board of County Commissioners, or officials the Board has delegated authority to, such as the County Administrator and Finance Director.

Fund balance is reported as *Unassigned* for the General Fund when resources are not otherwise reported as non-spendable, restricted, committed, or assigned. This classification is also used to report any negative fund balance amounts in other governmental funds.

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances (Continued)

The Board of County Commissioners has adopted Resolution No. 2019-67 approving the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted resources are available for the specific purpose for which it is restricted.

When unrestricted fund balance is spent, the District will consider that committed amounts will be reduced first, followed by assigned amounts, and lastly, unassigned fund balance.

Fund balances by classification for the year ended June 30, 2021 were as follows:

	General Fund	System Development Charges Zone 1 Fund	Capital Projects Fund	Capital Asset Replacement Fund	Other Governmental Fund	Total
Nonspendable:						
Prepays	\$ 10,395	\$ -	\$ -	\$ -	\$ -	\$ 10,395
Restricted for:						
Acquisition and development	-	4,933,219	4,363,234	-	4,735,323	14,031,776
Assigned to:						
Health and welfare	-	-	-	-	618,320	618,320
Acquisition and development	-	-	-	3,377,147	-	3,377,147
Unassigned:	8,483,479	-	-	-	-	8,483,479
Total fund balances	<u>\$ 8,493,874</u>	<u>\$ 4,933,219</u>	<u>\$ 4,363,234</u>	<u>\$ 3,377,147</u>	<u>\$ 5,353,643</u>	<u>\$ 26,521,117</u>

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Cash and Investments

ORS 294.035 authorizes the District to invest in general obligations of the United States and its agencies, debt obligations of the state of Oregon, California, Idaho, and Washington and their political subdivisions, banker's acceptances, corporate indebtedness, commercial paper, repurchase agreements, time certificates of deposit, fixed or variable life insurance contracts, and the State Treasurer's Local Government Investment Pool (LGIP). Cash and investments comprise funds held and invested by the County Treasurer and the LGIP. Authority to manage the investment program is granted to the publicly elected County Treasurer, and the District may not engage in an investment transaction without approval of the Treasurer. All bank deposits shall be held in qualified Oregon depositories in accordance with ORS Chapter 295. Financial information required by Governmental Accounting Standards Board Statements (GASB) No. 3, No. 31, No. 40, and No. 72 regarding the accounting and financial reporting for the District's pooled cash and investments, held by the County Treasurer, has been disclosed in the County's Annual Comprehensive Financial Report for the year ended June 30, 2021.

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes Receivable

Real and personal property taxes are assessed and become a lien against the property as of July 1 each year, and are payable in three installments on November 15, February 15, and May 15.

Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 15 are considered delinquent. All property taxes receivable are due from property owners within the District.

Accounts Receivable

Accounts receivable consists of charges for services and outstanding system development charges generated from new residential and commercial development throughout the District. All accounts receivable are shown net of an allowance for uncollectible accounts. As of June 30, 2021, the District believes all accounts receivable are fully collectible and an allowance for uncollectible accounts is not warranted.

Deferred Outflows/Inflows of Resources

In addition to assets, the balance sheet reports a separate section for *deferred outflows of resources*, which represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the balance sheet reports a separate section for *deferred inflows of resources*, which represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The recorded balance is a portion of the District's revenue that is collected after year-end and meets the recognition in future periods requirement of deferred inflows of resources.

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The District defines capital assets as assets with an initial cost of \$5,000 and an estimated life in excess of one year. Interest incurred during construction is not capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives: buildings - 10 to 20 years, office equipment - 5 to 6 years, park equipment - 10 years, vehicles - 5 to 10 years, improvements - 10 to 50 years.

Pension Plan

The District's personnel are employees of the County. A substantial amount of County employees are participants in the Oregon Public Employees Retirement Fund (OPERF), a state-wide agent multiple-employer defined benefit pension plan administered by the Oregon Public Employees Retirement System. Contributions to OPERF are made on a current basis as required by the plan and are charged to expenditures. The District is paying for contracted services from the County that includes the amount to cover employee benefits. Since District personnel are employees of the County, the District has no obligation for related personnel expense accruals not currently reimbursed through the contracted rate.

**NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY [BUDGET]

A budget is prepared and legally adopted for all funds on the modified accrual basis of accounting, except for property taxes in the General Fund which are budgeted on the cash basis. The budget is adopted by the Board, appropriations made and the tax levy is declared no later than June 30. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations – Administration, Parks Maintenance, Recreation, Sports, Milwaukie Center, Aquatic Park, Marketing & Communication, Planning, Natural Resources, special payments, transfers to other funds, and contingency. The Nutrition and Transportation Fund has appropriations made at the program level – Nutrition, Transportation, special payments, transfers to other funds, and contingency. The other funds have appropriations made at the principal object level - materials and services (including contractual payments), special payments, capital outlay, debt service, operating contingency and operating transfers - are the levels of control established by the resolution. The detail budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories. The budget is adopted on a modified accrual basis with the exception of the following:

- Property taxes susceptible to accrual are recognized on a cash basis.
- Interfund services provided are recorded as transfers in and out rather than revenues and expenditures.

Management may make transfers of appropriations within object levels, however transfers of appropriations between object levels require the approval of the Board. Unexpected additional resources may be added to the budget through the use of a supplemental budget. The Board at a regular Board meeting may adopt supplemental budgets less than 10% of the fund's original budget. A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between object levels and require approval by the Board. The Board adopted two supplemental budgets during the year for less than 10% of the fund's original budget. Appropriations lapse as of fiscal year-end.

3. CASH AND INVESTMENTS

Cash and investments are comprised of the following:

Petty cash/change fund	\$ 3,560
Cash and cash equivalents with the County Treasurer	223,164
State of Oregon Treasurer's Local Government Investment Pool	<u>28,034,453</u>
	<u>\$28,261,177</u>

Cash and cash equivalents with the County Treasurer represent the District's equity in pooled accounts maintained by the County Treasurer. Investments with a remaining maturity of more than one year, at the time of purchase, are stated at fair value, which approximates cost.

Various inputs are used in determining the fair value of investments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial statement purposes as follows:

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

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

3. CASH AND INVESTMENTS (CONTINUED)

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

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

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

The categorization of a value determined for investments is based on the pricing transparency of the investments and is not necessarily an indication of the risks associated with investing in those securities.

State statutes authorize the District to invest in general obligations of the U.S. Government and in its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements and bankers' acceptances, among others. Reference should be made to the June 30, 2021 Annual Comprehensive Financial Report of Clackamas County for compliance with these statutes.

Investments in the LGIP are stated at fair value, which approximates cost. The Oregon State Treasury administers the LGIP. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local government in Oregon, the Oregon Legislature established the Oregon Short-Term Fund Board, which is not registered with the U.S. Securities and Exchange Commission as an investment company. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP. The Oregon Short-Term Fund financial statements and its portfolio rules can be obtained at www.ost.state.or.us. The LGIP is not rated by any national rating service. The LGIP is stated at fair value, which approximates cost. Fair value is the same as the District's value in the pool shares.

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2021, are as follows:

	General Fund	System Development Charges Zone 1 Fund	Total
Accounts receivable			
Charges for services	\$ 14,895	\$ 17,753	\$ 32,648
Less: allowance for uncollectibles	-	-	-
Net total accounts receivable	<u>\$ 14,895</u>	<u>\$ 17,753</u>	<u>\$ 32,648</u>

5. CAPITAL ASSETS

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

	Balance June 30, 2020	Increases	Balance June 30, 2021
Capital assets not being depreciated:			
Land	\$ 12,675,892	\$ 32,873	\$ 12,708,765
Construction in progress	812,143	665,123	1,477,266
Total capital assets not being depreciated	<u>13,488,035</u>	<u>697,996</u>	<u>14,186,031</u>
Capital assets being depreciated:			
Buildings	13,078,455	-	13,078,455
Office equipment	1,269,824	-	1,269,824
Improvements	19,828,143	34,844	19,862,987
Vehicles	643,354	-	643,354
Total capital assets being depreciated	<u>34,819,776</u>	<u>34,844</u>	<u>34,854,620</u>
Less accumulated depreciation for:			
Buildings	(11,236,922)	(179,216)	(11,416,138)
Office equipment	(777,463)	(77,902)	(855,365)
Improvements	(7,051,509)	(973,339)	(8,024,848)
Vehicles	(532,011)	(18,298)	(550,309)
Total accumulated depreciation	<u>(19,597,905)</u>	<u>(1,248,755)</u>	<u>(20,846,660)</u>
Total capital assets being depreciated, net	<u>15,221,871</u>	<u>(1,213,911)</u>	<u>14,007,960</u>
Total capital assets, net	<u>\$ 28,709,906</u>	<u>\$ (515,915)</u>	<u>\$ 28,193,991</u>

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

5. CAPITAL ASSETS (Continued)

Depreciation expense was charged as follows:

Culture and recreation	\$	874,129
Health and welfare		374,626
		<u>1,248,755</u>

6. TRANSFERS TO/FROM OTHER FUNDS

Transfers to/from other funds for the year ended June 30, 2021, consisted of the following:

	General Fund	Capital Projects Fund	Other Governmental Funds	Total
Transfers from:				
General Fund	\$ -	\$ 44,811	\$ 230,000	\$ 274,811
System Development Charges Zone 1	-	12,200	-	12,200
Other Governmental Funds	262,393	163,448	-	425,841
Total	<u>\$ 262,393</u>	<u>\$ 220,459</u>	<u>\$ 230,000</u>	<u>\$ 712,852</u>

8. RISK MANAGEMENT

The District is exposed to various risks of loss related to errors and omissions; automobile; damage to and destruction of assets; and bodily injury for which the District participates in the County's self-insurance program. The District makes payments to the County's self-insurance internal service funds based on historical cost information estimates of the amounts needed to pay prior year and current year claims, claim reserves, premiums, and administrative costs of the program.

All personnel of the District are employees of the County, and the County bears all risk of loss. The County is fully self-insured for unemployment benefits and short-term disability benefits. The County is also partially self-insured for dental benefits, workers' compensation, and general liability claims. General liability claims are limited by state statute to \$500,000 per occurrence. The County carries coverage in excess of \$1,000,000 with an outside insurer for workers' compensation claims. There have been no significant reductions in insurance coverage from the prior year for any category of risk and settled claims have not reached the level of commercial coverage in any of the past three fiscal years.

**NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

9. TAX ABATEMENTS

The District has entered into no tax abatement programs. There is one tax abatement program entered into by another government reducing the District's property tax revenues for the year ended June 30, 2021.

Enterprise Zone:

The Oregon Enterprise-Zone program is a State of Oregon economic development program established under ORS section 285C.175, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor. The County is the local sponsor for the E-Zone program.

The E-Zone allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated during the Fiscal Year 2021</u>
Enterprise Zone	\$ <u>16,038</u>

10. GROUND LEASE

The District entered into a ground lease agreement as the lessor, with a lessee in July 2003. As part of the agreement, the lessee dedicated thirty-one acres (31) of land adjacent to Eagle Landing to NCPRD. NCPRD leased back fifteen (15) acres for the development and operation of a par three golf course, club house and park. The lessee is responsible for all costs and expenses associated with the operation and maintenance of the Premises and the Improvements. The term of the leased land is twenty-five (25) years with options to extend the lease for three (3) periods of five (5) years each. Annual rent is one dollar (\$1.00) for the initial term of the lease. The title to all improvements will remain with the lessee until the expiration of the Term, unless the lease is terminated sooner. Upon expiration, title to the improvements automatically pass and belong to the District.

11. RELATED-PARTY TRANSACTIONS

Labor and fringe benefit costs, administrative expenses for accounting, risk management, human resource management, technology services, public and government affairs, records management and other professional services totaling \$6,416,382 were paid to various County departments. At June 30, 2021, the District owed the County \$1,304,448 for such services. Internal County departments allocate their expenses to all County departments including the District. Labor and fringe benefit costs for the District are based on actual costs and all other administrative costs are based on historical actual costs and allocated based on an activity-based costing methodology.

**NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021**

12. COMMITMENTS AND CONTINGENCIES

The District has commitments under various contracts for approximately \$3,818,780 at June 30, 2021.

(This page intentionally left blank)

SUPPLEMENTARY INFORMATION

(This page intentionally left blank)

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds			Total
	Nutrition and Transportation Fund	System Development Charges Zone 2 Fund	System Development Charges Zone 3 Fund	
ASSETS				
Cash and investments	\$ 767,359	\$ -	\$ -	\$ 767,359
Due from Clackamas County	-	32,673	42,204	74,877
Restricted cash and investments	-	2,303,200	2,357,246	4,660,446
TOTAL ASSETS	\$ 767,359	\$ 2,335,873	\$ 2,399,450	\$ 5,502,682
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued liabilities	\$ 10,717	\$ -	\$ -	\$ 10,717
Due to Clackamas County	138,322	-	-	138,322
TOTAL LIABILITIES	149,039	-	-	149,039
FUND BALANCES				
Restricted	-	2,335,873	2,399,450	4,735,323
Assigned	618,320	-	-	618,320
TOTAL FUND BALANCES	618,320	2,335,873	2,399,450	5,353,643
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 767,359	\$ 2,335,873	\$ 2,399,450	\$ 5,502,682

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds			Debt Service Fund	Total
	Nutrition and Transportation Fund	System Development Charges Zone 2 Fund	System Development Charges Zone 3 Fund	Series 2010 Debt Service Fund	
REVENUES:					
Licenses and permits	\$ -	\$ 231,418	\$ 61,593	\$ -	\$ 293,011
Interest	4,679	15,162	15,631	-	35,472
Intergovernmental	511,058	4,723	1,257	-	517,038
Donations/Grants	141,765	-	-	-	141,765
TOTAL REVENUES	<u>657,502</u>	<u>251,303</u>	<u>78,481</u>	<u>-</u>	<u>987,286</u>
EXPENDITURES:					
Current:					
Culture, education and recreation	-	5,419	1,478	-	6,897
Health and welfare	704,546	-	-	-	704,546
TOTAL EXPENDITURES	<u>704,546</u>	<u>5,419</u>	<u>1,478</u>	<u>-</u>	<u>711,443</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(47,044)</u>	<u>245,884</u>	<u>77,003</u>	<u>-</u>	<u>275,843</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	230,000	-	-	-	230,000
Transfers out	-	(163,166)	(282)	(262,393)	(425,841)
TOTAL OTHER FINANCING SOURCES (USES)	<u>230,000</u>	<u>(163,166)</u>	<u>(282)</u>	<u>(262,393)</u>	<u>(195,841)</u>
NET CHANGE IN FUND BALANCE	182,956	82,718	76,721	(262,393)	80,002
FUND BALANCE, JUNE 30, 2020	<u>435,364</u>	<u>2,253,155</u>	<u>2,322,729</u>	<u>262,393</u>	<u>5,273,641</u>
FUND BALANCE, JUNE 30, 2021	<u>\$ 618,320</u>	<u>\$ 2,335,873</u>	<u>\$ 2,399,450</u>	<u>\$ -</u>	<u>\$ 5,353,643</u>

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NUTRITION AND TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 23,500	\$ 23,500	\$ -	\$ (23,500)
Intergovernmental	321,600	366,253	511,058	144,805
Interest	4,000	4,000	4,679	679
Donations	141,000	141,000	141,765	765
TOTAL REVENUES	490,100	534,753	657,502	122,749
EXPENDITURES:				
Current:				
Health and welfare				
Nutrition Division	624,747	669,400	626,999	42,401
Transportation Division	189,283	189,283	73,747	115,536
Special payments	1,000	1,000	-	1,000
Contingency	104,949	104,949	-	104,949
TOTAL EXPENDITURES	919,979	964,632	700,746	263,886
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(429,879)	(429,879)	(43,244)	386,635
OTHER FINANCING SOURCES (USES):				
Transfers in	230,000	230,000	230,000	-
Transfers out	(3,800)	(3,800)	(3,800)	-
TOTAL OTHER FINANCING SOURCES (USES)	226,200	226,200	226,200	-
NET CHANGE IN FUND BALANCE	(203,679)	(203,679)	182,956	386,635
FUND BALANCE, JUNE 30, 2020	203,679	203,679	435,364	231,685
FUND BALANCE, JUNE 30, 2021	\$ -	\$ -	\$ 618,320	\$ 618,320

Expenditures/Other Financing Uses reconciliation:

Expenditures, budgetary basis	\$ 700,746
Interfund services (U.S. GAAP Basis)	3,800
Expenditures (U.S. GAAP Basis)	<u>\$ 704,546</u>
Other financing uses, budgetary basis	\$ (3,800)
Interfund services	3,800
Other financing uses (U.S. GAAP Basis)	<u>\$ -</u>

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
SYSTEM DEVELOPMENT CHARGES ZONE 2 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 343,441	\$ 343,441	\$ 231,418	\$ (112,023)
Intergovernmental	20,000	20,000	4,723	(15,277)
Interest	42,000	42,000	15,162	(26,838)
TOTAL REVENUES	405,441	405,441	251,303	(154,138)
EXPENDITURES:				
Current:				
Materials and services	20,000	20,000	4,723	15,277
Capital outlay	2,224,242	2,224,242	-	2,224,242
TOTAL EXPENDITURES	2,244,242	2,244,242	4,723	2,239,519
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,838,801)	(1,838,801)	246,580	2,085,381
OTHER FINANCING (USES):				
Transfers out	(272,288)	(272,288)	(163,862)	108,426
NET CHANGE IN FUND BALANCE	(2,111,089)	(2,111,089)	82,718	2,193,807
FUND BALANCE, JUNE 30, 2020	2,111,089	2,111,089	2,253,155	142,066
FUND BALANCE, JUNE 30, 2021	\$ -	\$ -	\$ 2,335,873	\$ 2,335,873

Expenditures/Other Financing Uses reconciliation:

Expenditures, budgetary basis	\$ 4,723
Interfund services (U.S. GAAP Basis)	696
Expenditures (U.S. GAAP Basis)	<u>\$ 5,419</u>
Other financing uses, budgetary basis	\$ (163,862)
Interfund services	696
Other financing uses (U.S. GAAP Basis)	<u>\$ (163,166)</u>

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
SYSTEM DEVELOPMENT CHARGES ZONE 3 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 121,200	\$ 121,200	\$ 61,593	\$ (59,607)
Intergovernmental	20,000	20,000	1,257	(18,743)
Interest	45,800	45,800	15,631	(30,169)
TOTAL REVENUES	<u>187,000</u>	<u>187,000</u>	<u>78,481</u>	<u>(108,519)</u>
EXPENDITURES:				
Current:				
Materials and services	20,000	20,000	1,257	18,743
Capital outlay	2,381,679	2,381,679	-	2,381,679
TOTAL EXPENDITURES	<u>2,401,679</u>	<u>2,401,679</u>	<u>1,257</u>	<u>2,400,422</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,214,679)	(2,214,679)	77,224	2,291,903
OTHER FINANCING (USES):				
Transfers out	(90,420)	(90,420)	(503)	89,917
NET CHANGE IN FUND BALANCE	(2,305,099)	(2,305,099)	76,721	2,381,820
FUND BALANCE, JUNE 30, 2020	<u>2,305,099</u>	<u>2,305,099</u>	<u>2,322,729</u>	<u>17,630</u>
FUND BALANCE, JUNE 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,399,450</u>	<u>\$ 2,399,450</u>

Expenditures/Other Financing Uses reconciliation:

Expenditures, budgetary basis	\$ 1,257
Interfund services (U.S. GAAP Basis)	221
Expenditures (U.S. GAAP Basis)	<u>\$ 1,478</u>
Other financing uses, budgetary basis	\$ (503)
Interfund services	221
Other financing uses (U.S. GAAP Basis)	<u>\$ (282)</u>

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
SERIES 2010 DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget
	Original	Final		
OTHER FINANCING USE:				
Transfers out	\$ (312,125)	\$ (312,125)	\$ (262,393)	\$ 49,732
NET CHANGE IN FUND BALANCE	(312,125)	(312,125)	(262,393)	49,732
FUND BALANCE, JUNE 30, 2020	312,125	312,125	262,393	(49,732)
FUND BALANCE, JUNE 30, 2021	\$ -	\$ -	\$ -	\$ -

MAJOR CAPITAL PROJECTS FUNDS

(This page intentionally left blank)

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 64,000	\$ 64,000	\$ 313,051	\$ 249,051
Interest	-	-	30,897	30,897
TOTAL REVENUES	<u>64,000</u>	<u>64,000</u>	<u>343,948</u>	<u>279,948</u>
EXPENDITURES:				
Capital outlay	<u>5,667,457</u>	<u>5,667,457</u>	<u>710,938</u>	<u>4,956,519</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,603,457)	(5,603,457)	(366,990)	5,236,467
OTHER FINANCING SOURCES:				
Transfers in	<u>1,378,000</u>	<u>1,378,000</u>	<u>220,459</u>	<u>(1,157,541)</u>
NET CHANGE IN FUND BALANCE	(4,225,457)	(4,225,457)	(146,531)	4,078,926
FUND BALANCE, JUNE 30, 2020	<u>4,225,457</u>	<u>4,225,457</u>	<u>4,509,765</u>	<u>284,308</u>
FUND BALANCE, JUNE 30, 2021	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,363,234</u></u>	<u><u>\$ 4,363,234</u></u>

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
CAPITAL ASSET REPLACEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 8,220	\$ 8,220
Interest	45,000	45,000	22,773	(22,227)
TOTAL REVENUES	<u>45,000</u>	<u>45,000</u>	<u>30,993</u>	<u>(14,007)</u>
EXPENDITURES:				
Current:				
Materials and services	250,000	250,000	3,459	246,541
Special payments	1,000	1,000	-	1,000
Capital outlay	3,031,571	3,031,571	62,948	2,968,623
TOTAL EXPENDITURES	<u>3,282,571</u>	<u>3,282,571</u>	<u>66,407</u>	<u>3,216,164</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,237,571)</u>	<u>(3,237,571)</u>	<u>(35,414)</u>	<u>3,202,157</u>
NET CHANGE IN FUND BALANCE	(3,237,571)	(3,237,571)	(35,414)	3,202,157
FUND BALANCE, JUNE 30, 2020	<u>3,237,571</u>	<u>3,237,571</u>	<u>3,412,561</u>	<u>174,990</u>
FUND BALANCE, JUNE 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,377,147</u>	<u>\$ 3,377,147</u>

OTHER FINANCIAL SCHEDULE

(This page intentionally left blank)

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
 SCHEDULE OF PROPERTY TAX TRANSACTIONS
 YEAR ENDED JUNE 30, 2021

Tax Year	Uncollected June 30, 2020	Levy as Extended by Assessor	Discounts Allowed	Interest	Adjustments	Collections	Uncollected June 30, 2021
2020-21		6,640,657	5	2,656	(185,192)	(6,357,339)	100,787
2019-20	128,855		4	5,497	(5,861)	(71,025)	57,470
2018-19	37,218		3	3,823	(1,866)	(22,204)	16,974
2017-18	26,099		-	5,074	(1,408)	(21,078)	8,687
2016-17	10,212		-	2,792	(91)	(10,004)	2,909
2015-16	2,939		-	429	(84)	(1,207)	2,077
2014-2015 and prior	11,111		-	(283)	(107)	(948)	9,773
	\$ 216,434	\$ 6,640,657	\$ 12	\$ 19,988	\$ (194,609)	\$ (6,483,805)	\$ 198,677

(This page intentionally left blank)

STATISTICAL INFORMATION

(This page intentionally left blank)

Statistical Section

This part of the District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
<i>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.	41-44
<i>Revenue Capacity</i>	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	46-50
<i>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.	51-54
<i>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.	55-56
<i>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.	57-59

Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

(This page intentionally left blank)

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

Fiscal Year Ended June 30,	Net Investment in Capital Assets	Restricted for Debt Service	Restricted for Acquisition and Development	Unrestricted	Total Net Position
2012	21,277,204	196,938	3,554,234	5,412,404	30,440,780
2013	28,149,582	108,550	5,190,846	5,185,931	38,634,909
2014	28,695,599	108,503	5,888,077	7,111,677	41,803,856
2015	31,487,485	108,956	9,180,650	6,835,003	47,612,094
2016	31,573,020	1,609,806	12,675,699	7,948,666	53,807,191
2017	31,608,504	1,611,355	15,681,999	9,120,486	58,022,344
2018	27,320,530	1,500,000	25,855,807	10,354,456	65,030,793
2019	30,487,718	1,500,000	25,683,555	10,385,006	68,056,279
2020	28,709,906	-	13,288,728	11,471,987	53,470,621
2021	28,193,991	-	14,031,776	12,695,963	54,921,730

Source: Clackamas County Finance Department

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Culture, education and recreation	\$ 5,686,708	\$ 6,594,107	\$ 6,400,741	\$ 6,941,053	\$ 6,546,071	\$ 6,913,076	\$ 8,198,709	\$ 7,410,746	\$ 7,434,393	\$ 5,632,975
Health and welfare	2,282,523	2,653,230	2,557,450	3,151,514	2,424,393	2,512,913	1,992,348	2,489,894	2,377,903	3,048,127
Interest on long-term debt	430,037	409,488	462,994	390,654	369,622	347,982	287,707	128,732	49,448	-
Total expenses	8,399,268	9,656,825	9,421,185	10,483,221	9,340,086	9,773,971	10,478,764	10,029,372	9,861,744	8,681,102
Program Revenues:										
Charges for services:										
Culture, education and recreation	3,102,933	3,220,860	3,501,228	3,469,954	1,643,259	1,705,683	2,013,611	1,920,593	1,343,443	418,720
Health and welfare	1,206,696	1,315,563	1,390,998	1,625,996	490,843	516,216	327,797	450,510	315,128	179,451
Operating grants and contributions:										
Culture, education and recreation	383,558	328,305	650,916	760,915	528,012	197,348	357,715	1,147,078	1,130,720	997,473
Health and welfare	493,329	484,537	448,983	522,277	504,616	509,763	335,348	269,068	269,068	427,488
Capital grants and contributions:										
Culture, education and recreation	-	6,892,951	508,379	3,590,561	3,847,875	3,925,943	2,338,138	2,273,696	2,833,282	1,379,654
Total program revenues	5,186,516	12,242,216	6,500,504	9,969,703	7,014,605	6,854,953	5,372,609	6,060,945	5,891,641	3,402,786
Net Expense	(3,212,752)	2,585,391	(2,920,681)	(513,518)	(2,325,481)	(2,919,018)	(5,106,155)	(3,968,427)	(3,970,103)	(5,278,316)
General Revenues:										
Property taxes levied for general purposes	5,347,036	5,414,332	5,989,488	6,240,654	6,548,536	6,870,480	7,199,471	5,917,835	7,839,539	6,466,047
Earnings on investments	36,493	50,801	52,818	61,274	108,684	261,026	499,910	949,549	727,519	177,743
Interagency transfer in	-	-	-	-	1,859,382	-	-	-	-	-
Loss on disposal of capital assets	-	(10,782)	-	-	-	-	-	-	-	-
Miscellaneous	59,764	154,387	47,322	19,828	3,976	2,665	64,912	126,529	99,500	85,635
Total general revenues	5,443,293	5,608,738	6,089,628	6,321,756	8,520,578	7,134,171	7,764,293	6,993,913	8,666,558	6,729,425
Change In Net Position before Special Item	2,230,541	8,194,129	3,168,947	5,808,238	6,195,097	4,215,153	2,658,138	3,025,486	4,696,455	1,451,109
Special Item:										
Gain on capital asset disposal	-	-	-	-	-	-	4,350,311	-	-	-
(Loss) on settlement agreement	-	-	-	-	-	-	-	-	(19,282,112)	-
Total Change In Net Position	\$ 2,230,541	\$ 8,194,129	\$ 3,168,947	\$ 5,808,238	\$ 6,195,097	\$ 4,215,153	\$ 7,008,449	\$ 3,025,486	\$ (14,585,657)	\$ 1,451,109

Notes:

(1) All detail reported for changes in net position represents governmental activity, as the District engages in no business-type activities.

Source: Clackamas County Finance Department

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
FUND BALANCES, 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	\$ 1,640	\$ 12,530	\$ 1,582	\$ 18,362	\$ 9,636	\$ 14,375	\$ 12,591	\$ 1,615	\$ 2,950	\$ 10,395
Unassigned	2,719,137	2,993,589	3,397,971	3,541,816	4,369,031	4,669,479	5,464,227	5,224,600	6,863,231	8,483,479
Total General Fund	<u>\$ 2,720,777</u>	<u>\$ 3,006,119</u>	<u>\$ 3,399,553</u>	<u>\$ 3,560,178</u>	<u>\$ 4,378,667</u>	<u>\$ 4,683,854</u>	<u>\$ 5,476,818</u>	<u>\$ 5,226,215</u>	<u>\$ 6,866,181</u>	<u>\$ 8,493,874</u>
All Other Governmental Funds:										
Special revenue funds:										
Nonspendable	\$ 99	\$ -	\$ 120	\$ -	\$ -	\$ 342	\$ -	\$ -	\$ -	\$ -
Restricted	2,596,596	2,324,381	3,221,523	7,427,707	12,174,247	15,161,252	16,140,167	16,361,472	8,516,570	9,668,542
Assigned	763,156	632,599	609,599	352,593	336,917	299,756	275,112	308,916	435,364	618,320
Capital project funds:										
Nonspendable	-	-	-	32,400	-	-	-	-	-	-
Restricted	1,036,967	2,866,465	2,666,554	1,752,943	501,452	520,747	9,715,640	9,322,083	4,509,765	4,363,234
Assigned	1,424,499	1,041,265	1,507,304	2,187,916	2,720,531	3,618,905	4,193,490	4,495,571	3,412,561	3,377,147
Debt service funds:										
Restricted	196,938	108,550	108,503	108,956	1,609,806	1,611,355	1,500,000	1,500,000	262,393	-
Assigned	-	95,741	99,285	104,528	106,709	121,676	147,027	186,649	-	-
Total All Other Governmental Funds	<u>\$ 6,018,255</u>	<u>\$ 7,069,001</u>	<u>\$ 8,212,888</u>	<u>\$ 11,967,043</u>	<u>\$ 17,449,662</u>	<u>\$ 21,334,033</u>	<u>\$ 31,971,436</u>	<u>\$ 32,174,691</u>	<u>\$ 17,136,653</u>	<u>\$ 18,027,243</u>

Source: Clackamas County Finance Department

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A component unit of Clackamas County, Oregon)
CHANGES IN FUND BALANCES, 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	\$ 5,292,033	\$ 5,414,738	\$ 5,978,500	\$ 6,230,823	\$ 6,519,506	\$ 6,855,995	\$ 7,324,250	\$ 5,987,708	\$ 7,833,028	\$ 6,475,391
Charges for services	1,733,102	1,982,668	2,307,795	2,125,883	2,134,102	2,192,332	2,341,408	2,371,103	1,658,571	598,171
Intergovernmental	749,943	883,538	741,117	1,085,715	2,326,650	530,279	505,210	1,207,962	638,808	1,823,799
Licenses and permits	2,576,527	2,483,299	1,720,686	3,858,387	4,043,707	3,425,942	2,338,138	1,073,696	2,205,769	1,379,654
Interest	36,493	50,801	52,817	61,274	108,685	261,026	499,910	949,549	727,519	177,743
Contributions	126,944	158,187	162,202	192,270	205,978	-	-	-	-	-
Grants	-	-	-	-	-	206,399	187,853	208,184	182,227	150,915
Miscellaneous	59,764	154,387	28,702	19,828	3,976	42,050	195,580	220,037	239,421	192,892
Total revenues	10,574,806	11,127,618	10,991,819	13,574,180	15,342,604	13,514,023	13,392,349	12,018,239	13,485,343	10,798,565
Expenditures:										
Culture, education and recreation	4,984,606	5,367,104	5,297,436	5,875,053	5,393,315	5,703,417	6,828,034	6,546,014	6,467,811	4,803,234
Health and welfare	2,008,466	2,158,197	2,104,611	2,251,684	2,080,064	2,156,831	1,759,919	2,269,565	2,150,262	2,703,162
Capital outlay	559,030	1,210,641	993,113	471,282	506,611	409,036	1,585,201	2,755,085	1,261,277	773,886
Debt service:										
Interest	427,128	410,588	394,338	376,381	705,000	335,181	298,828	114,925	114,063	-
Principal	630,000	645,000	665,000	685,000	356,506	720,000	5,530,000	380,000	2,590,000	-
Total expenditures	8,609,230	9,791,530	9,454,498	9,659,400	9,041,496	9,324,465	16,001,982	12,065,589	12,583,413	8,280,282
Excess (deficiency) of revenues over (under) expenditures	1,965,576	1,336,088	1,537,321	3,914,780	6,301,108	4,189,558	(2,609,633)	(47,350)	901,930	2,518,283
Special Item:										
Land sale proceeds	-	-	-	-	-	-	14,040,000	-	-	-
Settlement agreement	-	-	-	-	-	-	-	-	(14,300,000)	-
Net Change in Fund Balances	\$ 1,965,576	\$ 1,336,088	\$ 1,537,321	\$ 3,914,780	\$ 6,301,108	\$ 4,189,558	\$ (2,609,633)	\$ (47,350)	\$ (13,398,070)	\$ 2,518,283
Debt service as a percentage of noncapital expenditures	13.1%	12.3%	12.5%	11.6%	12.4%	11.8%	40.4%	5.3%	23.9%	-

Source: Clackamas County Finance Department

(This page intentionally left blank)

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Real Property	Personal Property	Manufactured Structures	Utilities	Less: Tax-Exempt Property
2012	11,354,569,712	386,090,839	32,711,207	247,419,694	1,241,400,122
2013	11,632,776,998	410,864,016	32,752,744	243,708,401	1,330,931,617
2014	12,148,737,452	412,784,559	31,933,209	253,752,914	1,400,266,009
2015	12,707,922,936	418,777,464	33,753,256	273,526,828	1,441,606,174
2016	13,370,875,216	416,757,236	36,633,306	296,184,300	1,495,786,659
2017	13,994,666,666	436,869,762	40,259,567	310,713,100	1,529,955,330
2018	14,685,919,772	447,170,936	46,090,839	324,431,754	1,561,948,261
2019	12,217,413,194	447,634,113	48,533,384	256,542,100	1,284,664,800
2020	16,146,206,741	499,450,522	54,827,567	308,225,600	1,755,199,374
2021	19,164,218,336	448,201,076	67,163,350	273,988,747	7,296,546,976

(1) A property tax limitation measure became effective in fiscal year 1998. The measure limited taxes on each property by reducing the 1997-98 assessed value of each property to 90% of its 1995-96 value. The measure also limits growth of taxable value to 3% per year with certain exceptions, as well as establishing permanent tax rates for Oregon's local taxing districts, which replaced the former tax base amounts of the District. Because of the tax limitation, taxable assessed value is significantly below true cash value, which is the comparative measure tracked by the County and reported in this schedule.

(2) For all property within the North Clackamas Parks and Recreation District.

Source: Clackamas County Department of Assessment and Taxation

Total Taxable Assessed Value	Total Direct Tax Rate	True Cash Value	Assessed Value as a Percentage of True Cash Value
10,779,391,330	0.51	12,527,289,343	86.05
10,989,170,542	0.51	13,497,590,811	81.42
11,446,942,125	0.53	12,850,318,591	89.08
11,992,374,310	0.50	14,260,099,520	84.10
12,624,663,399	0.54	15,927,771,309	79.26
13,252,553,765	0.53	18,260,306,778	72.58
13,941,665,040	0.53	20,286,725,848	68.72
11,685,457,991	0.53	17,843,416,493	65.50
15,253,511,056	0.53	23,630,114,057	64.55
12,657,024,533	0.53	19,953,571,509	63.43

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
DIRECT AND OVERLAPPING PROPERTY TAX RATES ⁽¹⁾
LAST TEN FISCAL YEARS
(Rate per \$1,000 of Assessed Valuation)

Year	North Clackamas Parks & Recreation District		Overlapping Rates ⁽³⁾							Total Direct & Overlapping	Total Direct & Overlapping Range
	General Operations	Total Direct ⁽²⁾ Rate	Clackamas County	County Component Units	Cities	Schools	College/ESD	Fire	Other Special		
2012	0.51	0.51	2.91	1.42	1.20	7.29	1.04	2.36	0.51	17.24	15.60-19.58
2013	0.51	0.51	2.92	1.44	1.15	6.88	1.06	2.36	0.54	16.86	15.54-19.04
2014	0.53	0.53	2.92	0.82	1.38	7.10	1.05	2.44	0.62	16.87	15.45-18.95
2015	0.50	0.50	2.77	0.84	1.34	6.59	1.01	2.27	0.58	15.91	15.17-20.43
2016	0.54	0.54	2.94	0.78	1.30	7.23	1.10	2.49	0.54	16.92	15.46-20.84
2017	0.53	0.53	2.97	0.84	1.13	7.16	1.09	2.47	0.55	16.74	15.42-20.83
2018	0.53	0.53	2.94	0.82	1.28	7.13	1.09	2.48	0.64	16.91	15.32-20.95
2019	0.53	0.53	3.09	0.97	0.84	7.32	1.10	2.46	0.72	17.04	15.26-21.01
2020	0.53	0.53	2.94	0.83	1.26	4.53	1.08	2.48	0.88	14.53	15.64-22.84
2021	0.53	0.53	3.06	0.99	0.89	4.30	1.10	2.40	0.84	14.11	15.49-22.56

Notes:

- (1) Rates are summary for all Tax Code Areas where North Clackamas Parks and Recreation District taxes are assessed. From Tax District Summary found on the Clackamas County website under the Department of Assessment and Taxation.
- (2) Direct Rate is actual rate charged each property that falls within the boundaries of the North Clackamas Parks and Recreation District for district support after application of property tax limitation.
- (3) Overlapping rates are those of local governments that apply to property owners within District geographical boundaries. Not all overlapping rates apply to all District property owners; for example, although County property taxes apply to all District property owners, only those in the cities of Damascus, Happy Valley and Milwaukie pay the city rate for Clackamas County. Other property owners pay County taxes at the rural rate. Only a small portion of the taxpayers within the cities of Happy Valley and Milwaukie are within the District boundaries. The average rate has been used for each category for comparison purposes, but a range of total rates has also been provided.
- (4) Property tax levies may only be approved by a majority vote in elections in which a majority of voters cast a ballot. In November elections of even numbered years a majority vote in favor of a tax levy is sufficient to enact a levy, regardless of voter turnout.

Source: Clackamas County Department of Assessment and Taxation

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
PRINCIPAL PROPERTY TAX PAYERS
JUNE 30, 2021 AND NINE YEARS AGO

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Portland General Electric Company	\$ 1,032,941,000	1	8.16 %	\$ 555,237,000	1	5.15 %
General Growth Properties Inc.	283,647,954	2	2.24	205,653,826	3	1.91
Fred Meyer Store Inc #63	266,407,570	3	2.10	181,846,215	5	1.69
Northwest Natural Gas Company	236,425,500	4	1.87	194,463,600	4	1.80
Shorenstein Properties LLC	227,064,538	5	1.79	260,620,401	2	2.42
PCC Structurals Inc.	219,410,400	6	1.73	81,109,421	8	0.75
Comcast Corporation	101,055,000	7	0.80	149,777,000	6	1.39
Meadows Road	95,448,283	8	0.75			
CenturyLink	88,960,000	9	0.70			
ROIC Oregon LLC	88,768,523	10	0.70			
Xerox Corporation				85,169,272	7	0.79
Blount Inc.				68,429,283	9	0.63
Thompson Reuters Pts Inc				65,753,150	10	0.61
Total	\$ 2,640,128,768		20.84 %	\$ 1,848,059,168		17.14 %

Source: Clackamas County Department of Assessment and Taxation

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes Levied for the 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	5,460,383	5,132,683	94.0	203,086	5,335,769	97.7
2013	5,552,565	5,236,985	94.3	192,904	5,429,889	97.8
2014	6,097,777	5,782,712	94.8	164,076	5,946,788	97.5
2015	6,387,502	6,068,477	95.0	155,078	6,223,555	97.4
2016	6,707,093	6,381,404	95.1	139,925	6,521,329	97.2
2017	7,048,958	6,721,214	95.4	123,884	6,845,098	97.1
2018	7,398,202	7,046,634	95.2	129,239	7,175,873	97.0
2019	6,151,624	5,884,693	95.6	74,007	5,958,700	96.9
2020	8,057,767	7,702,870	95.6	71,026	7,773,896	96.5
2021	6,640,657	6,357,340	95.7	-	6,357,340	95.7

Source: Clackamas County Department of Assessment and Taxation

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	Assessment Debt	Limited Tax Revenue Series 2000 Refunding Bonds	Full Faith & Credit Obligations Series 2008 Bonds	Full Faith & Credit Obligations Series 2010 Bonds			
2012	-	-	6,889,112	5,091,942	11,981,054	0.22	104.80
2013	-	-	6,568,212	4,767,842	11,336,054	0.20	99.22
2014	-	-	6,237,312	4,498,074	10,735,386	0.19	92.15
2015	-	-	5,891,413	4,147,400	10,038,813	0.17	85.75
2016	-	-	5,535,513	3,786,673	9,322,186	0.15	76.01
2017	-	-	5,169,613	3,421,000	8,590,613	N/A	70.05
2018	-	-	-	3,040,327	3,040,327	N/A	24.92
2019	-	-	-	2,649,654	2,649,654	N/A	21.72
2020	-	-	-	-	-	N/A	0.00
2021	-	-	-	-	-	N/A	0.00

Source: Clackamas County Finance Department

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	Limited Tax Revenue Refunding Bonds	Full Faith & Credit Obligation Bonds	Total General Bonded Debt	Less Amounts Restricted to Repaying Principal	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2012	-	11,920,000	11,920,000	(196,938)	11,723,062	0.11	102.55
2013	-	11,275,000	11,275,000	(108,550)	11,166,450	0.10	97.74
2014	-	10,735,386	10,735,386	(108,503)	10,626,883	0.09	91.21
2015	-	10,038,813	10,038,813	(108,956)	9,929,857	0.08	84.82
2016	-	9,322,186	9,322,186	(109,806)	9,212,380	0.07	75.11
2017	-	8,590,613	8,590,613	(111,355)	8,479,258	0.06	69.14
2018	-	3,040,327	3,040,327	-	3,040,327	0.02	24.92
2019	-	2,649,654	2,649,654	-	2,649,654	0.02	21.72
2020	-	-	-	-	-	0.00	0.00
2021	-	-	-	-	-	0.00	0.00

Source: Clackamas County Finance Department

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2021

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
City of Gladstone	\$ 3,532,601	-	\$ 0
City of Milwaukie	34,997,454	99.30	34,752,612
Clackamas Community College	84,925,428	38.87	33,006,438
Clackamas County	125,400,000	28.91	36,253,265
Clackamas County Education Service District	23,805,136	30.03	7,149,396
Clackamas County Rural Fire Protection District #1	26,735,165	63.21	16,898,175
Clackamas County School District #115 (Gladstone)	31,257,092	4.89	1,528,534
Clackamas County School District #12 (North Clackamas)	693,051,684	95.13	659,297,295
Clackamas County School District #62 (Oregon City)	201,596,986	8.17	16,464,023
Clackamas Soil & Water Conservation	6,144,000	28.91	1,776,237
Metro	920,585,000	7.10	65,348,647
Mt Hood Community College	19,160,000	0.41	78,364
Multnomah Cty SD 10J(Gresham-Barlow)	322,924,553	0.25	810,864
Multnomah Cty SD 28J(Centennial)	64,567,710	3.57	2,303,840
Oak Lodge Water Service District	966,000	98.50	951,557
Other debt:			
City of Milwaukie	2,650,000	99.30	2,631,450
Clackamas Community College	19,930,000	38.87	7,746,791
Clackamas County Rural Fire Protection District #1	12,600,000	63.21	7,964,460
Clackamas County School District #12 (North Clackamas)	1,887,369	95.13	1,795,454
Clackamas County School District #62 (Oregon City)	230,554	8.17	18,836
Metro	37,995,000	7.10	2,697,645
Mt Hood Community College	30,460,059	0.41	124,886
Multnomah Education Service District	23,395,000	0.11	24,682
Oak Lodge Water Services District	4,496,846	98.50	4,429,393
Port of Portland	51,330,000	6.53	3,351,849
Subtotal overlapping debt			907,404,694
District direct debt			<u>-</u>
Total direct and overlapping debt			<u>\$ 907,404,694</u>

Note:

(1) Overlapping governments 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. The State of Oregon provides overlapping debt data based on real market value of properties for each jurisdiction.

Source: Municipal Debt Advisory Commission, State of Oregon, Office of the Treasurer

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

Year	True Cash Value	Debt Percentage	Debt Limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
2012	\$ 12,527,289,343	13	1,628,547,615	11,920,000	1,616,627,615	0.73 %
2013	13,497,590,811	13	1,754,686,805	11,336,054	1,743,350,751	0.65
2014	12,850,318,591	13	1,670,541,417	10,735,386	1,659,806,031	0.64
2015	14,260,099,520	13	1,853,812,938	10,038,813	1,843,774,125	0.54
2016	15,927,771,309	13	2,070,610,270	9,322,186	2,061,288,084	0.45
2017	18,260,306,778	13	2,373,839,881	8,590,613	2,365,249,268	0.36
2018	20,286,725,848	13	2,637,274,360	3,040,327	2,634,234,033	0.12
2019	17,843,416,493	13	2,319,644,144	2,649,654	2,316,994,490	0.11
2020	23,630,114,057	13	3,071,914,827	-	3,071,914,827	0.00
2021	19,953,571,509	13	2,593,964,296	-	2,593,964,296	0.00

Note:

ORS 451.545 (3) provides "The district's total outstanding bonds of all kinds shall at no time exceed in the aggregate 13 percent of the real market value of all property by law assessable for state and county purposes within the district..."

Source: Clackamas County Finance Department

ORS 451.545(3) The district's total outstanding general obligation bonds, including improvement bonds of the kind authorized by ORS 223.205 and 223.210 to 223.295, may not exceed in the aggregate 13 percent of the real market value of all property by law assessable for state and county purposes within the district as reflected in the last roll certified under ORS 311.105. [1961 c.576 §19; 1963 c.515 §19; 1969 c.646 §12; 1973 c.785 §20; 1981 c.804 §104; 1991 c.459 §406; 1995 c.79 §227; 2007 c.783 §192; 2009 c.538 §10]

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income ⁽¹⁾	Clackamas County Unemployment Rate ⁽²⁾
2012	114,321	\$ 5,311,811	46,464	8.4
2013	114,251	\$ 5,260,230	46,041	7.5
2014	116,505	\$ 5,539,813	47,550	6.4
2015	117,064	\$ 5,872,984	50,169	5.6
2016	122,652	\$ 6,301,737	51,379	4.7
2017	122,642	\$ 6,900,820	56,268	3.9
2018	122,000	\$ 7,186,166	58,903	3.7
2019	122,000	\$ 7,487,750	61,375	3.9
2020	105,000	\$ 6,803,055	64,791	5.8
2021	105,000	N/A	N/A	6.9

Sources: Figures are for calendar year for Clackamas County from Bureau of Economic Analysis-U.S. Dept of
Commerce
Department of Human Resources, State of Oregon, Employment Division

Notes:

(1) Data is for calendar years for Clackamas County from Bureau of Economic Analysis

(2) This number has been updated to reflect rates specific to Clackamas County per the State of Oregon
Employment Department.

N/A: Not available

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
PRINCIPAL EMPLOYERS (1)
JUNE 30, 2021 AND NINE YEARS AGO

Employer	2021			2012		
	Employees	Rank	Percentage of Total ⁽²⁾	Employees	Rank	Percentage of Total ⁽²⁾
Intel Corp.	21,394	1	.02 %	15,636	2	.01 %
Providence Health & Services	19,326	2	.02	12,800	3	.01
Oregon Health & Sciences University	17,441	3	.01	12,000	5	.01
Legacy Health	12,896	4	.01	9,732	7	.01
Nike Inc.	12,000	5	.01	7,000	10	.01
Kaiser Permanente	11,910	6	.01	9,039	8	.01
Fred Meyer	8,163	7	.01	9,858	6	.01
City of Portland	7,409	8	.01	8,876	9	.01
Portland Public Schools	7,005	9	.01			
Beaverton School District	5,646	10	.00			
State of Oregon				18,400	1	.02
U.S. Federal Govt.				13,900	4	.01
Total	123,190		0.10 %	117,241		0.11 %

Sources:

(1) Statistics are the latest available data published in the Portland Business Journal *Book of Lists 2021*, and *Book of Lists 2012*.

The Business Journal Book of Lists ranks Portland Metropolitan Area employers.

(2) Total Portland Metropolitan Area employment used to calculate percentages is from the United States Department of Labor Bureau of Labor Statistics.

**NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

<u>Year Ended June 30,</u>	<u>Health and Welfare</u>	<u>Culture and Recreation</u>	<u>Total</u>
2012	10.31	25.94	36.25
2013	10.44	26.84	37.28
2014	10.65	26.85	37.50
2015	8.72	25.90	34.62
2016	8.41	24.02	32.43
2017	8.36	25.46	33.82
2018	7.34	28.36	35.70
2019	7.46	26.24	33.70
2020	7.46	27.93	35.39
2021	7.51	27.88	35.39

Note:

(1) Reported full-time equivalent employees are budgeted employees per final budgets at each year-end. Budget employees approximate actual.

Source: Clackamas County Finance Department.

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
OPERATING INDICATORS
LAST TEN FISCAL YEARS

Function	Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Health and welfare:										
Social service units provided	6,186	6,718	6,647	5,264	8,216	7,967	8,996	8,890	5,680	4,250
Meals on Wheels and on-site meals served	65,752	66,299	70,966	69,756	70,341	67,256	76,515	67,006	72,298	72,060
One way rides, older adults and disabled	12,541	11,935	10,360	10,240	9,678	8,357	9,887	8,570	5,794	-
Culture and recreation:										
Recreation programs	80	95	97	60	58	65	61	71	63	27
Recreation class participants	4,281	4,443	4,483	3,381	2,580	3,500	3,492	3,913	3,263	926
Recreation classes	380	293	298	231	234	238	217	271	195	101
Swim lesson participants	5,303	4,247	4,253	4,488	4,739	4,991	4,421	4,678	3,611	-
Aquatic park total customers served	271,638	250,863	262,812	253,086	243,907	233,955	235,647	228,350	146,279	14,464

2015 Note: The Aquatic Park provides open swim, swim lessons, lap swim, big surf, aquatic exercise, swim team and rental opportunities. This number more accurately reflects operational outcomes.

2015 Note: New swim lesson program with lower ratios.

2021 Note: NCPRD closed the majority of its operations mid-March 2020 due to the statewide shutdown caused by the COVID-19 pandemic. This is reflected in the lower number of programs and participants.

Source: North Clackamas Parks and Recreation District budget documents and Clackamas County Finance Department

NORTH CLACKAMAS PARKS AND RECREATION DISTRICT
(A Component Unit of Clackamas County, Oregon)
OPERATING INDICATORS - CAPITAL ASSETS STATISTICS
LAST TEN FISCAL YEARS

Function	Year Ending June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Health and welfare:										
Milwaukie Center (serving senior and disabled citizens)										
Activity Rooms	9	9	9	9	9	9	9	9	9	9
Congregate dining room & café	2	2	2	2	2	2	2	2	2	2
Transportation vehicles (14, 16 & 20 passenger)	3	4	3	4	4	4	4	4	4	4
Culture and recreation:										
Acreage-maintained	517	592	596	501	501	520	527	640	358	358
Parks maintained	52	53	55	63	63	64	64	64	60	60
Play structures	30	30	32	33	33	33	36	37	32	32
Maintenance vehicles/equipment	30	30	31	32	33	35	35	35	35	35
Passenger van (Recmobile)	2	1	1	1	1	1	1	2	2	2
Aquatic Park (five pools, game room, activity rooms)	1	1	1	1	1	1	1	1	1	1
Sports fields:										
Baseball	11	11	11	11	11	13	14	14	14	14
Soccer	6	6	6	6	6	6	8	8	8	8
Tennis courts	3	3	3	3	3	3	3	3	3	3
Basketball	16	16	18	17	17	17	19	19	16	19
Volleyball courts	2	2	2	2	2	2	2	2	2	2
Sports programs	-	-	-	127	75	70	21	24	31	14
Sports program participants	-	-	-	7,040	6,769	6,890	5,885	5,952	5,126	962
Sports courses offered during the year	-	-	-	248	118	87	94	98	70	49

2018 Note: Number of youth and adult programs are now reported as individual different programs, not total number of offerings for each program as in prior years.

2021 Note: NCPRD closed the majority of its operations mid-March 2020 due to the statewide shutdown caused by the COVID-19 pandemic. This is reflected in the lower number of programs and participants.

Source: North Clackamas Parks and Recreation District budget documents and Clackamas County Finance Department

(This page intentionally left blank)

**REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

(This page intentionally left blank)

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of County Commissioners of
Clackamas County, Oregon, as Governing Body of
North Clackamas Parks and Recreation District
Oregon City, Oregon

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the respective budgetary comparisons for the General Fund and System Development Charges Zone 1 Fund of North Clackamas Parks and Recreation District (the District), a component unit of Clackamas County, Oregon, 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 13, 2021.

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 (internal control) as a basis for designing 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 a 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss Adams LLP

Portland, Oregon
December 13, 2021

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *OREGON MINIMUM AUDIT STANDARDS***

(This page intentionally left blank)

Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Oregon Minimum Audit Standards*

Board of County Commissioners of
Clackamas County, Oregon, as Governing Body of
North Clackamas Parks and Recreation District
Oregon City, Oregon

We have audited the basic financial statements of the North Clackamas Parks and Recreation District (the District) as of and for the year ended June 30, 2021 and have issued our report thereon dated December 13, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-0000 to 162-10-0330, as set forth below, noncompliance with which could have a direct and material effect on the financial statements:

- The use of approved depositories to secure the deposit of public funds.
- The requirements relating to debt.
- The requirements relating to the preparation, adoption and execution of the annual budgets for fiscal year 2021 and 2022.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules, and regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

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. The results of our test disclosed no instances of noncompliance that are required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Oregon Secretary of State.

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 (internal control) as a basis for designing 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 a 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Oregon Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Ashley Osten, Partner for
Moss Adams LLP
Portland, Oregon
December 13, 2021