Bend Metro Park and Recreation District, Oregon

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

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Bend Park & Recreation District

play for life

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Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025

Bend Park & Recreation District

Report Prepared by the District Finance Department

Kristin Toney, Administrative Services Director

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Marcia Copple, Financial Accountant

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Teresa Burnett-Dumanch, Accounting Specialist

Bend Park & Recreation
DISTRICT

TABLE OF CONTENTS

INTRODUCTORY SECTION

FINANCIAL SECTION

FINANCIAL SECTION (CONTINUED)

STATISTICAL SECTION

STATISTICAL SECTION (CONTINUED)

AUDIT COMMENTS AND DISCLOSURES

Float the River

INTRODUCTORY SECTION

Bend Park & Recreation District

Saturday Night Adult Roller Jam

December 10, 2025

To the Honorable Members of the Board of Directors
and the Citizens of the Bend Metro Park and Recreation District,

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Bend Metro Park and Recreation District (the district) for the fiscal year ended June 30, 2025.

This report is published to provide the district board, staff, our residents, and other readers with detailed information concerning the financial position and activities of the district. District management is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures.

The report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) in conformance with the standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB), using the guidelines recommended by the Government Finance Officers Association (GFOA). To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the district as measured by the financial activity of its various funds. The accompanying disclosures are necessary to enable the reader to gain the maximum understanding of the district's financial affairs.

Aldrich CPAs + Advisors LLP, a firm of independent certified public accountants, audited the district's financial statements. The independent auditors have issued an unmodified opinion on the district's financial statements for the fiscal year ended June 30, 2025. The independent auditors' report is presented in the Financial Section of this report.

The Report

The ACFR is presented in three main sections: introductory, financial, and statistical.

- **The Introductory Section** includes this transmittal letter, a list of principal officials, the organizational chart, and a copy of last fiscal year's *Certificate of Achievement for Excellence in Financial Reporting* awarded by the Government Finance Officers Association of the United States and Canada.
- **The Financial Section** is prepared in accordance with accounting principles generally accepted in the United States of America. This section includes the Management's Discussion and Analysis (MD&A), which can be found immediately following the report of the independent auditor. These are followed by the basic financial statements, required supplementary information, and combining and individual fund statements and schedules. The MD&A provides a narrative introduction, overview, and analysis to accompany the basic financial statements and should be read in conjunction with this letter of transmittal. The basic financial statements include the government-wide financial statements that present an overview of the district's entire operations, while the fund level statements present the financial information for each of the district's major funds, as well as non-major funds.
- **The Statistical Section** includes selected financial and demographic information, generally presented on a multi-year basis.

District Profile

For decades, Bend was known as a logging town, but is now a gateway for many outdoor recreational activities such as cycling, hiking, golfing, rock climbing, and ice, snow and water sports. We also recognize the past, current and future significance of these lands to Indigenous Peoples. Confederated Tribes of Warm Springs, Paiute and Klamath Nations have all called this home for many generations and continue to be part of the community. Voters established the district on May 28, 1974. The district was a department of the City of Bend prior to that date, and was formed as a separate special district under the Oregon Revised Statutes as a priority of the community citizens to protect park and recreation funding from the pressures of other community priorities. In 1976, the citizens voted to dedicate property tax funding for the sole purpose of providing this community with park and recreation services.

The district boundaries and population are slightly larger than those of the city of Bend. The city of Bend is in Central Oregon, just east of the Cascade mountain range, and encompasses an area of 37.6 square miles. Bend is the largest city in Central Oregon with a population estimate of over 104,000. Bend serves as the seat for Deschutes County and as the hub of economic activity in a three-county region including Deschutes, Jefferson and Crook counties.

The district maintains and operates 91 miles of trails and 3,119 acres of developed parkland, which includes 43 playgrounds, 8 off-leash dog areas, 4 skate parks, 3 disc golf courses, and a whitewater park on the Deschutes River. Within the developed parkland are several types of sports fields and courts such as 15 soccer fields, 8 tennis courts, 19 pickleball courts, and 15 softball fields. We offer over 1,000 distinct recreation programs for all ages and abilities throughout the area at the Juniper Swim & Fitness Center, The Pavilion, and the Larkspur Community Center. The district also offers several free community events throughout the year.

The Board of Directors, composed of five elected board members, sets policy, adopts the annual budget and hires and directs the Executive Director. The Executive Director is responsible for the administration of the district.

Economic Conditions and Outlook

We continue to adapt by thoughtfully shifting and balancing priorities to safeguard the district's financial stability in a dynamic and evolving environment. While most economic forecasts now anticipate a period of cooling, inflation remains a key factor influencing our financial planning—particularly as it relates to rising personnel costs and ongoing district growth.

Fiscal year 2026 personnel-related expenses, which account for approximately 75% of our General Fund budget and support a workforce of over 650 individuals daily, have increased by an average of 3.4%. This includes cost-of-living adjustments, merit-based increases, expanded healthcare benefits, contributions to PERS, and compliance with Paid Leave Oregon. In the upcoming fiscal year, we will also undertake compensation and pay equity studies to ensure our offerings remain competitive in today's labor market.

In addition to staffing, our operational footprint continues to expand. The district is preparing for the acquisition and renovation of the Boyd Acres Shop Complex to support park operations, as well as the construction of a new Art Station facility, both scheduled for completion in calendar year 2026.

Despite these challenges, Bend remains a vibrant hub of commerce, recreation, and innovation in Central Oregon. Known for its stunning natural surroundings and year-round outdoor activities, the city has evolved from its roots as a logging town into a thriving destination for mountain biking, hiking, golfing, rock climbing, and a wide array of snow, ice, and water sports. Bend's entrepreneurial spirit and growing economy continue to attract residents, visitors, and businesses alike.

Financial Policies, Planning and Controls

Financial Policies

The district adopted and adheres to a set of Fiscal Policies. These policies serve as the blueprint for management to achieve and maintain fiscal stability and sustainability, ensuring the district is financially able to meet its immediate and long-term service objectives. The district's fiscal policies cover revenue, financial planning, internal controls, financial reporting, investment, debt management, and reserve funds among others. The policies are periodically reviewed and amended to ensure they reflect best practices and comply with external requirements such as Generally Accepted Accounting Principles (GAAP) and Local Budget Law.

Long-term Financial Planning

The district recognizes the need to ensure that it is capable of adequately funding and providing the high level of district services valued by the community on a long- term, sustainable basis. The district maintains a five-year financial planning horizon and balances requirements to resources over the life of the five-year forecast. The forecast is prepared at least annually prior to the start of the annual budget and capital improvement prioritization processes. It is the district's highest priority to continue to "take care of what we have" through asset management and by focusing resources where there is the greatest need.

Financial Management and Budgetary Control

As previously discussed, the district's fiscal policies provide a framework for developing stable and sustainable financial plans. These plans, which form the basis of budget requests and plans approved by the board, help to ensure consistent and predictable financial results over time. This combination of strong fiscal policies, disciplined short-term budget management, and long-term fiscal monitoring provide the necessary financial management and oversight that are key attributes of the district's strong financial standing.

The preparation of the district's annual budget is governed by Oregon Budget Law, ORS §294.305 to §294.565. Community members are involved in the budget process through surveys for our long-range planning items, public hearings, and representation from community budget members who participate in budget deliberations with the board. The process starts with a workshop that helps guide the Executive Director to develop the Proposed Budget. The Budget Committee holds public hearing(s) to approve the budget that is then adopted by the board.

The district's accounting and subsidiary systems support an adequate internal control structure. This structure helps to safeguard the district's assets against loss, theft, or misuse. The systems provide reliable financial records for preparing financial statements. The internal control structure provides reasonable, but not absolute, assurance that the district's assets are safeguarded. The concept of reasonable assurance first recognizes that the cost of a control should not exceed the benefits likely to be derived. Secondly, the evaluation of costs and benefits require estimates and judgments by management.

Throughout the year, budget monitoring is done monthly by management to ensure budget compliance and reliable financial records. The board receives a quarterly report of budget to actual information as well.

Major Initiatives and Future Challenges

As the district continues to grow and evolve, we remain committed to thoughtful stewardship of public resources and proactive planning to meet the needs of our community. The coming years will require a careful balance of innovation, efficiency, and strategic investment to ensure we can sustain high-quality services while adapting to changing conditions.

This section outlines key initiatives and challenges that will shape our path forward—from enhancing operational efficiency and maintaining our existing assets, to planning for smart growth and responding to evolving community expectations. We are also addressing critical issues such as safety, inclusion, and climate resilience, all of which are essential to our long-term success and the well-being of those we serve.

Assets

Efficiency – In the coming year, we are asking managers and supervisors to work with teams to identify and discuss opportunities to innovate and perhaps find efficiencies and launching the "Optimized Play" training program to help facilitate this process. We are committed to delivering high-quality services and experiences to the community, while using this program as an opportunity to challenge the mindset of "this is how we've always done it" and explore better, more innovative approaches—or even consider doing less if certain practices no longer align with the current needs and scale of the organization.

Taking care of what we have

Team – Our team is the district's greatest asset for taking care of what we have. A strategic plan goal is to "maintain quality, clean and safe parks, trails and facilities." We have seen significant growth over the last few years along with large increases in personnel costs. We have competitive and equity pay studies budgeted in the upcoming fiscal year, the result of which will influence future budget staffing costs.

Maintenance – Maintenance expenses include costs, such as gas, tools, and other materials. Regular maintenance and upkeep of our assets helps prevent more costly repairs, ensures we meet service targets, and supports safety.

Smart growth – Achieving holistic and sustainable growth that is both financially feasible and operationally sound is crucial to maintaining our service levels within limited funding. We are exploring the possibility of various indoor recreation facilities to address existing gaps in need, rather than constructing an additional recreation center, which would necessitate a future levy or waiting for the tax base to grow enough to cover the costs.

Evolving Community Conditions

Safety – Safety across the district continues to be a priority. We are seeing increased vandalism and more challenging patron interactions. Continued investment in our buildings is needed along with planning for the new parks included in the Capital Improvement Plan (CIP).

Service Expectations – The district engages with the community through surveys and outreach to guide the development of the comprehensive plan, strategic plan, and recreation service plan. As the community grows and evolves, we've set a strategic plan goal to "support the recreational needs of an evolving community through programming, parks, trails, and facilities." Achieving this, while maintaining service levels, will require a reallocation of priorities and funding to ensure we meet expectations efficiently and create the greatest impact.

Scholarship and Inclusion – The scholarship program has continued to grow over the past several years, which is a testament to staff's efforts to eliminate barriers to participation. However, the funding levels have reached a maximum point where additional alternative funding is needed to match the general fund contribution. This will be the first year with the newly implemented scholarship expenditure cap of 6% of budgeted recreation revenues. The district is implementing several additional changes to the scholarship program with the goal of controlling the escalating expenditures we've seen over the past several years. Additionally, inclusion spending continues to exceed its budget, and we will review our inclusion program to ensure funds are being used effectively and equitably, given the higher demand.

Climate – Communities are already experiencing the impacts of climate change, prompting some local governments to develop plans that recognize the threat and outline strategies to mitigate its potential effects. Our strategic plan includes the strategy to "continue efforts to be responsible stewards of natural environment and evaluate and identify opportunities to respond to changing environmental conditions." We will be exploring what such a plan would entail for the district.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded the district with a *Certificate of Achievement for Excellence in Financial Reporting* for its ACFR for the fiscal year ended June 30, 2024. The Certificate of Achievement is a prestigious national award that is an important recognition of conformance with the highest standards for preparation of state and local government financial reports. In order to receive the award, the district must publish an easily readable and efficiently organized ACFR with contents that conform to program standards. The report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

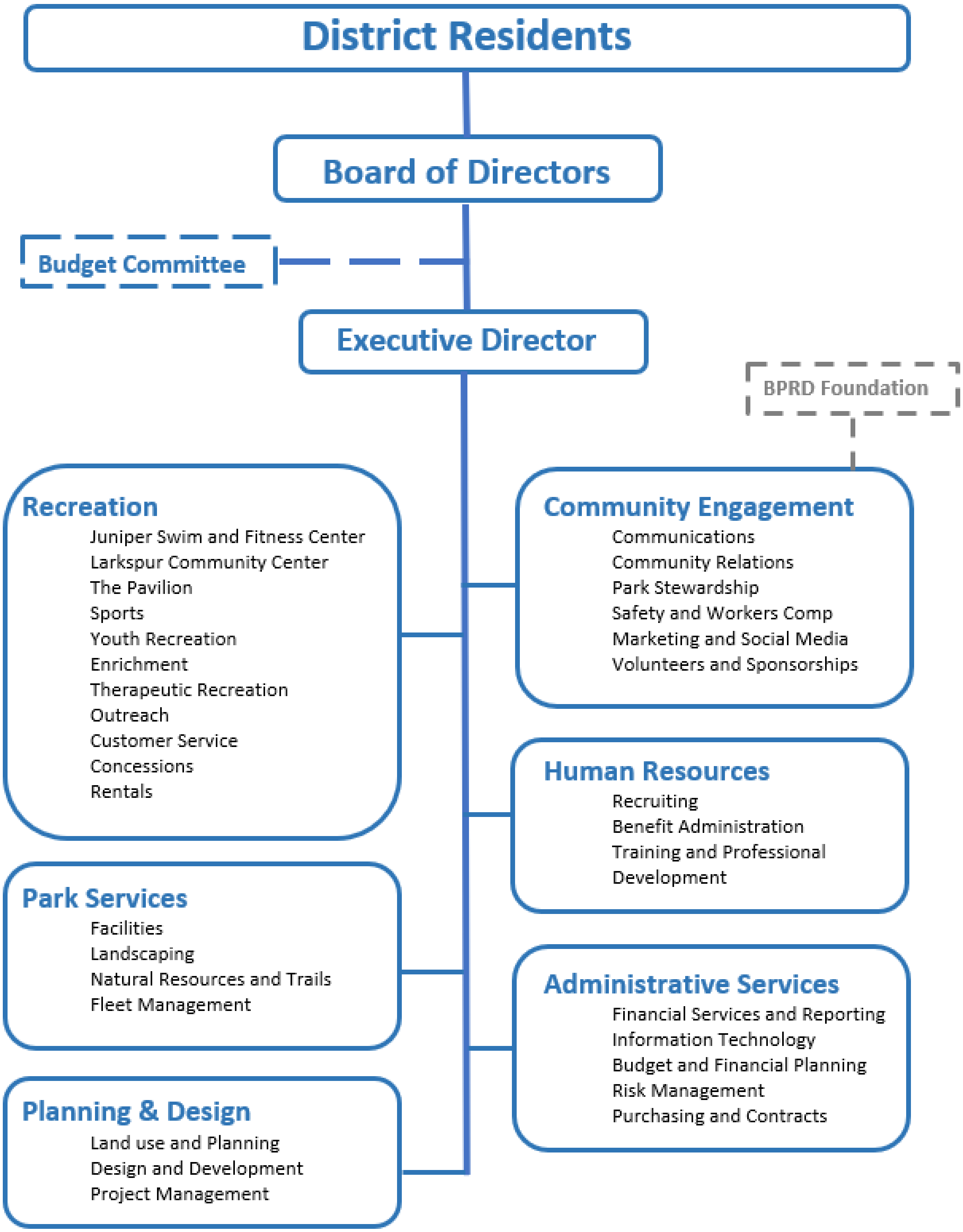
We express our sincere gratitude to all district personnel who contributed to this financial report, especially those in the Finance division of the Administrative Services Department. We also extend our appreciation to the board, and the district directors and managers whose leadership and commitment to financial excellence are vital to the financial health and vitality of Bend Metro Park and Recreation District.

Respectfully submitted,

Kristin Toney

Kristin Toney	Eric Baird
Administrative Services Director	Finance Manager

ORGANIZATIONAL CHART



BOARD OF DIRECTORS

Board Members	Term Expires
Donna Owens, Chair	June 30, 2027
Cary Schneider, Vice-Chair	June 30, 2029
Nathan Hovekamp, Legislative Liaison	June 30, 2029
Deb Schoen, Director	June 30, 2029
Jodie Schiffman, Director	June 30, 2027

Registered Agent and Office

Michelle Healy
Administrative Office
799 SW Columbia Street
Bend, OR 97702

Principal Officials

Michelle Healy, Executive Director
Julie Brown, Community Engagement Director
Kathleen Hinman, Human Resources Director
Brian Hudspeth, Director of Planning & Development
Matt Mercer, Recreation Services Director (Outgoing)
Jase Newton, Recreation Services Director (Incoming)
Sasha Sulia, Park Services Director
Kristin Toney, Administrative Services Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Bend Metro Park & Recreation District
Oregon

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

Big Sky Park Playground

Aldrich CPAs + Advisors LLP
4275 Commercial St. SE, Suite 100
Salem, OR 97302

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Bend Metro Park and Recreation District
Bend, Oregon

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bend Metro Park and Recreation District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements, continued
In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, General Fund and Major Special Revenue Funds' schedules of revenues, expenditures and changes in fund balance – budget and actual, schedule of proportionate share of the net pension liability (asset), schedule of contributions, schedule of proportionate share of the net other postemployment benefit liability (asset), schedule of OPEB contributions, and schedule of changes in the District's total other postemployment benefit liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 management's discussion and analysis, schedule of proportionate share of the net pension liability (asset), schedule of contributions, schedule of proportionate share of the net other postemployment benefit liability (asset), schedule of OPEB contributions, and schedule of changes in the District's total other postemployment benefit liability and related ratios in accordance with GAAS, 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.

The General Fund and Major Special Revenue Funds' schedules of revenues, expenditures and changes in fund balance – budget and actual, as listed in the table of contents under required supplementary information, are the responsibility of management and were derived from and relate 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 GAAS. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary 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 combining financial statements, individual fund schedules, and other financial schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 GAAS. In our opinion, the combining financial statements, individual fund schedules, schedule of accountability of elected officials, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Other Legal and Regulatory Requirements

Other Reporting Required by Oregon State Regulations
In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 10, 2025, 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.

Aldrich CPAs + Advisors LLP

By:

Andrew Maffia, CPA, Partner
Salem, Oregon
December 10, 2025

Bend Park & Recreation

DISTRICT

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Bend Metro Park and Recreation District (the district) offers readers of the district's financial statements this narrative overview and analysis of the financial activities of the district for the fiscal year ended June 30, 2025. Readers are encouraged to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

The Following are the district's financial highlights for the fiscal year ended June 30, 2025:

- On a government-wide basis, the district's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources (net position) by $211.7 million at June 30, 2025.
- The district's net position at June 30, 2025 increased by $10.1 million from the prior year. This increase in net position is a result of: beginning net position being restated due to the implementation of GASB 101, Compensated Absences decreasing net position by $1.5 million resulting from the increased liability, total assets increasing by $10.1 million, total deferred outflows of resources increasing by $1.3 million, and total deferred inflows of resources decreasing by $0.2 million.
- The district's assets and deferred outflows of resources totaled $252.4 million at June 30, 2025, an increase of $11.4 million from the prior year, consisting of $172.6 million in capital assets, $68.7 million in cash and cash equivalents, $3.6 million in receivables and other assets, and $7.5 million in deferred outflows of resources.
- The district's liabilities and deferred inflows of resources totaled $40.7 million at June 30, 2025, an increase of $1.2 million from the prior year, consisting of $16.8 million in debt, $1.1 million in accounts payable and other current liabilities, $3.4 million in payroll related liabilities, $14.8 million in net pension liability, $0.5 million in total OPEB liability, $3.0 million in other liabilities, and $1.1 million in deferred inflows of resources.
- The district generated program revenues of $24.4 million from its governmental activities. Direct expenses of all programs totaled $42.3 million. General revenues which include taxes and investment earnings totaled $29.6 million.
- GASB Statement No. 101 (GASB 101) Compensated Absences, issued by the Governmental Accounting Standards Board (GASB) covers the valuation of compensated absences such as sick leave, vacation leave and compensated time and was implemented by the district in FY 2025. Implementation of GASB 101 increased the district's liability valuation for compensated absences by $1.5 million.
- The district's governmental funds reported a combined fund balance of $65.9 million, an increase of $10.3 million from June 30, 2024. Of this balance, $0.7 million (1.1%) is nonspendable; $28.7 million (43.5%) is restricted; $27.2 million (41.3%) is committed; $8.1 million (12.3%) is assigned; and $1.2 million (1.8%) is unassigned.
- The district's Assessed Valuation of Taxable Property increased by 4.8% from $16.4 billion to $17.2 billion for the fiscal year ending June 30, 2025.
- Total bonded debt was $16.1 million as of June 30, 2025, compared to total bonded debt of $17.6 million as of June 30, 2024.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the district's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. This report also contains other information in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

The *statement of net position* focuses on resources available for future operations. It presents all of the district's assets and deferred outflows of resources and all of its liabilities and deferred inflows of resources, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the district is improving or deteriorating. However, this is only one measure and the reader should consider other indicators such as general economic conditions in the district, changes in property tax base, and the age and condition of capital assets used by the district.

The *statement of activities* focuses on all of the current fiscal year's revenue and expenses. The statement presents information showing how the district's net position changed during the fiscal year. All changes in *net position* are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes). Because it separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each program relies on taxes or other general revenues for funding.

Both of the government-wide financial statements are reported under the governmental activities category. *Governmental activities* are supported by general revenue sources such as taxes, charges for services, and grants and contributions. These services include general government services (administration, information technology, human resources, risk management, financial services and community engagement), planning and design, rental program, park services and recreation services. The district has no business-type activities, which are intended to recover all or a significant portion of their costs through user fees and charges.

The government-wide financial statements can be found on pages 32-33 of this report.

Fund Financial Statements

A *fund* is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The district, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Major funds are separately reported while all others are combined into a single, aggregated presentation. All of the funds of the district can be classified into one category – governmental funds.

Governmental funds are used to account for essentially the same functions as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This short-term view of the district's financial position helps the reader evaluate the district's near-term financial requirements.

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

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

The district's governmental funds combined fund balances at June 30, 2025 were $65.9 million, while the net position was $211.7 million, a difference of $145.8 million. The measurement criteria for each statement result in several significant differences between these two statements. Capital assets of $172.6 million used in governmental activities are not financial resources and therefore are not included in fund balances, but are part of net position. Long-term liabilities of $35.0 million, which will not be liquidated in the current period, are not reported on the Balance Sheet, but are reported on the Statement of Net Position. Deferred outflows and inflows of resources, related primarily to reporting the district's defined benefit pension plan, are reported in the Statement of Net Position but not on the Balance Sheet. The full reconciliation can be found on page 39.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

The fund balances of the district's governmental funds increased by $10.3 million during fiscal year 2025, while the net position increased by $10.1 million. This $0.2 million difference is due to fiscal year transactions that are reported differently on each statement. Repayments of long-term debt of $2.1 million and expenditures for the acquisition and development of capital assets of $6.2 million are not reported as expenses on the statement of activities. Instead, they are reductions of noncurrent liabilities and additions to capital assets, respectively. Other reconciling items include depreciation and amortization, accrued expenses, and changes in accruals and deferrals netting an additional decrease in net position of $8.5 million. The full reconciliation can be found on page 43.

The district maintains six individual governmental funds. Governmental funds are further classified as *general, special revenue, debt service*, and *capital projects* funds. Within each fund-type group, funds are additionally classified as *major* or *nonmajor* funds.

Individual fund information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for those funds that are considered significant (*major*) to the district taken as a whole. These financial statements report four *major* funds: General Fund, System Development Charges (SDC) Special Revenue Fund, General Obligation (GO) Bond Debt Service Fund, and Facility Reserve Capital Projects Fund. The other two *governmental funds* are combined into a single, aggregated presentation.

The district adopts an annual appropriated budget for all of its funds. To demonstrate compliance with the budget, budgetary comparison statements for all appropriated funds are provided following the notes to the financial statements.

The basic governmental fund financial statements can be found on pages 36-43 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47-85 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons for the General Fund and major special revenue funds. The required supplementary information also includes historical information regarding the district's pension and other postemployment benefits (OPEB) activities. These schedules and related notes can be found on pages 89-97 of this report.

The combining statements and budget to actual schedules for the other major and nonmajor governmental funds are presented in the Other Supplementary Information section and can be found on pages 101-109 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

As noted earlier, net position may serve over time as a useful indicator of the district's financial position. As of June 30, 2025, the district had a positive net position balance (assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources) of $211.7 million. This is an increase of $10.1 million or 5.0% over the prior year.

The following is a condensed statement of net position and an analysis of the change in the district's financial position from the prior year:

Table 1 – Summary of Net Position

	Fiscal Year Ended June 30		
	2025	2024	Change
Governmental Activities			
Assets			
Current and other assets	$ 72,285,842	$ 61,797,232	$ 10,488,610
Capital assets, net	172,593,368	172,983,332	(389,964)
Total assets	244,879,210	234,780,564	10,098,646
Deferred outflows of resources	7,484,371	6,226,477	1,257,894
Liabilities			
Current liabilities	7,859,688	8,417,804	(558,116)
Net pension liability	14,770,839	12,238,404	2,532,435
Noncurrent liabilities	16,973,581	17,480,978	(507,397)
Total liabilities	39,604,108	38,137,186	1,466,922
Deferred inflows of resources	1,106,558	1,345,992	(239,434)
Net position			
Net investment in capital assets	154,987,387	153,282,903	1,704,484
Restricted	29,249,692	22,803,872	6,445,820
Unrestricted	27,415,836	25,437,088	1,978,748
Total net position	$ 211,652,915	$ 201,523,863	$ 10,129,052

The most significant portion of the district's net position, approximately 73.2% ($155.0 million), represents its *investment in capital assets* (land, buildings, park and trail improvements, vehicles, equipment and software, and right-of-use assets, leases and subscriptions, net of accumulated depreciation and amortization) less any related outstanding debt used to acquire those assets. The district uses these capital assets to provide services to district residents. Consequently, these assets are not available for future spending. Although the district's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, as the capital assets will not be liquidated to service the debt.

The district's portion of net position *restricted* for its OPEB RHIA asset and use in its long-term capital projects and debt service requirements total $29.3 million (13.8%) of the net position. The remaining $27.4 million (13.0%) of the district's net position is *unrestricted* and may be used to meet the district's future obligations to community citizens and creditors.

Analysis of Changes in Net Position

As noted previously, the district's total change in net position resulting from operations was an increase of $10.1 million or 5.0% during fiscal year 2025. The beginning Net Position was restated (decreased) by $1.5 million due to the implementation of GASB 101, Compensated Absences. Discussion and analysis of the changes for governmental activities are included below.

Table 2 – Summary of Changes in Net Position

	Fiscal Year Ended June 30		
	2025	2024	Change
Governmental Activities			
Revenues			
Program revenues:			
Charges for services	$ 21,891,886	$ 22,804,710	$ (912,824)
Operating grants and contributions	220,153	310,591	(90,438)
Capital grants and contributions	2,275,769	4,882,339	(2,606,570)
General revenues:			
Property taxes	26,258,563	25,009,570	1,248,993
Investment earnings	3,026,547	2,874,782	151,765
Other	295,069	253,190	41,879
Total revenues	53,967,987	56,135,182	(2,167,195)
Expenses			
General government	6,617,795	5,471,561	1,146,234
Planning and design	1,789,617	1,943,346	(153,729)
Rental program	458,645	397,683	60,962
Park services	13,429,207	14,008,430	(579,223)
Recreation services	19,465,553	17,071,514	2,394,039
Interest on long-term debt	556,300	630,130	(73,830)
Total expenses	42,317,117	39,522,664	2,794,453
Change in net position	11,650,870	16,612,518	(4,961,648)
Net position, beginning as originally stated	201,523,863	184,911,345	16,612,518
Restatement, see note 1(V)	(1,521,818)	-	(1,521,818)
Net position, beginning as restated	200,002,045	184,911,345	15,090,700
Net position, ending	$ 211,652,915	$ 201,523,863	$ 10,129,052

Governmental Activities

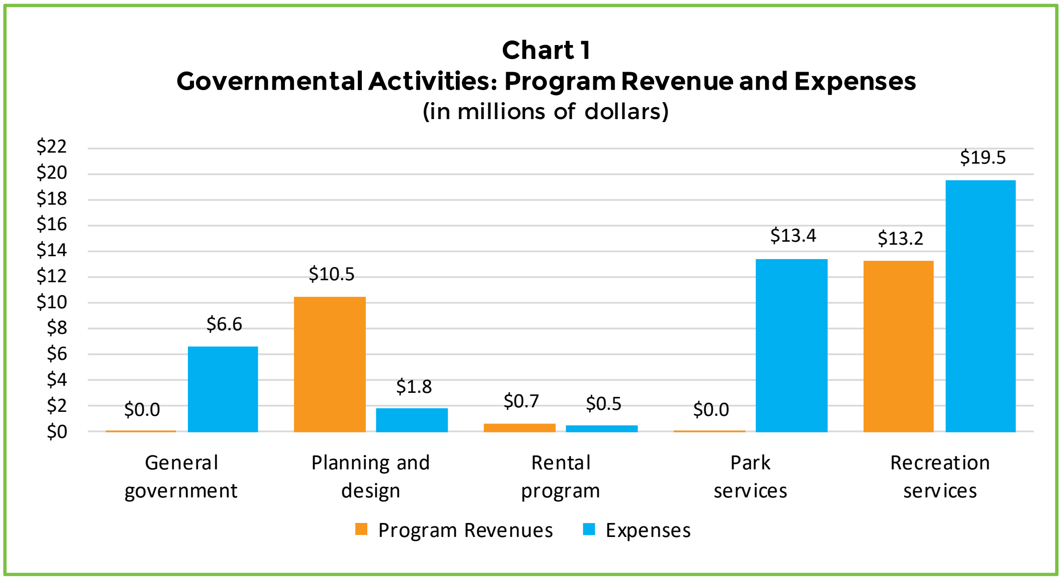
Major impacts on the increase in net position include:

- Recreation and rental program revenue included in charges for services increased by $1.5 million (12.0%) compared to prior year, due to a combination of annual fee increases and community participation in programming. Recreation and rental program expenses had a relative increase of $2.5 million (14.1%) due to budgeted staffing increases to meet increased demand and associated personnel and program related operating expenses.
- The district's property tax revenue from its permanent tax rate levied for general purposes increased by $1.1 million (5.0%). As seen in the prior fiscal year, this increase was driven by a combination of statutorily allowable increases in assessed value on existing properties (i.e. appreciation) and new residential and commercial development.
- Planning and design charges for services revenue decreased by $2.4 million (-22.4%) compared to prior year as a result of less system development fee revenues due to continued slowdown in new development from the initial post-pandemic development growth.
- Operating and capital grants and contributions decreased by $2.7 million (-51.9%) compared to prior year primarily due to a large land contribution for the Discovery West project received in the previous year offset by additional grant revenue for the Miller's Landing River Access project received in fiscal year 2025.
- General revenues increased by $1.4 million (5.1%) compared to prior year primarily due to an increase in property tax revenue and higher interest rate investment earnings of $1.2 million and $0.2 million respectively.
- Expenses for governmental activities increased by $2.8 million (7.1%) from prior year, primarily due to an increase of $2.0 million (8.7%) in total district personnel and payroll related expenses. This increase was a combination of planned staffing increases to support growing programs and park maintenance, annual salary and wage cost-of-livings adjustments (COLA) and merit increases, increases in employer covered benefits, and increases in employer related pension and OPEB costs. The remaining $0.8 million increase is due to an increase in depreciation expense and program support due to inflationary cost increases across various expenses including insurance, utilities, maintenance, and IT support.

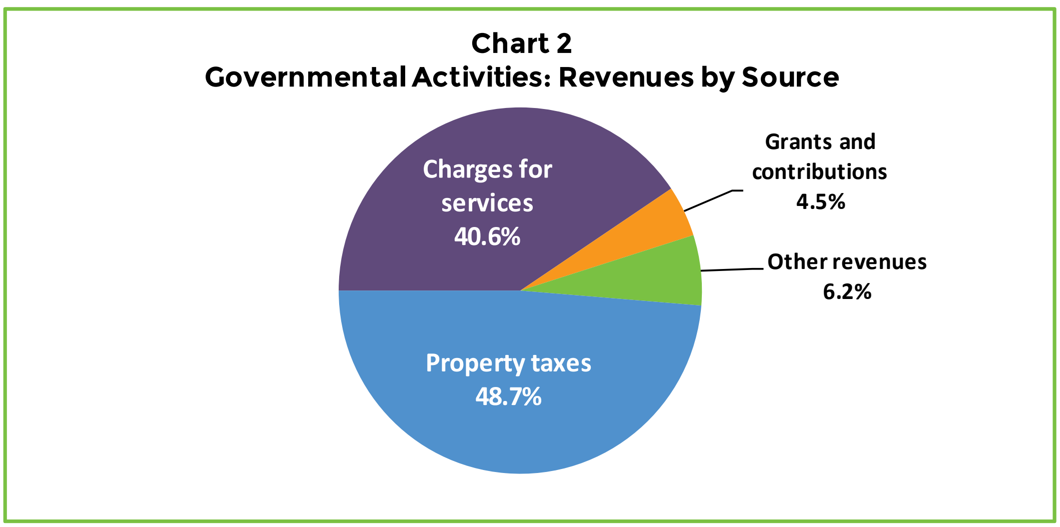
All of the district's governmental programs utilize general revenues to support their functions. Some programs such as general government and park services are fully dependent on general revenues to fund operations. Other programs, such as recreation services, are only subsidized by general revenues.

Program revenues generated by planning and design include system development charges of $8.2 million. SDC revenues are expended on acquisitions and development of capital assets, not on operational expenses.

The following chart compares the revenues and expenses for each of the district's governmental programs and shows the extent of each program's dependence on general revenues for support in the current year.



The next chart shows the percent of the total for each source of revenue supporting governmental activities.



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The district uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the district's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the district's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the district include the General Fund, Special Revenue Funds, Capital Project Funds, and a Debt Service Fund.

As of the end of fiscal year 2025, the district's governmental funds reported combined ending fund balances of $65.9 million, which reflects an increase of $10.3 million from the prior year's fund balances. Of the combined ending fund balances, $1.2 million or 1.8% constitutes the unassigned fund balance in the appropriate fund types as shown in the Governmental Funds Balance Sheet on pages 36-37. The remainder of fund balance is classified as *nonspendable, restricted, committed, or assigned*. Amounts classified as restricted or committed are not available for new spending as they can only be used for their restricted or committed purpose. Fund Balances and changes from prior year (amounts and percentages) of the governmental funds were:

- General Fund balance of $9.8 million a decrease of $1.3 million or -11.9%
- System Development Charges Special Revenue Fund balance of $28.7 million an increase of $6.1 million or 27.3%
- *General Obligation Debt Service Fund* balance of $0.2 million an increase of $0.1 million or 40.3%
- *Facility Reserve Capital Projects Fund* balance of $24.1 million an increase of $4.7 million or 24.0%
- *Nonmajor Other Governmental Fund* balances of $3.1 million an increase of $0.8 thousand or 33.4%

Significant Changes in Major Funds

General Fund:

The General Fund is the primary operating fund of the district. Principal sources of revenue are property taxes, charges for services, investment earnings and sponsorships. Primary expenditures are made for personnel, materials and services, and debt service. These costs are necessary to provide quality park maintenance, recreational, and planning, design, and development services for the community, along with general administration of the district's operations. As of June 30, 2025, the fund balance of the General Fund was $9.8 million. Of this fund balance, $8.6 million is nonspendable or assigned for future expenditures, and $1.2 million is unassigned.

As a measure of the General Fund's liquidity, it may be useful to compare spendable fund balance to total fund expenditures. The General Fund's spendable fund balance (assigned and unassigned fund balances) totaled $9.3 million as of June 30, 2025, which represents 27.7% of total General Fund expenditures and 23.2% of total General Fund combined expenditures plus transfers out. In addition, the ending spendable fund balance was 26.2% of total budgeted expenditures, exceeding the district's financial policy guidelines for fiscal year 2025 requiring a minimum fund balance equal to 90 days of budgeted Recreation operating expenditures and 30 days of all other budgeted expenditures or $5.9 million.

The General Fund's ending fund balance decreased by $1.3 million during fiscal year 2025. Revenues exceeded expenditures by $4.7 million. These net resources along with transfers in were used to fund current and future capital expenditures through transfers to other funds in the amount of $6.5 million.

As compared to the prior fiscal year, General Fund revenues increased by $1.9 million (5.4%) primarily due to a $1.2 million (10.7%) increase in recreation charges for services and a $1.1 million (4.7%) increase in property tax collections. These increases were offset by a $0.3 million (-25.3%) decrease in investment earnings and a $0.1 million (-10.5%) decrease in contributions, grants, sponsorship, intergovernmental, reimbursement for services, and miscellaneous revenue.

Expenditures in the General Fund increased by $2.7 million (8.7%) compared to prior fiscal year. Personnel services was a majority of the increase, which accounted for $1.8 million or 68.7% of the increase. Planned staffing growth combined with budgeted COLA (cost-of-living adjustment) and merit increases were the primary drivers for increased personnel costs. Salaries and wages accounted for $1.5 million of the increase, with benefits increasing by $0.3 million, and payroll taxes remaining flat for the year. The remaining $0.9 million in total General Fund expenditure increases was due to increased material and services expenditures of $0.7 million for the support of growing programs and annual maintenance of parks and facilities and a $0.2 million increase in capital outlay.

System Development Charges (SDC) Special Revenue Fund:
This fund is used to account for development fees assessed on new residential construction within the district boundaries, and is expended on the acquisition and development of parks and trails. Fiscal year 2025 experienced a decrease in total revenues of $2.1 million (-18.5%) compared to the prior fiscal year. Of the decrease, $2.4 million was due to reduced SDC fee revenues resulting in a net decrease from a combination of an average tiered rate increase of 3.8% and a decrease in total number of building units compared to prior year of approximately 430 permits or 32.1%. In addition, the dwelling type mix changed significantly with single family dwellings and ADU's increasing by 21.1% and multi-family dwellings decreasing by 32.5%. The decreases were offset by an increase in investment earnings of $0.3 million.

Capital outlay in the SDC Fund was $2.7 million, a 68.1% decrease from the prior year primarily due to the acquisition of the Coulter Property for a future neighborhood park ($4.0 million) and the purchase of the land and developer improved Fieldstone Park ($2.7 million) in fiscal year 2024. In the current year, four projects made up $2.3 million (84.3%) of capital outlay in the SDC Fund, which consisted of the completion of Little Fawn Park in the amount of $0.9 million, $0.8 million for design & engineering and the start of construction on Manzanita Ridge Park expected to be completed in Fall 2025, $0.3 million for design & engineering for the Pine Nursery Phase 5 project expected to start construction in FY 2026 with completion in Summer 2026, and $0.3 million for design & engineering for the Art Station starting construction in FY 2026 with completion also expected in Summer 2026.

The SDC Fund ending fund balance increased by $6.1 million from the prior year balance. The entire fund balance of $28.7 million is restricted by state law for capacity-enhancing and reimbursement projects for park and trail facilities within the district.

Refer to the *2026-2030 Adopted 5-Year Capital Improvement Plan* (CIP) on the district's website for more information on future CIP projects (https://www.bendparksandrec.org/wp-content/uploads/2025/06/2026-2030-Adopted-5-Year-CIP.pdf).

General Obligation (GO) Bond Debt Service Fund:
This debt service fund accounts for the accumulation of resources, primarily property tax revenue, to pay principal and interest payments on the 2013 general obligation bonded debt. The fund balance of $0.2 million is restricted by state law for debt service.

Facility Reserve Capital Projects Fund:
This capital projects fund accounts for major capital project activities of the district that are not accounted for in the SDC Fund. The principal financing source is from a transfer of property tax and investment revenue from the General Fund. It also receives revenues from capital-related grants and contributions. The Facility Reserve ending fund balance of $24.1 million increased by $4.7 million over the prior fiscal year. Capital outlay decreased by $2.5 million (-52.3%), primarily due to a $3.9 million purchase of the 453-acre Rose property in FY 2024 for future development offset by $1.2 million in construction of the Miller's Landing River Access project completed in June 2025.

The Facility Reserve Fund balance is committed for the purposes of land acquisitions, park development, and other facility-related capital projects and is based on the five-year capital improvement plan. The fund has $9.1 million in reserves for a new park maintenance facility, $5.3 million for the Juniper Swim & Fitness Center outdoor pool cover replacement, and $4.4 million in reserves for the purpose of future asset management (major renovation and replacement of capital assets as they end their useful life).

GENERAL FUND BUDGETARY HIGHLIGHTS

Original Budget Compared to Final Budget and Actual Results

The budgetary statement for the general fund, located on page 90, shows the original budget, final budget, actual revenues and expenditures, and transfers in and out for the fiscal year ended June 30, 2025. There were no budget adjustments and one budget appropriation transfer between the General Fund's original budget and the final budget in fiscal year 2025 moving $20k of budgeted expenditures from Administration to Community Engagement.

For fiscal year 2025, actual revenues were greater than budgeted amounts by $0.4 million (1.2%), primarily due to revenues for property taxes, contributions, grants, sponsorships, intergovernmental revenue, and investment earnings exceeding budgeted revenues by $1.2 million, which were offset by charges for services, reimbursements for interfund services, and miscellaneous income being $0.8 million under budgeted revenue. Actual expenditures of $33.3 million were 93.9% of the budgeted expenditures. Of the $2.2 million in underspent budgeted expenditures, $1.6 million was due to underspent personnel and payroll related expenditures and $0.6 million was underspent materials and supplies across all programs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2025, the district had invested just under $172.6 million in capital assets (net of accumulated depreciation and amortization). This investment includes land, parks, trails, buildings and improvements, equipment and furnishings, and right-of-use lease and subscription assets. Capital assets decreased by a net amount (additions less deductions and depreciation/amortization) of $0.4 million (-0.2%) over the prior year.

In addition to a $0.9 million land contribution, the majority of the capital expenditures occurred in the System Development Charges Fund at $2.7 million (43.9%) and the Facility Reserve Fund at $2.3 million (37.0%), with the remaining $0.9 million (15.0%) and $0.3 million (4.1%) expended from the Equipment Reserve Fund and the General Fund respectively.

Table 3 – Capital Assets (Net of Accumulated Depreciation and Amortization)

	June 30		
	2025	2024	Change
Governmental Activities			
Land including right-of-way	$ 73,717,879	$ 72,715,059	$ 1,002,820
Assets under construction	3,811,335	2,603,407	1,207,928
Artwork	230,000	230,000	-
Buildings and building improvements	34,369,420	36,739,000	(2,369,580)
Improvements other than buildings	57,915,293	58,844,965	(929,672)
Vehicles, equipment and software	2,126,223	1,548,053	578,170
Lease equipment	24,044	52,029	(27,985)
Subscription assets	399,174	250,819	148,355
Total capital assets	$ 172,593,368	$ 172,983,332	$ (389,964)

Significant capital asset additions, were as follows:

- The start and completion of construction for the Miller's Landing River Access in the amount of $1.2 million.
- Completion of construction for Little Fawn Park in the amount of $0.9 million.
- Contributed land for Discovery Park valued at $0.9 million.
- Construction on the Manzanita Ridge Park project valued at $0.8 million.
- The addition of ten fleet vehicles for park services totaling $0.6 million.
- Design and engineering for multiple projects including the McKay, Miller's Landing and Columbia Parks (MMC) River Access Projects ($0.4 million), Pine Nursery Park Phase 5 ($0.3 million), the Art Station ($0.3 million), the Park Services Maintenance Facility ($0.3 million), the Hollinshead ADA project ($0.1 million), and the Old Bend Gym project ($0.1 million).
- The addition of subscription assets and multiple recreation services and park services equipment totaling $0.2 million, $0.2 million and $0.1 million respectively.
- Offsetting these additions were depreciation and retirements of assets.

Additional information on the district's capital assets is included in Note 4 on page 61 of this report.

Debt Administration

As of June 30, 2025, the district had $16.8 million in debt outstanding, which decreased by $2.1 million compared to prior year.

Table 4 – Outstanding Debt

	June 30		
	2025	2024	Change
Governmental Activities			
General obligations bonds	$ 16,090,000	$ 17,600,000	$ (1,510,000)
Premium on general obligation bonds	739,829	832,308	(92,479)
Direct borrowing - loan payable	-	492,540	(492,540)
Total outstanding debt	$ 16,829,829	$ 18,924,848	$ (2,095,019)

The general obligation bonds, related to park and recreation facilities, will be paid off in fiscal year 2033. Of the $16.1 million outstanding at year end, $1.6 million is due within one year and will be paid from the GO Bond Debt Service Fund. The loan payable was paid off in fiscal year 2025 from the General Fund.

Moody's Investors Service has assigned a credit rating of Aa2 to the district for its general obligation bonds.

State statute limits the amount of general obligation debt that park and recreation districts may issue up to 2.5% of all the real market value (RMV) of all taxable properties within the district as reflected in the last certified assessment roll. With a real market value of $42.7 billion, the current debt limitation for the district is $1.07 billion. As of June 30, 2025, the district's remaining general obligation debt capacity is $1.05 billion. The district's general obligation debt at June 30, 2025 of $16.1 million represents 1.5% of its capacity.

Additional information on the district's long-term debt and other long-term obligations is included in Note 8 on pages 66-67 of this report.

KEY ECONOMIC FACTORS AND BUDGET INFORMATION FOR THE FUTURE

The following economic factors currently affect the Bend Metro Park and Recreation District and were considered in developing the district's budget for FY 2025-26. The district's annual budget is prepared by the Finance Department; more information can be found at https://www.bendparksandrec.org/about/finance/.

- Based on revised estimates from Portland State University Population Research Center, the city of Bend's population was 104,089 as of July 1, 2024, which is just under 50% of Deschutes County's population. Bend's population decreased by 2.1% since prior year's estimate and has seen a 28.0% increase over the past ten years.
- According to the U.S. Bureau of Labor Statistics, the unemployment rate for the city of Bend in June 2025 was 4.6%, up 0.6% from June 2024.
- The district's General Fund is dependent upon property taxes, charges for services, grants, contributions and investment earnings to support its operations. Property taxes made up approximately 62.8% and charges for services provided 33.5% of the General Fund's total revenue sources. While the real estate market continues to soften from its post-pandemic highs, the district's Assessed Valuation of Taxable Property (which property tax revenue is based on) increased by 4.8 % in fiscal year 2025 to $17.2 billion. The real market value of taxable property within the district increased by 3.5% to $42.7 billion.
- The district remains responsive to the city's population growth by realigning priorities to ensure financial stability, sustain existing infrastructure, and achieve service level objectives through the development of new infrastructure.

Fiscal Year 2025/26 Budget

Budget development always has its share of unknown variables that we try to anticipate and prepare for, and in this regard, developing the 2025-26 budget is no different from any other year. We saw an overall 3.4% increase in personnel costs with salaries, wages and benefits increasing to keep pace with the Bend employment market, which were offset by decreases in unemployment taxes and workers compensation costs.

The district's budget planning process starts with the district's vision, mission, community pledge, and value statements. These statements serve the purpose of defining for the public, staff and Board of Directors why our organization exists, who we serve and how we serve them. These guiding statements, shown below, drive the district's budgetary priorities.

Our vision:

To be a leader in building a community connected to nature, active lifestyles and one another.

Our mission:

To strengthen community vitality and foster healthy, enriched lifestyles through parks, trails and recreation.

Our community pledge:

To reflect our community, welcome and serve equitably, and operate with transparency and accountability.

We value:

- **Community** by interacting in a responsive, considerate and efficient manner to create positive patron experiences and impact in the community.
- **Inclusion** by reducing physical, social and financial barriers to our programs, facilities and services, and making them more equitable for all.
- **Safety** by promoting a safe and healthy environment for all who work and play in our parks, trails, facilities and programs.
- **Staff** by honoring the diverse contributions of each employee and volunteer, and recognizing them as essential to accomplishing our mission.
- **Sustainability** by fostering a balanced approach to fiscal, environmental and social assets to support the health and longevity of the district, the environment and our community.

REQUESTS FOR INFORMATION

The district's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the district's finances and to demonstrate the district's accountability. Questions concerning information provided in this report or requests for additional financial information should be addressed to Bend Metro Park and Recreation District Finance Department, 799 SW Columbia Street, Bend, Oregon 97702.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Bend Park & Recreation District

Bend Metro Park and Recreation District, Oregon
Statement of Net Position
June 30, 2025

	Governmental Activities
ASSETS	
Current assets:	
Cash and investments	$ 68,714,857
Receivables:	
Property taxes	712,336
System development fees	676,849
Accounts, net	323,569
Grants	316,414
Leases	64,247
Accrued interest	1,149
Prepaid expenses	756,798
Total current assets	71,566,219
Noncurrent assets:	
Leases receivable	359,955
Net OPEB RHIA asset	359,668
Capital assets not being depreciated	77,759,214
Capital assets, net of accumulated depreciation/amortization	94,834,154
Total noncurrent assets	173,312,991
Total assets	244,879,210
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows from pensions	7,276,009
Deferred outflows from OPEB	208,362
Total deferred outflows of resources	7,484,371
LIABILITIES	
Current liabilities:	
Accounts payable and other current liabilities	1,060,647
Payroll liabilities	918,707
Deposits payable	42,185
Accrued interest payable	48,287
Unearned revenue	2,618,050
Current portion of noncurrent liabilities	3,171,812
Total current liabilities	7,859,688
Noncurrent liabilities:	
Compensated absences	2,437,949
Lease payable	24,273
Subscription liabilities	334,936
Total OPEB HIC Plan liability	518,406
Net pension liability	14,770,839
Bonds and loans payable (net of premiums)	16,829,829
Less current portion of noncurrent liabilities	(3,171,812)
Total noncurrent liabilities	31,744,420
Total liabilities	39,604,108
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows from pensions	478,972
Deferred inflows from OPEB	249,068
Deferred inflows from Leases	378,518
Total deferred inflows of resources	1,106,558
NET POSITION	
Net investment in capital assets	154,987,387
Restricted for:	
Capital projects	28,667,617
Debt service	222,407
OPEB RHIA Asset	359,668
Unrestricted	27,415,836
Total net position	$ 211,652,915

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

Bend Metro Park and Recreation District, Oregon
Statement of Activities
For the Fiscal Year Ended June 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**
Governmental activities:					
General government	$ 6,617,795	$ -	$ 7,809	$ -	$ (6,609,986)
Planning and design	1,789,617	8,190,074	-	2,273,269	8,673,726
Rental program	458,645	663,343	-	-	204,698
Park services	13,429,207	-	23,949	-	(13,405,258)
Recreation services	19,465,553	13,038,469	188,395	2,500	(6,236,189)
Interest on long-term debt	556,300	-	-	-	(556,300)
Total governmental activities	$ 42,317,117	$ 21,891,886	$ 220,153	$ 2,275,769	$ (17,929,309)
General revenues:					
Property taxes:					
Levied for general purposes					24,109,763
Levied for bonded debt					2,148,800
Investment earnings					3,026,547
Gain on disposal of capital assets					35,499
Miscellaneous revenues					259,570
Total general revenues					29,580,179
Change in net position					11,650,870
Net position, beginning as originally stated					201,523,863
Restatement, see note 1(V)					(1,521,818)
Net position, beginning as restated					200,002,045
Net position, ending					$ 211,652,915

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

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FUND FINANCIAL STATEMENTS

Bend Metro Park and Recreation District, Oregon
Governmental Funds
Balance Sheet
June 30, 2025

	General	System Development Charges	General Obligation (GO) Bond Debt Service
ASSETS			
Pooled cash and investments	$ 13,004,640	$ 28,000,050	$ 163,428
Receivables:			
Property taxes	653,357	-	58,979
System development fees	-	676,849	-
Accounts, net	243,537	-	-
Grants	-	-	-
Leases	424,202	-	-
Accrued interest	1,149	-	-
Prepaid items	562,794	191,083	-
Total assets	$ 14,889,679	$ 28,867,982	$ 222,407
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 436,031	$ 160,153	$ -
Payroll liabilities	911,554	-	-
Other payables	191,647	-	-
Retainage payable	-	40,212	-
Deposits payable	-	-	-
Unearned revenue	2,459,206	-	-
Total liabilities	3,998,438	200,365	-
Deferred inflows of resources:			
Unavailable revenue - property taxes	520,609	-	47,079
Unavailable revenue - grants	-	-	-
Unavailable revenue - services provided	148,475	-	-
Unavailable revenue - leases	378,518	-	-
Total deferred inflows of resources	1,047,602	-	47,079
Fund Balances:			
Nonspendable	562,794	191,083	-
Restricted	-	28,476,534	175,328
Committed	-	-	-
Assigned	8,075,320	-	-
Unassigned	1,205,525	-	-
Total fund balances	9,843,639	28,667,617	175,328
Total liabilities, deferred inflows of resources and fund balances	$ 14,889,679	$ 28,867,982	$ 222,407

(continued)

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

Bend Metro Park and Recreation District, Oregon
Governmental Funds
Balance Sheet, continued
June 30, 2025

	Facility Reserve	Other Governmental Funds	Total
ASSETS			
Pooled cash and investments	$ 24,253,285	$ 3,293,454	$ 68,714,857
Receivables:			
Property taxes	-	-	712,336
System development fees	-	-	676,849
Accounts, net	45,706	34,326	323,569
Grants	316,414	-	316,414
Leases	-	-	424,202
Accrued interest	-	-	1,149
Prepaid items	2,921	-	756,798
Total assets	$ 24,618,326	$ 3,327,780	$ 71,926,174
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 162,685	$ 10,152	$ 769,021
Payroll liabilities	-	7,153	918,707
Other payables	-	-	191,647
Retainage payable	59,767	-	99,979
Deposits payable	-	42,185	42,185
Unearned revenue	421	158,423	2,618,050
Total liabilities	222,873	217,913	4,639,589
Deferred inflows of resources:			
Unavailable revenue - property taxes	-	-	567,688
Unavailable revenue - grants	316,414	-	316,414
Unavailable revenue - services provided	-	-	148,475
Unavailable revenue - leases	-	-	378,518
Total deferred inflows of resources	316,414	-	1,411,095
Fund Balances:			
Nonspendable	2,921	-	756,798
Restricted	-	-	28,651,862
Committed	24,076,118	3,109,867	27,185,985
Assigned	-	-	8,075,320
Unassigned	-	-	1,205,525
Total fund balances	24,079,039	3,109,867	65,875,490
Total liabilities, deferred inflows of resources and fund balances	$ 24,618,326	$ 3,327,780	$ 71,926,174

(concluded)

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

Bend Park & Recreation
DISTRICT

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Bend Metro Park and Recreation District, Oregon
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2025

Total fund balances - governmental funds		$ 65,875,490
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		172,593,368
Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the funds:		
Net OPEB RHIA asset		359,668
Deferred outflows of resources - Pensions		7,276,009
Deferred outflows of resources - OPEB		208,362
Deferred revenues are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the governmental funds' balance sheet:		
Unavailable property taxes		567,688
Unavailable grants		316,414
Unavailable services provided		148,475
Long-term debt payable (net of premiums) are not due and payable in the current period and, therefore, are not reported in the governmental funds:		(16,829,829)
Other long-term liabilities and deferred inflows or resources are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued interest	$ (48,287)	
Compensated absences	(2,437,949)	
Lease payable	(24,273)	
Subscription liabilities	(334,936)	
Total OPEB HIC Plan liability	(518,406)	
Net pension liability	(14,770,839)	
Deferred inflows of resources - Pensions	(478,972)	
Deferred inflows of resources - OPEB	(249,068)	
Total noncurrent liabilities and accrued interest		(18,862,730)
Net position of governmental activities		$ 211,652,915

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

Bend Metro Park and Recreation District, Oregon
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025

	General	System Development Charges	General Obligation (GO) Bond Debt Service
REVENUES			
Property taxes	$ 23,979,526	$ -	$ 2,137,105
Charges for services	12,778,907	-	-
System development fees	-	8,190,074	-
Contributions	85,993	-	-
Grants	36,883	-	-
Sponsorships	68,445	-	-
Intergovernmental	142,980	-	-
Investments	842,454	1,136,550	48,973
Reimbursement for interfund services	48,781	-	-
Miscellaneous	199,069	23,739	-
Total revenues	38,183,038	9,350,363	2,186,078
EXPENDITURES			
Current:			
Administration	4,219,443	-	-
Community engagement	1,916,055	-	-
Planning and design	1,601,637	241,006	-
Rental program	-	-	-
Park services	8,397,561	-	-
Recreation services	16,462,393	-	-
Debt service:			
Principal	607,082	-	1,510,000
Interest	15,559	-	625,732
Capital outlay	262,184	2,710,758	-
Total expenditures	33,481,914	2,951,764	2,135,732
Excess (deficiency) of revenues over (under) expenditures	4,701,124	6,398,599	50,346
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	-	-	-
Issuance of debt - leases	4,075	-	-
Issuance of debt - subscriptions	207,787	-	-
Transfers in	253,814	-	-
Transfers out	(6,500,000)	(253,814)	-
Total other financing sources (uses)	(6,034,324)	(253,814)	-
Net change in fund balances	(1,333,200)	6,144,785	50,346
Fund balances, beginning of year	11,176,839	22,522,832	124,982
Fund balances, end of year	$ 9,843,639	$ 28,667,617	$ 175,328

(continued)

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

Bend Metro Park and Recreation District, Oregon
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances, continued
For the Fiscal Year Ended June 30, 2025

	Facility Reserve	Other Governmental Funds	Total
REVENUES			
Property taxes	$ -	$ -	$ 26,116,631
Charges for services	-	663,343	13,442,250
System development fees	-	-	8,190,074
Contributions	-	-	85,993
Grants	346,206	2,500	385,589
Sponsorships	-	-	68,445
Intergovernmental	750,649	-	893,629
Investments	896,028	102,542	3,026,547
Reimbursement for interfund services	-	-	48,781
Miscellaneous	-	33,701	256,509
Total revenues	1,992,883	802,086	52,514,448
EXPENDITURES			
Current:			
Administration	-	16,899	4,236,342
Community engagement	-	-	1,916,055
Planning and design	17,557	-	1,860,200
Rental program	-	424,050	424,050
Park services	44,345	25,920	8,467,826
Recreation services	81,707	80,909	16,625,009
Debt service:			
Principal	-	-	2,117,082
Interest	-	-	641,291
Capital outlay	2,285,730	922,709	6,181,381
Total expenditures	2,429,339	1,470,487	42,469,236
Excess (deficiency) of revenues over (under) expenditures	(436,456)	(668,401)	10,045,212
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	-	47,466	47,466
Issuance of debt - leases	-	-	4,075
Issuance of debt - subscriptions	-	-	207,787
Transfers in	5,100,000	1,500,000	6,853,814
Transfers out	-	(100,000)	(6,853,814)
Total other financing sources (uses)	5,100,000	1,447,466	259,328
Net change in fund balances	4,663,544	779,065	10,304,540
Fund balances, beginning of year	19,415,495	2,330,802	55,570,950
Fund balances, end of year	$ 24,079,039	$ 3,109,867	$ 65,875,490

(concluded)

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

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Bend Metro Park and Recreation District, Oregon
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2025

Net change in fund balances - total governmental funds		$ 10,304,540
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation or amortization expense. Also, various miscellaneous transactions involving capital assets (e.g. disposals, donations, etc.) impact the net position.		
Acquisition of capital assets	$ 6,181,381	
Contribution of capital assets	860,000	
Capitalized labor additions	81,295	
Depreciation and amortization expense	(7,492,300)	
Gain (loss) on disposal of capital assets	(11,967)	
Total net effect of capital assets		(381,591)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Unavailable revenue - property taxes		141,932
Unavailable revenue - grants		316,414
Unavailable revenue - services provided		148,475
The issuance of long-term debt and the recognition of leases and subscriptions provides current financial resources to governmental funds, while the repayment of the principal of long-term debt, lease payments, and subscription payments consume the current financial resources of governmental funds. These transactions do not have any effect on net position. This is the amount by which bond principal retirement, lease payments, and subscription payments exceeded bond, lease, and subscription proceeds in the current period.		
Issuance of long-term debt - leases and subscriptions	(211,862)	
Long-term debt principal payments	2,002,540	
Lease and subscription principal payments	114,542	
Total net effect of long-term debt		1,905,220
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Amortization of deferred refunding cost	$ (13,961)	
Amortization of bond premium	92,479	
(Increase)/decrease in accrued interest	6,473	
(Increase)/decrease in compensated absences	13,022	
(Increase)/decrease in OPEB expense	122,843	
(Increase)/decrease in pension expense	(1,004,976)	
Total net effect of items that are not expenses		(784,120)
Total adjustments for fiscal year ended June 30, 2025		1,346,330
Change in net position of governmental activities		$ 11,650,870

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

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NOTES TO THE
FINANCIAL STATEMENTS

Notes to the Financial Statements Table of Contents

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Bend Metro Park and Recreation District (the district) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards. The more significant of the district's policies are described below.

A. Reporting Entity

The Bend Metro Park and Recreation District, Oregon, was formed on May 28, 1974, as an Oregon municipal corporation under the ORS for special districts. The Board of Directors, composed of five elected board members, forms the legislative branch of the district government, while the Executive Director acts as the administrative head. As its mission, the district acquires, develops, and maintains parks, trails and natural areas for the use and benefit of the district residents; provides a diverse selection of quality recreational programs and classes; and owns, operates and maintains recreational facilities, including the Juniper Swim and Fitness Center, the Larkspur Community Center, home of the Bend Senior Center, The Pavilion, Aspen Hall, and Hollinshead Barn. The accounts of the district are organized on the basis of funds. Fund accounting is designed to demonstrate legal compliance and aid financial management by segregating government functions and activities. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balances (net position), revenues, and expenditures (expenses).

As required by generally accepted accounting principles (GAAP), the financial statements present data for all funds of the district.

According to GAAP, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units. The district has no component units; in addition, the district is not included in any other governmental "reporting entity" as defined by GAAP.

B. Government-wide and Fund Financial Statements

The government-wide financial statements report information on all activities of the district. As a general rule, the effect of interfund activity has been eliminated from these statements; however, interfund services provided and used are not eliminated.

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

Separate financial statements are provided for governmental funds. The major individual governmental funds are reported as separate columns in the fund financial statements.

Note 1 – Summary of Significant Accounting Policies, continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial or economic resources. Basis of accounting indicates the timing of transactions or events for recognition in financial statements.

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which the taxes are levied. Non-exchange transactions, in which the district gives, or receives, value without directly receiving or giving equal value in exchange, include property taxes, grants, and contributions. Grants and contributions are recognized when all eligibility requirements imposed by the provider have been satisfied. The effect of interfund activity such as transfers, advances and loans is eliminated.

Governmental Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the district considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal year. A 60-day availability period is also used for revenue recognition for all other governmental fund revenues susceptible to accrual. Expenditure-driven grants are recorded as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service, compensated absences, certain postemployment benefits, and claims and judgments expenditures are recorded at the time such payment is due. Capital asset transactions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Property taxes are assessed on a July 1 – June 30 fiscal year basis. The taxes are levied as of July 1 based on assessed values as of January 1. Property tax payments are due in three equal installments, on November 15, February 15 and May 15. A discount of 3% is available if taxes are paid in full by November 15 and a discount of 2% on the unpaid balance is available if taxes are paid in full by February 15. Property taxes attach as an enforceable lien July 1 and are considered delinquent if not paid by the following May 15. The Deschutes County Treasurer is the tax collection agent for the district. The district's 2025 fiscal year permanent tax levy and the General Obligation Bond tax levy were $24,653,673 and $2,196,766, respectively.

Tax revenue is considered available for expenditure upon receipt by the County, which serves as the intermediary collection agency. Uncollected property taxes are shown on the governmental balance sheet as receivables. Collections within sixty days subsequent to year-end have been accrued and the remaining taxes receivable are recorded as a deferred inflow of resources on the modified accrual basis of accounting since they are not deemed available to finance operations of the current period.

Only the portion of recreation charges for services, due within the current fiscal year, is considered to be susceptible to accrual as revenue of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the district.

Note 1 – Summary of Significant Accounting Policies, continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Governmental Funds

Governmental funds finance all governmental functions of the district. The acquisition, use, and balances of the district's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in current financial resources, rather than upon net income determination. Currently, the district has only governmental funds, and no proprietary or fiduciary funds. The following are the district's major governmental funds:

General Fund – The General Fund is the general operating fund of the district. Principal sources of revenue are property taxes, charges for services, intergovernmental revenues, grants, and contributions. Primary expenditures of the General Fund are made for personnel and materials and services costs necessary to provide quality maintenance, recreation, planning, design, and development services for the community, and for the general administration of the district's operations.

System Development Charges Special Revenue Fund – The System Development Charges Special Revenue Fund is used to account for the acquisition and development of parks, trails, and indoor recreation facilities. Financing is provided by a system development fee levied against developing properties. Expenditures are restricted by state law to capacity-enhancing and reimbursement projects for park and trail facilities.

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

Facility Reserve Capital Projects Fund – The Facility Reserve Capital Projects Fund accounts for major capital project activities. Principal revenue is from a transfer in from the General Fund. Primary expenditures of the fund are land acquisitions, park development, asset management, and other facility-related capital projects.

Other Governmental Funds

Other governmental funds include all non-major funds of the district. Following are the district's other governmental funds, one special revenue fund and one capital project fund:

Rental Special Revenue Fund
Equipment Reserve Capital Projects Fund

D. Use of Estimates

The preparation of the 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 financial statements and reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

E. Self-insurance

The district retains a portion of the risk of loss for medical, dental and vision employee benefits. Claims expense is reduced by amounts recovered or expected to be recovered. Claims expense is accounted for in the district's basic financial statements in the General Fund and the Rental Fund.

Note 1 – Summary of Significant Accounting Policies, continued

F. Cash, Cash Equivalents and Investments

The district maintains a common cash, cash equivalents and investments pool for substantially all district funds. All short-term, highly-liquid investments, including investments in the State Treasurer's Local Government Investment Pool (LGIP) where the remaining maturity at the time of purchase is one year or less are stated at fair value. Fair value of the investment in the LGIP is the same as the value of the pool shares. Interest earned on the pooled monies is apportioned and credited to each fund monthly, based on the average daily cash balances of each participating fund.

G. Receivables

All operation and property tax receivables are shown net of an allowance for uncollectible amounts.

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the governmental funds and in the government-wide financial statements under the consumption method of accounting.

I. Capital Assets

Capital assets include land, artwork, buildings, improvements, vehicles and equipment, and other tangible and intangible (including right-of-use) assets with an initial individual cost of more than $10,000 and have initial useful lives extending beyond a single reporting period.

All capital assets have been capitalized in the government-wide financial statements. In accordance with the current financial resources measurement focus, capital assets are not capitalized in the governmental fund financial statements. All constructed and acquired capital assets are valued at cost where historical records are available and at estimated historical cost where no historical records exist. Historical cost is measured by the cash or cash equivalent price of obtaining an asset including ancillary charges necessary to place the asset into its intended location for use. Donated capital assets are reported at acquisition value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Amounts for maintenance and repairs are charged to expenditures/expenses in the appropriate funds as incurred and are not capitalized.

Capital assets are depreciated or amortized unless they are inexhaustible in nature (e.g., land, rights-of-way, and artwork). Depreciation and amortization is an accounting process to allocate the cost of capital assets to expense in a systematic and rational manner to those periods expected to benefit from the use of capital assets. Depreciation and amortization is not intended to represent an estimate in the decline of fair market value, nor are capital assets, net of accumulated depreciation/amortization, intended to represent an estimate of the current condition of the assets or the maintenance requirements needed to maintain the assets at their current level of condition.

Depreciation is computed using the straight-line basis over the estimated useful lives of the capital assets. All estimates of useful lives are based on actual experience by the district with identical or similar capital assets. Amortization of right-of-use lease and subscription assets are computed using the straight-line method over the term of the lease or subscription.

Note 1 – Summary of Significant Accounting Policies, continued

I. Capital Assets, continued

The estimated useful lives of the various categories of assets are as follows:

Category	Estimated Useful Life
Buildings and building improvements	10 to 50 years
Improvements other than buildings	20 years
Vehicles, equipment and software	5 to 10 years
Right-of-use	depends on the life of the lease or subscription

Upon disposal of capital assets, cost and accumulated depreciation and amortization are removed from the accounts and, if appropriate, a gain or loss on the disposal is recognized.

General capital assets are reported net of accumulated depreciation and amortization in the governmental activities column in the government-wide Statement of Net Position. Depreciation and amortization expense on general capital assets is reported in the government-wide Statement of Activities as expenses.

J. Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, the Statement of Net Position reports separate sections for deferred outflows of resources and deferred inflows of resources. The separate financial statement element, deferred outflows of resources, represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The separate financial statement element, deferred inflows of resources, represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then.

Deferred inflows of resources are reported on the governmental funds balance sheet as a result of reporting using the modified accrual method. The government funds report unavailable revenues from property taxes, grants, services provided, and leases; these amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

K. Compensated Absences

The district recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, three types of leave qualify for liability recognition for compensated absences – vacation, compensatory leave, and sick leave. The liability for compensated absences is reported as incurred in the government-wide fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

<u>Vacation</u>

The district's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment. District employees are granted vacation leave based upon length of employment with the district; a maximum of 240 hours of vacation for full-time employees and 120 hours for part-time employees are allowed to be carried over from one year to the next with the unused hours forfeited.

Note 1 – Summary of Significant Accounting Policies, continued

K. Compensated Absences, continued

Compensatory Leave

The district's policy permits some employees to accumulate earned but unused compensatory leave benefits, which are eligible for payment at the employee's current pay rate upon separation from employment. Compensatory leave is granted to full-time, hourly employees for overtime work and is calculated at the rate of 1.5 hours for each overtime hour worked; no more than 40 hours of compensatory leave may be accrued at any time with the excess hours being paid out as overtime.

Sick Leave

The district's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the district and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences. The district does not place a maximum limitation on the accumulation of sick leave for employees; however, benefited employees may carry over all accrued sick leave from one year to the next and up to 40 hours of unused sick leave may carry over for non-benefited employees. No more than 40 hours of sick leave may be accrued for non-benefited employees, with the excess hours being forfeited.

In fiscal year 2025, GASB 101, Compensated Absences was implemented by the district. See Note 1(U) for details.

L. Pensions

For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS's fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Other Postemployment Benefits Other Than Pensions (OPEB) (Asset)/Liability

The district participates in a multi-employer cost sharing defined benefit plan administered by OPERS known as RHIA (other postemployment benefits - OPEB). For purposes of measuring the net OPEB asset or liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPERS and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The district sponsors a self-pay early retirement health insurance continuation (HIC) program for its retirees. The implicit rate subsidy for this retiree health insurance benefit OPEB plan is described in detail in Note 13. The OPEB liability, deferred outflows of resources and deferred inflows of resources related to this program were determined by an external actuarial valuation.

Note 1 – Summary of Significant Accounting Policies, continued

N. Unearned, Unavailable Revenue

Governmental funds recognize deferred inflows in connection with receivables that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. The district's unearned revenue is related to payments received prior to June 30 for recreation programs or facility reservations that occur July 1 or after. The district does not record unearned revenue for the annual or quarterly passes for use at its recreation facilities.

O. Fund Balance Reporting

The district reports its governmental fund balances in accordance with GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Under GASB 54, fund balances are required to be reported according to the following classifications:

1. *Nonspendable* fund balance category includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes prepaid amounts.
2. *Restricted* fund balance category includes resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).
3. *Committed* fund balance category includes amounts that can be used only for specific purposes because of a resolution approved by the formal action of the district's governing board (the district's highest level of decision-making authority). Such constraint remains binding unless removed in the same manner.
4. *Assigned* fund balance category is intended to be used by the district for specific purposes but does not meet the criteria to be classified as restricted or committed. Assigned fund balance also includes the amount of ending fund balance that has been appropriated in next year's budget. Intent is expressed when the district's fund balance category is intended to be used by the district for specific purposes but does not meet the criteria to be classified as restricted or committed. Intent is also expressed when the district's Board of Directors approves which resources should be "set-aside" during the adoption of the upcoming fiscal year's annual budget. The district's Executive Director uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the district's Audited Financial Statements.
5. *Unassigned* fund balance is the residual classification for the district's General Fund and includes all spendable amounts not contained in the other classifications.

Note 1 – Summary of Significant Accounting Policies, continued

O. Fund Balance Reporting, continued

As of June 30, 2025, Governmental Fund Balances were classified as follows:

	General	System Development Charges	General Obligation (GO) Bond Debt Service	Facility Reserve	Other Governmental Funds	Total
FUND BALANCES						
Nonspendable						
Prepaid items	562,794	191,083	-	2,921	-	756,798
Total Nonspendable	562,794	191,083	-	2,921	-	756,798
Restricted						
Capital projects	-	28,476,534	-	-	-	28,476,534
Debt service	-	-	175,328	-	-	175,328
Total Restricted	-	28,476,534	175,328	-	-	28,651,862
Committed						
Capital projects - facilities	-	-	-	24,076,118	-	24,076,118
Capital projects - equipment	-	-	-	-	1,325,044	1,325,044
Rental program	-	-	-	-	1,784,823	1,784,823
Total Committed	-	-	-	24,076,118	3,109,867	27,185,985
Assigned						
Future expenditures	8,075,320	-	-	-	-	8,075,320
Total Assigned	8,075,320	-	-	-	-	8,075,320
Unassigned	1,205,525	-	-	-	-	1,205,525
Total fund balances	9,843,639	28,667,617	175,328	24,079,039	3,109,867	65,875,490

P. Fund Balance Policy

The district's Board of Directors adopted a General Fund Minimum Fund Balance Policy. The fund balance of the district's General Fund has been accumulated to meet the purpose of providing stability and flexibility to respond to unexpected adversity and/or opportunities. The setting of the minimum fund balance for each budget year is based on a risk assessment outlined in the fund balance policy. For fiscal year 2024-25 the risk analysis recommended the minimum fund balance to be set as the budgeted 90 days of Recreation operating expenditures, because a large portion is covered by charges for services, and 30 days of operating expenditures for the rest of the district since these are covered by property tax revenue.

When an expenditure is incurred for purposes for which amounts in any of the fund balance classifications could be used, it shall be the policy of the district to spend the most restricted dollars before less restricted in the following order:

1. Nonspendable (as funds become spendable)
2. Restricted
3. Committed
4. Assigned
5. Unassigned

Note 1 – Summary of Significant Accounting Policies, continued

Q. Net Position

Net position is comprised of the various net earnings from operations, non-operating revenues, expenses, and contributions of capital. Net position is classified in the following three categories:

- Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and amortization and reduced by any outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – consists of external constraints places on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

R. Leases

Leases are recognized in accordance with GASB Statement No. 87, Leases.

A lessor is required to recognize a lease receivable and a deferred inflow of resources. A lease receivable is recognized at the net present value of the leased asset at a borrowing rate either explicitly described in the agreement or implicitly determined by the district, and is reduced by principal payments received. The deferred inflow of resources is recognized in an amount equal to the sum of the lease receivable and any payments relating to a future period which were received prior to the lease commencement. These deferred inflows of resources are amortized using the straight-line method over the term of the lease.

A lessee is required to recognize a lease payable and an intangible right-of-use lease asset. A lease payable is recognized at the net present value of future lease payments, and is adjusted over time by interest and payments. Future lease payments include fixed payments, variable payments based on index or rate, and reasonably certain residual guarantees. The right-of-use asset is initially recorded at the amount of the lease liability plus prepayments less any lease incentives received prior to lease commencement, and is subsequently amortized over the life of the lease.

In the government-wide statements, deferred inflows related to leases and any respective right-of-use assets are reported in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources. Under modified accrual accounting, lease payments are considered capital outlay and proceeds of lease contracts, and thereafter are recorded as principal and interest payments.

The district has chosen not to implement GASB 87 for the budgetary basis of accounting. For both the budgetary basis of accounting and for leases that do not meet the criteria for valuation under GASB 87, the district will report inflows of cash for lessor leases and outflows of cash for lessee leases.

Note 1 – Summary of Significant Accounting Policies, continued

S. Subscription-Based Information Technology Arrangements (SBITA)

Subscription-based information technology arrangements (SBITA) are recognized in accordance with GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This statement defines a SBITA as a contract that conveys control of the right to use another party's (the SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets) as specified in the contract for a period of time in an exchange or exchange-like transaction.

For financial statements prepared using the economic resources measurement focus, a subscriber is required to recognize a subscription liability and an intangible right-of-use subscription asset at the commencement of the subscription term. The subscription liability is recognized at the net present value of future subscription payments and is adjusted over time by payments and interest. Future subscription payments are discounted using the district's estimated incremental borrowing rate.

Future subscription payments include fixed and/or variable payments based on the contract between the subscriber and vendor. The subscription asset is initially recorded as the sum of the subscription liability, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term, and is subsequently amortized over the life of the subscription. Subscription and capitalizable implementation cost payments made prior to the commencement of the subscription are classified as prepaid assets until the subscription commences; after the subscription commences, the prepaid assets are reclassified as an intangible right-of-use subscription asset.

For financial statements prepared using the current financial resources measurement focus, an other financing source and capital outlay are reported in the year the subscription asset is initially recognized. The other financing source is reported equal to the net present value of future subscription payments. Capital outlay is reported equal to the sum of the net present value of future subscription payments, payments made at the commencement of the subscription term, and capitalizable implementation costs, less any incentives received prior to the commencement of the subscription term. Subsequent governmental fund subscription payments are recorded as principal and interest payments.

The district has chosen not to implement GASB 96 for the budgetary basis of accounting. For both the budgetary basis of accounting and for subscriptions that do not meet the criteria for valuation under GASB 96, the district will report outflows of cash for subscription payments.

T. Appropriation and Budgetary Controls

The district is subject to provisions of the Oregon Revised Statutes (ORS), which set forth local budget procedures. A resolution authorizing appropriations for each fund sets the level of control by which expenditures cannot legally exceed appropriations. Appropriations are established by organizational unit or program (community engagement, park services, recreation services, etc.). In addition, separate appropriations not established by organizational unit or program are established by object categories (debt service, capital outlay, transfers out, contingency and reserve for future expenditures) for all funds. The district's published budget contains more specific detailed information for the above-mentioned expenditure categories.

Note 1 – Summary of Significant Accounting Policies, continued

T. Appropriation and Budgetary Controls, continued

The district's Board of Directors may, however, approve additional appropriations for necessary expenditures which could not be reasonably estimated at the time the budget was adopted. Additionally, budgets may be modified during the fiscal year by the use of appropriation transfers between legal categories or appropriation transfers from one fund to another.

Such transfers must be authorized by official resolution of the Board of Directors. The resolution must state the need for the transfer, the purpose of the authorized expenditures and the amount of the appropriation transferred.

Transfers of operating contingency appropriations, which in aggregate during a fiscal year exceed 15% of the total appropriations of the fund, may only be made after adoption of a supplemental budget prepared for that purpose. A supplemental budget of less than 10% of the fund's original budget may be adopted at a regular meeting of the Board. A supplemental budget greater than 10% of the fund's original budget requires public hearings, publication in newspapers and approval by the Board. The district had no supplemental budgets and two appropriation transfers during the year ended June 30, 2025. Budget amounts shown in the financial statements include the original budget, supplemental budgets and budget transfers. All appropriations terminate on June 30.

U. Adoption of New GASB Pronouncements

During the fiscal year ended June 30, 2025, the district implemented the following GASB Pronouncements:

GASB Statement No. 101, Compensated Absences. This statement, which replaces the previous guidance under GASB Statement No. 16, was issued June 2022 to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. Other requirements include that a liability for certain types of compensated absences not be recognized until the leave commences, and that a liability for specific types of compensated absences not be recognized until the leave is used.

Following the adoption of GASB 101, the district's total liability for compensated absences increased by $1.5 million to $2.4 million under the new standard as of July 1, 2024. These increases reflect the net change in liabilities now required, offering enhanced transparency in financial reporting. The recognized liabilities include compensatory leave, vacation, and sick leave obligations. See note 1(V).

GASB Statement No. 102, Certain Risk Disclosures. This statement was issued in December 2023 to improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. The adoption of this pronouncement had no effect on the net position, results of operations, or cash flows for the period and no concentration or constraint risks were identified for the district.

Note 1 – Summary of Significant Accounting Policies, continued

U. Adoption of New GASB Pronouncements, continued

GASB has issued the following pronouncements that may affect future financial position, results of operations, cash flows, or financial presentation of the district upon implementation. These pronouncements have not yet been implemented by the district:

GASB Statement No.	GASB Accounting Standard	Fiscal Year Effective
103	Financial Reporting Model Improvement	2026
104	Disclosure of Certain Capital Assets	2026

V. Restatement for Accounting Changes

During fiscal year 2025, as discussed in 1(U), the change in accounting principal for the implementation of GASB Statement No. 101, Compensated Absences resulted in a restatement of beginning net position as follows:

	Government-Wide		
	June 30, 2024, as previously reported	Adoption of GASB 101: Compensated Absences	June 30, 2024, as Restated
Governmental Activities	$ 201,523,863	$ (1,521,818)	$ 200,002,045

Note 2 – Cash, Cash Equivalents and Investments

The district's investment of cash funds is regulated by Oregon Revised Statutes (ORS) and the district's Investment Policy, adopted by its Board of Directors. Under these guidelines, cash funds may be invested in bank accounts; certificates of deposit; obligations of the United States, its agencies, and certain states; certain guaranteed investments issued by banks; and the State of Oregon Local Government Investment Pool. During the year, the district did not purchase any repurchase agreements or reverse repurchase agreements.

Cash, cash equivalents, and investments at June 30, 2025, consisted of the following:

	Total
Cash on hand	$ 5,884
Deposits with banks	7,636,082
Local Government Investment Pool	61,072,891
Total pooled cash and investments	$ 68,714,857

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the district's deposits may not be returned. State statutes require that all bank deposits in excess of the FDIC insurance amount be collateralized through the Oregon State Treasurer's (OST) Public Funds Collateralization Program. This program provides a structure for specified depositories to participate in a shared liability collateral pool. Securities pledged by individual institutions may range from 10% to 110% of public fund deposits depending on the financial institution's level of capitalization as determined by its federal regulatory authority. The aggregate Oregon public fund collateral pledge at June 30, 2025 was $1,914,062,952 for reported uninsured public funds of $3,243,644,898.

Note 2 – Cash, Cash Equivalents and Investments, continued

Deposits, continued

The Custodian, Federal Home Loan Bank, is the agent of the depository. The securities pledged are designated as subject to the Pledge Agreement between the Depository, Custodian Bank and Office of the State Treasurer (OST) and are held for the benefit of OST on behalf of the public depositors. The district's funds were held by financial institutions that participated in the OST program and were in compliance with statutory requirements. The total cash in bank as of June 30, 2025 was $1,099,283, of these deposits $849,243 was covered through the collateralization program, and not insured by the FDIC.

Fair Value Measurements

GASB Statement No. 72, Fair Value Measurement and Application, specifies a hierarchy of valuation classifications based on whether the inputs to the valuation techniques used in each valuation classification are observable or unobservable. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived from or corroborated by an observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability. Level 3 inputs are significant unobservable inputs. The district has no investments that are measured using Level 1 or Level 3 inputs.

Investments

The district participates in the Oregon State Treasurer's Local Government Investment Pool (LGIP), a non-SEC regulated, open-ended, no-load diversified portfolio created under ORS 294.805 to 294.895. The LGIP is administered by the State Treasurer and the Oregon Investment Council under the governance of the Oregon Short-Term Fund Board. The LGIP is audited annually by the Oregon Secretary of State, Audits Division.

The Oregon State Treasurer's Office has calculated the fair value of the underlying investments of the LGIP and the district's share of fair value is reflected below. The LGIP portfolio rules require that at least 50 percent of the portfolio mature or reset within 93 days; not more than 25 percent of the portfolio may mature or reset in over a year; and no investments may mature or reset over three years from settlement date.

Investment	Fair Value
Local Government Investment Pool	$ 61,072,891

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the district's Investment Policy requires that the maximum investment portfolio average maturity be 18 months.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. ORS Chapter 294, limit investments to obligations of the United States Treasury and United States Government agencies and instrumentalities, certain bankers' acceptances, repurchase agreements, certain high-grade commercial paper and corporate bonds and obligations of states and municipalities.

Note 2 – Cash, Cash Equivalents and Investments, continued

Credit Risk, continued

The district's investment policy has been approved by the district Board of Directors and specifies the district's investment objectives, required diversification, certain limitations and reporting requirements. The State of Oregon Local Government Investment Pool is unrated.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of failure of the counterparty to a transaction, the government will not be able to recover the value of its investments or collateral securities in the possession of an outside party.

The district's investment in the LGIP is not deemed to be a security, which is a transferable financial instrument that evidences ownership and is, therefore, not subject to custodial credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The district's investment policy provides that the maximum that may be invested in any one issuer, as a percentage of total investments is 100% for US Treasury, 35% for US Government agencies and 5% per issuer, and in the LGIP, the lesser of 100% or $61,749,000, the maximum amount allowed imposed by the state statute.

Governmental accounting standards require that investments be reported at fair value and the change in fair value of investments be reported as revenue in the operating statement. The district's investments consist solely of government pool investments and are stated at fair value as of June 30, 2025.

Note 3 – Receivables

Receivables as of June 30, 2025 were as follows:

	Governmental Activities					
	General	System Development Charges	General Obligation Debt Service	Facility Reserve	Other Funds	Total
Property taxes	$ 653,357	$ -	$ 58,979	$ -	$ -	$ 712,336
System development fees	-	676,849	-	-	-	676,849
Accounts	319,965	-	-	45,706	34,326	399,997
Grants	-	-	-	316,414	-	316,414
Leases	424,202	-	-	-	-	424,202
Accrued Interest	1,149	-	-	-	-	1,149
Total receivables	1,398,673	676,849	58,979	362,120	34,326	2,530,947
Allowance for doubtful accounts	(76,428)	-	-	-	-	(76,428)
Receivables, net	$ 1,322,245	$ 676,849	$ 58,979	$ 362,120	$ 34,326	$ 2,454,519

Note 4 – Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated or amortized					
Land including right-of-way	$ 72,715,059	$ 1,002,820	$ -	$ -	$ 73,717,879
Assets under construction	2,603,407	4,806,654	-	(3,598,726)	3,811,335
Artwork	230,000	-	-	-	230,000
Total capital assets, not being depreciated or amortized	75,548,466	5,809,474	-	(3,598,726)	77,759,214
Capital assets, being depreciated or amortized					
Buildings and building improvements	60,926,607	55,377	(27,136)	156,797	61,111,645
Improvements other than buildings	96,500,874	72,931	-	3,441,929	100,015,734
Vehicles, equipment and software	6,296,217	946,772	(281,311)	-	6,961,678
Lease equipment	134,743	4,075	-	-	138,818
Subscription assets	355,346	234,047	(13,967)	-	575,426
Total capital assets, being depreciated or amortized	164,213,787	1,313,202	(322,414)	3,598,726	168,803,301
Less accumulated depreciation and amortization					
Buildings and building improvements	(24,187,607)	(2,572,447)	17,829	-	(26,742,225)
Improvements other than buildings	(37,655,909)	(4,444,532)	-	-	(42,100,441)
Vehicles, equipment and software	(4,748,164)	(366,071)	278,780	-	(4,835,455)
Lease equipment	(82,714)	(32,060)	-	-	(114,774)
Subscription assets	(104,527)	(77,190)	5,465	-	(176,252)
Total accumulated depreciation and amortization	(66,778,921)	(7,492,300)	302,074	-	(73,969,147)
Total capital assets, being depreciated or amortized, net	97,434,866	(6,179,098)	(20,340)	3,598,726	94,834,154
Governmental activities capital assets, net	$ 172,983,332	$ (369,624)	$ (20,340)	$ -	$ 172,593,368

Depreciation and amortization

Depreciation and amortization expense was charged to functions/programs of the district as follows:

Governmental activities:	
General government	$ 294,085
Rental program	21,494
Park services	4,732,750
Recreation services	2,443,971
Total depreciation and amortization expense - governmental activities	$ 7,492,300

Note 5 – Deferred Outflows of Resources

Deferred outflows – defined benefit pension and OPEB: the contributions made to OPERS during the year ended June 30, 2025 and other items related to the district's defined benefit pension plan and OPEB have been classified as a deferred outflow of resources.

Deferred Outflows of Resources	Amount
Deferred outflows - Defined Benefit Pension Plan	
Differences between expected and actual experience	875,036
Changes of assumptions	1,485,065
Net difference between projected and actual earnings on pension plan investments	938,361
Changes in proportionate share	1,282,884
Differences between employer contributions and employer's proportionate share of system contributions	456,736
Total (prior to post-measurement date contributions)	5,038,082
Employer contributions subsequent to the measurement date	2,237,927
Total deferred outflows - Defined Benefit Pension Plan	7,276,009
Deferred outflows - OPEB	
Differences between expected and actual experience	138,652
Changes of assumptions or inputs	12,616
Net difference between projected and actual earnings on pension plan investments	10,155
Changes in proportionate share	4,093
Employer contributions subsequent to the measurement date	42,846
Total deferred outflows - OPEB	208,362
Total Deferred Outflows of Resources	$ 7,484,371

Note 6 – Interfund Activity

Interfund transfers during fiscal year ended June 30, 2025, consisted of the following:

Description	Amount
From the General Fund to the Facility Reserve Capital Projects Fund for land acquisitions, capital development and renovation projects	$ 5,000,000
From the General Fund to the Equipment Reserve Capital Projects Fund for equipment acquisitions	1,500,000
From the System Development Charges Special Revenue Fund to the General Fund for personnel services	253,814
From the Rental Special Revenue Fund to the Facility Reserve Capital Projects Fund for renovation projects	100,000
	$ 6,853,814

In addition to the interfund transfers noted above, an additional $48,781 was reimbursed from the System Development Charges Special Revenue Fund to the General Fund for interfund services provided.

Note 7 – Leases and Subscription-Based Information Technology Arrangements (SBITA)

The district is involved in various leasing arrangements for buildings, equipment, land, and land use rights. In accordance with GASB Statement No. 87, Leases, newly acquired leases during the current fiscal year were analyzed and classified as either qualified or non-qualified leases, for both lessor and lessee positions, and lease receivables or payables were recognized accordingly.

The district is also involved in various subscription-based information technology arrangements (SBITA) for information technology software and underlying subscription assets which are subscribed from commercial and retail software vendors. In accordance with GASB Statement No. 96, Subscription-based information technology arrangements (SBITA), newly acquired subscriptions during the current fiscal year were analyzed and classified as either qualified or non-qualified subscriptions and subscription liabilities were recognized accordingly.

Lessor Lease Receivable

The district has entered into ten lease agreements for buildings, land, and land-use rights. Of these, two are qualified leases under GASB Statement No. 87 with the latest ending on May 31, 2031. Both leases are for wireless monopole communication antennas leased to independent wireless communications real estate operators. The interest rates are 3.25%. Total lease inflows for the current year was $73,002 of which $58,186 were principal payments and $14,816 were interest payments.

Lease receivables for the year ended June 30, 2025 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Land use rights	$ 482,388	$ -	$ (58,186)	$ 424,202
Total governmental activities	$ 482,388	$ -	$ (58,186)	$ 424,202

The future lease receipts are expected to be as follows:

	Governmental Activities		
Fiscal Year Ended June 30,	Principal Payments	Interest Payments	Total Payments
2026	$ 64,247	$ 12,862	$ 77,109
2027	73,340	10,612	83,952
2028	75,759	8,193	83,952
2029	78,258	5,694	83,952
2030	80,840	3,112	83,952
2031	51,758	712	52,470
Total	$ 424,202	$ 41,185	$ 465,387

Lease Receipts Not Included in Receivable

Out of the ten lease agreements in which the district acts as lessor, two are qualified leases under GASB Statement No. 87 and the other eight not qualified under GASB Statement No. 87 are either short-term in nature or outside the scope of the standard. These non-qualified lease agreements have not been recognized and measured as part of the district’s lease receivable and the receipts related to these agreements are recognized as inflows of resources in the period to which those payments related.

Note 7 – Leases and Subscription-Based Information Technology Arrangements (SBITA), continued

Lessee Lease Payables

The district has entered into five lease agreements as lessee for equipment, land, and land-use rights. Of these, one is a qualified lease under GASB Statement No. 87 expiring on March 31, 2026 with an interest rate of 3.25%. The district recognized an increase of $4,075 to lease payables in the current year due to a lease modification. Total lease payments for the current year were $131,608, including $33,352 in principal payments, $1,356 in interest payments, and $96,900 in other charges not included in the lease liability.

Lease payables outstanding as of June 30, 2025 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:					
Equipment lease	$ 53,550	$ 4,075	$ (33,352)	$ 24,273	$ 24,273
Total governmental activities	$ 53,550	$ 4,075	$ (33,352)	$ 24,273	$ 24,273

Future lease payments for all leases discussed above are expected to be paid as follows:

Fiscal Year Ended June 30,	Governmental Activities		
	Principal	Interest	Total
2026	$ 24,273	$ 282	$ 24,555
Total	$ 24,273	$ 282	$ 24,555

Lease Payments Not Included in Liability

Out of the five total agreements in which the district acts as a lessee, one is a qualified lease under GASB Statement No. 87. The remaining four agreements not qualified under GASB Statement No. 87 are either short-term in nature or outside the scope of the standard. These non-qualified lease agreements have not been recognized and measured as part of the district's lease payable in accordance with GASB Statement No. 87 and the receipts related to these agreements are recognized as outflows of resources in the period in which the obligation for those payments was incurred.

Subscription Liabilities

The district has entered into 21 qualified SBITA agreements as the subscriber for software. Of these, 11 had payments included in the measurement of the subscription liability with periods covering various ranges and the latest expiring on July 26, 2033. Interest rates range from 2.37% to 3.51%. The district recognized an increase of $207,787 to subscription liabilities in the current year due to a one new SBITA in the amount of $167,204 and multiple subscription modifications totaling $40,583. A decrease of $89,563 was recognized due to one subscription termination in the amount of $8,373 and principal payments of $81,190. Annual payments for the current year range from $1,375 to $26,031.

Note 7 – Leases and Subscription-Based Information Technology Arrangements (SBITA), continued

Subscription Liabilities, continued

Subscription liabilities currently outstanding as of June 30, 2025 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities:					
Subscriptions	$ 216,712	$ 207,787	$ (89,563)	$ 334,936	$ 85,393
Total governmental activities	$ 216,712	$ 207,787	$ (89,563)	$ 334,936	$ 85,393

Future annual subscription commitments as of June 30, 2025 are as follows:

	Governmental Activities		
Fiscal Year Ended June 30,	Principal Payments	Interest Payments	Total Payments
2026	$ 85,393	$ 4,800	$ 90,193
2027	76,724	7,227	83,951
2028	58,461	5,109	63,570
2029	19,190	3,526	22,716
2030	20,918	2,934	23,852
2031 - 2034	74,250	4,703	78,953
Total	$ 334,936	$ 28,299	$ 363,235

Subscription Payments Not Included in Liability

Variable payments based on future performance of the district, usage of the underlying IT assets, or number of user seats, were not included in the measurement of the subscription liability. Other payments, such as termination penalties, were also not included in the measurement of the subscription liability. Rather, these variable and other payments were recognized as outflows of resources in the period in which the obligation for those payments was incurred. The district had one SBITA with variable payments not included in the measurement of the subscription liability for the fiscal year ended June 30, 2025.

The amount of outflows of resources recognized in the fiscal year ended June 30, 2025 for variable and other payments not previously included in the measurement was $150,247.

Combined Lease and Subscription Liabilities

Lease and subscription liabilities currently outstanding as of June 30, 2025 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Lease payable	$ 53,550	$ 4,075	$ (33,352)	$ 24,273
Subscription liabilities	216,712	207,787	(89,563)	334,936
Total governmental activities	$ 270,262	$ 211,862	$ (122,915)	$ 359,209

Note 8 – Long-Term Obligations

The district has issued debt for the purpose of supporting its capital financing activities. The types of debt are discussed below and each debt type reports the range of maturities for each of its outstanding debt issue. The district's tax-exempt debt remains in compliance with all Internal Revenue Service arbitrage regulations. Outstanding debt amounts are as of June 30, 2025.

General Obligation Bonds

The district issued general obligation bonds to provide financing for the acquisition and construction of major capital facilities and improvements. General obligation bonds, Series 2013, were issued on June 5, 2013, in the amount of $29,000,000. The district is authorized to levy an unlimited ad valorem tax to pay for these bonds.

Oregon state law limits general obligation debt to 2.5% of real market value. At June 30, 2025 the district's unused debt margin is $1.05 billion.

General obligation bonds currently outstanding are as follows:

	Rate(s) Outstanding Debt	Date of Issue	Years of Maturity	Amount of Original Issue	Outstanding June 30, 2025
Capital Improvements - Series 2013	2% - 4.5%	June 5, 2013	2013 to 2033	$ 29,000,000	$ 16,090,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ending June 30,	General Obligation Bonds Principal	Interest
2026	1,610,000	565,331
2027	1,725,000	492,881
2028	1,840,000	423,881
2029	1,960,000	350,282
2030	2,065,000	291,481
2031-2033	6,890,000	464,889
Total	$ 16,090,000	2,588,745

Notes Payable and Lines of Credit

There are no outstanding notes payable or lines of credit at June 30, 2025.

Direct Borrowing - Loan Payable

The district entered into a direct borrowing Financing Agreement, Series 2014, for the purpose of refunding the Full Faith and Credit Obligations, Series 2005 (Juniper Swim and Fitness Center Renovation and Expansion Project). The principal balance of this loan was paid off in fiscal year 2025 and there is no outstanding loan payable as of June 30, 2025. Details for the activity of the loan payable can be found in the changes in long-term liabilities schedule at the end of this note.

Note 8 – Long-Term Obligations, continued

Other Long-Term Liabilities

The district's policy relating to compensated absences is described in Note 1(K). The total amount outstanding at June 30, 2025 was $2,437,949.

The Oregon PERS pension liability is described in Note 12. The total outstanding liability at June 30, 2025, was $14,770,839.

The other postemployment benefits (OPEB) liability is described in Note 13. The total amount outstanding at June 30, 2025 was $518,406.

The long-term portion of compensated absences, pension, and other postemployment benefits liabilities are expected to be paid in future years from future resources. In prior years, compensated absences, pension, and other postemployment benefits have been liquidated primarily by the funds for which the employees who earned the benefits were assigned, which are the General Fund and the Rental Fund.

Changes in Long-Term Liabilities

Changes in long-term liabilities for the year ended June 30, 2025 was as follows:

	Balance as Originally Stated, July 1, 2024	Restatement	Balance as Restated	Increases	Decreases	Balance June 30, 2025	Due Within One Year
Compensated absences[1]	$ 929,153	$ 1,521,818	$ 2,450,971	$ -	$ (13,022)	$ 2,437,949	$ 1,316,893
Lease payable	53,550	-	53,550	4,075	(33,352)	24,273	24,273
Subscription liabilities	216,712	-	216,712	207,787	(89,563)	334,936	85,393
Total OPEB HIC Plan liability	485,741	-	485,741	32,665	-	518,406	42,774
Net pension liability	12,238,404	-	12,238,404	2,532,435	-	14,770,839	-
General obligations bonds	17,600,000	-	17,600,000	-	(1,510,000)	16,090,000	1,610,000
Unamortized premium	832,308	-	832,308	-	(92,479)	739,829	92,479
Direct borrowing - loan payable	492,540	-	492,540	-	(492,540)	-	-
Total long-term obligations	$ 32,848,408	$ 1,521,818	$ 34,370,226	$ 2,776,962	$ (2,230,956)	$ 34,916,232	$ 3,171,812

(1) Compensated absences report the net liability decrease of leave earned and used during fiscal year 2025.

Note 9 – Deferred Inflows of Resources and Unearned Revenue

Governmental Funds Balance Sheet

Unavailable revenues are reported as deferred inflows of resources on the governmental funds balance sheet. These are revenues which are earned, but not available to liquidate liabilities of the current period. Unearned revenues are reported on the governmental funds balance sheet and are revenues which are available to liquidate liabilities of the current period, but are not yet earned. For the district, these are revenues related to recreation services, rental program, and planning and design functions.

Note 9 – Deferred Inflows of Resources and Unearned Revenue, continued

Governmental Funds Balance Sheet, continued

For the year ended June 30, 2025, these balances were:

	General	General Obligation Debt Service	Facility Reserve	Other Funds	Total
Deferred inflows of resources:					
Unavailable revenue - property taxes	$ 520,609	$ 47,079	$ -	$ -	$ 567,688
Unavailable revenue - grants	-	-	316,414	-	316,414
Unavailable revenue - services provided	148,475	-	-	-	148,475
Unavailable revenue - leases	378,518	-	-	-	378,518
Total deferred inflows of resources	1,047,602	47,079	316,414	-	1,411,095
Unearned Revenue	2,459,206	-	421	158,423	2,618,050
Total Deferred Inflows of Resources and Unearned Revenue	$ 3,506,808	$ 47,079	$ 316,835	$ 158,423	$ 4,029,145

Statement of Net Position

An acquisition of net position, applicable to a future reporting period, is reported as deferred inflows of resources on the Statement of Net Position. For the year ended June 30, 2025, these balances related to the district’s defined benefit pension plans by the application of GASB Statement No. 68, other postemployment benefits (OPEB) by the application of GASB Statement No. 75, and leases by the application of GASB Statement No. 87 are:

Deferred Inflows of Resources	Amount
Deferred inflows - Defined Benefit Pension Plan	
Differences between expected and actual experience	$ 35,253
Changes of assumptions	1,903
Changes in proportionate share	45,195
Differences between employer contributions and employer's proportionate share of system contributions	396,621
Total deferred inflows - Defined Benefit Pension Plan	478,972
Deferred inflows - OPEB	
Differences between expected and actual experience	13,497
Changes of assumptions	131,545
Changes in proportionate share	104,026
Total deferred inflows - OPEB	249,068
Deferred inflows - Leases	378,518
Total Deferred Inflows of Resources	$ 1,106,558

Note 10 – Risk Management

The district is exposed to various risks of loss related to torts, which include: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The district is a member of the Special Districts Insurance Services (SDIS). SDIS was created by the Special Districts Association of Oregon in 1985 for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. SDIS is fully funded by its members, who pay annual assessments on an experience rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses.

The district obtains insurance from SDIS for the following coverages: general liability limit of $10,000,000 per occurrence; a comprehensive crime policy with a coverage limit of $500,000; and various real, personal and inland marine property coverage for replacement costs.

The district also carries commercial insurance for workers' compensation, cyber fraud coverages, underground (fuel) storage tank pollution liability, and employee health, life, and disability. Settled claims from these risks have not exceeded insurance limits in any of the past three years.

Note 11 – Tax Abatements

As of June 30, 2025, the District provides tax abatements through four programs:

<u>Nonprofit Low Income Rental (ORS 307.541)</u> - In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating the property tax burden on those agencies that provide this type of housing.

Charitable, nonprofit organizations that provide housing to low-income persons are eligible, and must be certified by the Internal Revenue Service as 501(c)(3) or (4) organization. Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the nonprofit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline. Vacant land intended to be developed as low-income housing is also eligible for the exemption.

<u>Housing for Low Income Rental (ORS 307.517)</u> - An exemption is allowed for property or a portion of property if it meets certain criteria. The property must be offered for rent or held for the purpose of developing low income rental housing, be occupied by low income persons, and have a rent required payment that reflects the full value of the tax exemption.

<u>Enterprise Zones (ORS 285C.175)</u> - The Oregon Enterprise Zone program is a State of Oregon economic development program 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 Enterprise Zone program allows for 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 up to 5 years 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.

Note 11 – Tax Abatements, continued

Construction in Process in Enterprise Zones (ORS 285C.170) - The Oregon Enterprise Zone program is a State of Oregon economic development program that allows for property tax exemptions. A Construction-in-Process exemption is available for qualifying properties currently under construction in an Enterprise Zone.

To qualify, the property must be owned or leased by an authorized business that is contractually obligated to own or lease the property until placed in service, it may not be previously subject to exemption as a commercial facility (ORS 307.330), and may not be operated, in all or part, as a hotel, motel, or destination resort.

Property may be exempt for no more than two tax years, which must be consecutive, and is not dependent on the property already receiving or being qualified to receive the Enterprise Zone exemption.

For the year ended June 30, 2025, the district's revenues were estimated to be reduced by the following amounts for each program:

	Estimated Taxes Abated During FY 2025
Nonprofit low income rental and Housing for low income rental	$ 150,553
Enterprise zones	90,923
Construction in process in enterprise zones	59,490
Total Abated	$ 300,966

Note 12 – Public Employees' Retirement System Pension Plan

Plan Description

Employees of the district are provided with pensions through the Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer defined benefit pension plan. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of OPERS are established by the legislature pursuant to ORS Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. A second program, the Chapter 238A-OPERS Pension Program (OPSRP DB), provides benefits to members hired on or after August 29, 2003. OPERS issues an independently audited, publicly available, Annual Comprehensive Financial Report and Actuarial Valuation which can be found at: https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx.

Benefits Provided

1. Tier One/Tier Two Retirement Benefit ORS Chapter 238

Pension Benefits

The OPERS retirement allowance is payable monthly for life. Members may select from 13 retirement benefit options that are actuarially equivalent to the base benefit. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0% for police and fire employees, 1.67% for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Monthly payments must be a minimum of $200 per month or the member will receive a lump-sum payment of the actuarial equivalence of benefits to which he or she is entitled.

Note 12 – Public Employees' Retirement System Pension Plan, continued

Benefits Provided, continued

1. Tier One/Tier Two Retirement Benefit ORS Chapter 238, continued

Pension Benefits, continued

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2021. The limit was equal to $232,976 in calendar year 2024 and $238,567 in calendar year 2025 and will be indexed with inflation in later years.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by an OPERS employer at the time of death,
- the member died within 120 days after termination of OPERS-covered employment,
- the member died as a result of injury sustained while employed in an OPERS-covered job, or
- the member was on an official leave of absence from an OPERS-covered job at the time of death.

A member's beneficiary may choose a monthly payment for life instead of the lump-sum or a combination of lump-sum and monthly payments, if eligible. The monthly payment must be a minimum of $30 per month for deaths that occur July 30, 2003 and earlier; $200 per month for deaths that occur after July 30, 2003.

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of OPERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

Benefit Changes After Retirement

After Retirement Members may choose to continue participation in their Variable Account after retiring and may experience annual benefit fluctuations due to changes in the market value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0%.

Note 12 – Public Employees' Retirement System Pension Plan, continued

Benefits Provided, continued

2. OPSRP Pension Program

OPSRP (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003, and is a hybrid-plan consisting of two components: the pension program (the defined benefit portion) and the individual account program (the defined contribution portion).

Defined Pension Benefits

The pension program portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

General service: 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse receives for life 50% of the pension that would otherwise have been paid to the deceased member. The surviving spouse or other person may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

Disability Benefits

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45% of the member's salary determined as of the last full month of employment before the disability occurred.

3. Individual Account Program

Benefit Terms

An Individual Account Program (IAP) member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. The accounts fall under Internal Revenue Code Section 401(a).

Upon retirement, a member of the IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Installment amounts vary with market returns as the account remains invested while in distribution. When chosen, the distribution option must result in a $200 minimum distribution amount or the frequency of the installments will be adjusted to reach that minimum.

Note 12 – Public Employees' Retirement System Pension Plan, continued

Benefits Provided, continued

3. Individual Account Program, continued

Death Benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

OPERS' funding policy provides for periodic member and employer contributions at rates established by the OPERS Board, subject to limits set in statute. The rates established for member and employer contributions were approved based on the recommendations of OPERS' third-party actuary. Employer contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the OPERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Ultimate authority for setting and changing the laws governing contributions rests with the Oregon legislature.

Employer contribution rates during the period were based on the December 31, 2021 valuation. The rates, based on a percentage of payroll, first became effective July 1, 2023. The district's employer contributions for the year ended June 30, 2025 were $2,237,927, excluding amounts to fund employer specific liabilities. The rates, presented as a percentage of covered payroll, for the district in effect for the fiscal year ended June 30, 2025 were: 18.44% for Tier One/Tier Two, and 15.19% for OPSRP Pension Program. Covered employees are required by state statute to contribute 6% of their annual salary for the IAP, but the employer is allowed to pay all or none of the employees' contribution in addition to the required employers' contribution. The district does not contribute the 6% "pick-up" for employees.

The district participated in the OPERS incentive fund program with a payment of $1,500,000, made on January 23, 2020. As part of the incentive fund program, the state matched a portion of the contribution; the state's matching contribution to the district was $375,000. Both the contribution and the match were placed in a PERS "side account" to be used beginning February 1, 2020 to provide an offset for future contributions to the PERS system. The offset has reduced the district's employer contribution rates, as a percentage of covered payroll, by 1.67% for the contribution period July 01, 2023 through June 30, 2025. This rate offset percentage is re-valuated every two years by the OPERS actuaries for the subsequent contribution periods with the next rate offset beginning July 01, 2025.

Starting July 1, 2020, Senate Bill 1049 required member contributions to their IAP accounts to be redirected to the Defined Benefit fund. If the member earns more than $2,500 a month, 0.75% for OPSRP members and 2.5% for Tier One/Tier Two members' salaries that were previously contributed to the member's IAP began funding the new Employee Pension Stability Accounts to help fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account.

Note 12 – Public Employees' Retirement System Pension Plan, continued

Pension Liabilities and Pension Expense

At June 30, 2025, the district reported a liability of $14,770,839 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022.

The basis for the district's proportion is actuarially determined by comparing the district's projected long-term contribution effort to OPERS with the total projected long-term contribution effort of all employers. The projected long-term contribution effort is equal to the sum of the present value of future normal costs (PVFNC) and the unfunded actuarial liability (UAL). The contribution rate for every employer has at least two major components: Normal Cost Rate and UAL Rate.

1. Normal Cost Rate: The projected long-term contribution effort is estimated by projecting the present value of all future normal cost rate contributions. The PVFNC represents the portion of the projected long-term contribution effort related to future service. An employer's PVFNC depends on both the Normal Cost Rates charged on the employer's payrolls and on the underlying demographics of the respective payrolls. For OPERS funding employers have three different payrolls, each with a different Normal Cost Rate: Tier One/Tier Two payroll; OPSRP General Service payroll; and OPSRP Police and Fire payroll.
2. UAL Rate: A UAL exists when OPERS assets are less than the actuarial liability as measured by the OPERS actuarial funding valuations. UAL can arise in a biennium when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises in a given biennium over a fixed period of time if future experience follows assumptions. The UAL Rate is the upcoming year's component of the cumulative amortization schedules, stated as a percent of payroll. The UAL represents the portion of the projected long-term contribution effort related to past service. In determining the employer's projected long-term contribution effort to OPERS, the UAL component was adjusted for supplemental lump-sum payments made during the measurement period, if applicable.

After the employer's projected long-term contribution effort is calculated, that amount is reduced by the value of the employer's supplemental lump-sum payments, known as side accounts, transition surpluses and pre-SLGRP (State and Local Government Rate Pool) surpluses as of the valuation date. Side accounts decrease the employer's projected long-term contribution effort because side accounts are effectively pre-paid contributions.

The employer's projected long-term contribution effort does not include payments toward the current value of transition liabilities and pre-SLGRP liabilities, which OPERS has determined meet the definition of separately financed employer liabilities.

If the calculation of the employer's projected long-term contribution effort yields a negative number, the employer's portion of the projected long-term contribution effort will be set to zero and the employer will be allocated no proportionate share of pension amounts.

At June 30, 2025, the district's proportion of the net pension liability was 0.06645%; this was an increase from the prior measurement period's proportionate share of 0.06534%. For the year ended June 30, 2025, the district recognized a pension expense of $3,206,636.

Note 12 – Public Employees' Retirement System Pension Plan, continued

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Deferred inflows of resources and deferred outflows of resources are calculated at the plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2024, employers report the following deferred inflows of resources and/or deferred outflows of resources:

- A difference between expected and actual experience
- Changes in assumptions
- Net difference between projected and actual investment earnings
- Changes in proportionate share
- Changes in employer proportion since the prior measurement date

At June 30, 2025, the district reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 875,036	$ 35,253
Changes of assumptions	1,485,065	1,903
Net difference between projected and actual earnings on pension plan investments	938,361	-
Changes in proportionate share	1,282,884	45,195
Differences between employer contributions and employer's proportionate share of system contributions	456,736	396,621
Total (prior to post-measurement date contributions)	5,038,082	478,972
Employer contributions subsequent to the measurement date	2,237,927	-
Total	$ 7,276,009	$ 478,972
Net deferred outflows/(inflows) of resources	$ 6,797,037	
Less: contributions made subsequent to measurement date	2,237,927	
Net deferred outflows/(inflows) of resources excluding contributions	$ 4,559,110	

Differences between expected and actual experience, changes in assumptions, and changes in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period ("layers") attributable to each measurement period.

The deferred outflows of resources related to pensions, resulting from the district's contributions made subsequent to the measurement date, in the amount of $2,237,927, will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

The net amount of the district's remaining deferred outflows of resources and deferred inflows of resources that will be recognized in the district's pension expense in the subsequent five years in the aggregate are shown in the table on the next page.

Note 12 – Public Employees' Retirement System Pension Plan, continued

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, continued

Subsequent Fiscal Years	Deferred Outflow/(Inflow) of Resources
1st Fiscal Year - Fiscal Year 2026	$ 553,719
2nd Fiscal Year - Fiscal Year 2027	2,037,735
3rd Fiscal Year - Fiscal Year 2028	1,201,806
4th Fiscal Year - Fiscal Year 2029	647,077
5th Fiscal Year - Fiscal Year 2030	118,773
Total	$ 4,559,110

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown below are based on the 2022 Experience Study, which reviewed experience for the four-year period ended on December 31, 2022.

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, published July 24, 2023
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with *Moro* decision; blend based on service.
Administrative Expenses	$64 million per year is added to the total system normal cost and allocated between Tier 1/Tier 2 and OPSRP based on valuation payroll.
Mortality	***Healthy retirees and beneficiaries***: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. ***Active members:*** Pub-2010 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. ***Disabled retirees***: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

(Source: June 30, 2024 PERS GASB 68 Audit Report, p. 33)

Note 12 – Public Employees' Retirement System Pension Plan, continued

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation*	Annual Arithmetic Return²	Compound Annual Return (Geometric)	Standard Deviation
Global Equity	27.50%	8.57%	7.07%	17.99%
Private Equity	25.50%	12.89%	8.83%	30.00%
Core Fixed Income	25.00%	4.59%	4.50%	4.22%
Real Estate	12.25%	6.90%	5.83%	15.13%
Master Limited Partnerships	0.75%	9.41%	6.02%	27.04%
Infrastructure	1.50%	7.88%	6.51%	17.11%
Hedge Fund of Funds - Multistrategy	1.25%	6.81%	6.27%	9.04%
Hedge Fund Equity - Hedge	0.63%	7.39%	6.48%	12.04%
Hedge Fund - Macro	5.62%	5.44%	4.83%	7.49%
Assumed Inflation - Mean			2.35%	1.41%

* Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on January 25, 2023.

² The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

(Source: June 30, 2024 OPERS ACFR; p. 88)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Note 12 – Public Employees' Retirement System Pension Plan, continued

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the district's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.90%, as well as what the district's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.90%) or 1-percentage point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's Proportionate Share of the Net Pension Liability/(Asset)	$ 23,300,398	$ 14,770,839	$ 7,626,916

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the total pension liability (the actuarial accrued liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's fiduciary net position (fair value of investment assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for the plan:

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience that might impact the plan's funded position.

Based on these circumstances, it is OPERS' third-party actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Note 13 – Other Postemployment Benefits

The other postemployment benefits (OPEB) for the district combines two separate plans: the district participates in a multi-employer cost sharing defined benefit plan administered by OPERS known as the Retirement Health Insurance Account (RHIA). The district also provides an implicit rate subsidy for retiree Health Insurance Continuation (HIC) premiums.

OPEB Activity and Balances for the Year Ended June 30, 2025 (RHIA & Health Insurance Continuation)

Category	RHIA	District Health Insurance Continuation	Total
Total OPEB Liability	$ -	$ 518,406	$ 518,406
Net OPEB Asset	359,668	-	359,668
Deferred Outflows	14,320	194,042	208,362
Deferred Inflows	115,609	133,459	249,068
OPEB Expense (Income)	(121,118)	41,211	(79,907)

Oregon Public Employees Retirement System – Retirement Health Insurance Account (RHIA)

Plan Description

As a member of Oregon Public Employees Retirement System (OPERS) the district contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing, multiple-employer, defined benefit, other postemployment benefit plan administered by OPERS. ORS 238.420 established this trust fund; authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan was closed to new entrants hired on or after August 29, 2003. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700. The reports and other related schedules including plan assumptions, methods and plan provisions may also be found on the OPERS website at https://www.oregon.gov/pers/EMP/Pages/GASB.aspx.

Benefits

ORS require that an amount up to $60, for the total monthly cost of health insurance premiums coverage, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of $60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent could be eligible to receive a premium subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was covered under an OPERS health plan at the time the member died and the deceased member retired prior to May 1, 1991.

Contributions

Participating public employers are contractually required to contribute to RHIA at a rate assessed each biennium by OPERS, for fiscal year 2025 the rate is 0% of annual covered payroll for Tier One/Tier Two employees due to the account's overfunded status. The OPERS Board of Trustees sets the net-retiree healthcare rate based on the estimated OPEB expense of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The OPEB expense represents the annual cost allocated to the current year (normal cost) and the amortization of any unfunded accrued liabilities of the plan (UAL cost).

Note 13 – Other Postemployment Benefits, continued

Oregon Public Employees Retirement System – Retirement Health Insurance Account (RHIA), continued

Contributions, continued

The unfunded accrued liabilities are amortized over a closed period equal to the average of the expected remaining lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees). The district's contributions to RHIA were consistent with the net-retiree healthcare rate as charged by OPERS.

OPEB Asset, Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - RHIA

At June 30, 2025 the district reported an asset of $359,668 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2024, and the total OPEB liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2022 and rolled forward to June 30, 2024. The district's proportionate share of the RHIA net OPEB asset has been determined based on the district's contributions to the RHIA program (as reported by PERS) during the Measurement Period ending on the corresponding Measurement Date. The district's proportionate share at June 30, 2024 and June 30, 2025 was 0.03296 percent and 0.08905 percent, respectively.

For the year ended June 30, 2025, the district recognized OPEB income for the RHIA Plan of $121,118. At June 30, 2025, the district reported deferred outflows of resources and deferred inflows of resources related to OPEB for the RHIA Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
Differences between expected and actual experience	$ -	$ 7,034	$ (7,034)
Changes of assumptions	-	4,549	(4,549)
Net difference between projected and actual earnings on investments	10,155	-	10,155
Changes in proportionate share	4,093	104,026	(99,933)
Total (prior to post-measurement date contributions)	14,248	115,609	(101,361)
Contributions made subsequent to measurement date	72	-	72
Net deferred outflows/(inflows) of resources	$ 14,320	$ 115,609	$ (101,289)

The RHIA plan assets are included in the OPERS retirement system cash management efforts. The district's contributions made subsequent to the measurement date of June 30, 2024 will be recognized as an increase of the net OPEB asset in the year ending June 30, 2026. The net amount of the district's share of the RHIA remaining deferred outflows of resources and deferred inflows of resources that will be recognized in the district's pension expense/income in the subsequent five years in the aggregate are shown in the table below.

Subsequent Fiscal Years	Deferred Outflow/(Inflow) of Resources
1st Fiscal Year - Fiscal Year 2026	$ (110,865)
2nd Fiscal Year - Fiscal Year 2027	2,836
3rd Fiscal Year - Fiscal Year 2028	5,494
4th Fiscal Year - Fiscal Year 2029	1,174
5th Fiscal Year - Fiscal Year 2030	-
Total	$ (101,361)

Note 13 – Other Postemployment Benefits, continued

Oregon Public Employees Retirement System – Retirement Health Insurance Account (RHIA), continued

Actuarial Assumptions and Methods

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years.

The methods and assumptions shown in the next table are based on the 2022 Experience Study, which reviewed experience for the four-year period ended on December 31, 2022.

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study	2022, published July 24, 2023
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent
Retiree Healthcare Participation	Healthy retirees: 25.0%; Disabled retirees: 15.0%
Healthcare Cost Trend Rate	Not applicable
Mortality	***Healthy retirees and beneficiaries***: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. ***Active members:*** Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. ***Disabled retirees***: Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

(Source: June 30, 2024 PERS GASB 75 Audit Report, p. 37)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Note 13 – Other Postemployment Benefits, continued

Oregon Public Employees Retirement System – Retirement Health Insurance Account (RHIA), continued

Sensitivity of the District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the district's proportionate share of the net OPEB liability (asset) for the RHIA calculated using the discount rate of 6.90%, as well as what the district's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.90%) or 1-percentage point higher (7.90%) than the current rate:

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's Proportionate Share of the Net OPEB Liability (Asset)	$ (332,943)	$ (359,668)	$ (382,679)

Health Insurance Continuation (HIC)

Plan Description

The district has a Health Insurance Continuation (HIC) option available for retirees. It is a substantive postemployment benefits plan offered under ORS 243. ORS 243.303 requires the district to provide retirees with an opportunity to participate in group health and dental insurance from the date of retirement to age 65, and the rate would be calculated using claims experiences from retirees and active employees for health plan rating purposes. Providing the same rate to retirees as provided to current employees constitutes an implicit rate subsidy for OPEB. This single-employer "plan" is not a stand-alone plan and does not issue its own financial statements.

Contributions

The district has not established a trust fund to supplement the costs for the OPEB liability. In order to fund the Health Insurance Continuation option, the district utilizes a third-party administrator who collects insurance premiums from participating retirees each month. The premiums are either used to cover the district's self-insurance costs or paid directly to a third-party health insurance provider, depending on the plan. At the date of the latest actuarial report, the district had 196 active eligible employees, 6 eligible retirees and no spouses of ineligible retirees.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – Health Insurance Continuation

For the year ended June 30, 2025, the district recognized OPEB expense for the Health Insurance Continuation Plan of $41,211. At June 30, 2025, the district reported deferred outflows of resources and deferred inflows of resources related to OPEB for the Health Insurance Continuation Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
Differences between expected and actual experience	$ 138,652	$ 6,463	$ 132,189
Changes of assumptions or inputs	12,616	126,996	(114,380)
Total (prior to post-measurement date contributions)	151,268	133,459	17,809
Benefit payments made subsequent to measurement date	42,774	-	42,774
Net deferred outflows/(inflows) of resources	$ 194,042	$ 133,459	$ 60,583

Note 13 – Other Postemployment Benefits, continued

Health Insurance Continuation (HIC), continued

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – Health Insurance Continuation, continued

Benefit payments made subsequent to the measurement date of June 30, 2024 will be recognized in the district's OPEB expense in the fiscal year ending June 30, 2026. The net amount of the district's share of the Health Insurance Continuation Plan remaining deferred outflows of resources and deferred inflows of resources that will be recognized in the district's pension expense in the subsequent five years in the aggregate are shown in the table below.

Subsequent Fiscal Years	Deferred Outflow/(Inflow) of Resources
1st Fiscal Year - Fiscal Year 2026	$ (7,154)
2nd Fiscal Year - Fiscal Year 2027	6,838
3rd Fiscal Year - Fiscal Year 2028	5,752
4th Fiscal Year - Fiscal Year 2029	3,714
5th Fiscal Year - Fiscal Year 2030	3,527
Thereafter	5,132
Total	$ 17,809

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate

The following presents the district's total OPEB liability of the Health Insurance Continuation Plan calculated using the discount rate of 3.93% as well as what the district's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.93%) or 1-percentage point higher (4.93%) than the current rate. A similar sensitivity analysis is then presented for changes in the health care cost trend assumption, using trend assumptions based on a model circulated by the Society of Actuaries:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
District's Total OPEB Liability (Health Insurance Continuation)	$ 562,150	$ 518,406	$ 478,512

	1% Decrease	Current Health Care Trend Rate	1% Increase
District's Total OPEB Liability (Health Insurance Continuation)	$ 464,838	$ 518,406	$ 582,630

Actuarial Assumptions and Methods

The total OPEB liability for the district's Health Insurance Continuation was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date.

Note 13 – Other Postemployment Benefits, continued

Health Insurance Continuation (HIC), continued

Actuarial Assumptions and Methods, continued

A summary of the economic assumptions used for the July 1, 2024 actuarial valuation are shown below.

Valuation Date	July 1, 2024
Measurement Date	June 30, 2024
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40 percent
Discount Rate	3.93 percent
Projected Salary Increases	3.40 percent
Health Care Cost Trend	Medical: 6.90% for 2024, 6.00% for 2025, 5.50% for 2026, and between 3.75% and 5.00% for the subsequent 48+ years. Dental and vision: No longer included in valuation per guidance from a March 2021 ASOP No. 6 Practice Note.
Mortality	*Healthy retirees and beneficiaries:* Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees and retirees. Additionally, the General Service male employee table has a 15% load, the General Service female employee table has a 25% load, and the Safety male employee table has a 25% load. Future mortality improvement is projected generationally with unisex 2019 Social Security Data Scale.
Election and Lapse Rates	30% of eligible employees. 60% of male members and 35% of female members will elect spouse coverage. 5% annual lapse rate

Change in Total OPEB Liability

	Increase (Decrease) Total OPEB Liability
Balance as of June 30, 2024	$ 485,741
Changes for the year:	
Service cost	40,155
Interest on total OPEB liability	18,503
Effect of economic/demographic gains or losses	100,197
Effect of assumptions changes or inputs	(87,901)
Benefit payments	(38,289)
Balance as of June 30, 2025	$ 518,406

Note 14 – Commitments and Contingent Liabilities

At June 30, 2025, the district was committed on outstanding construction, engineering, consulting, and service contracts totaling approximately $1.2 million.

The district is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of district management, based upon the advice of legal counsel with respect to such litigation and claims, the ultimate disposition of these matters will not have a material adverse effect on the financial position or results of operations of district funds.

Bend Park & Recreation

DISTRICT

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REQUIRED SUPPLEMENTARY INFORMATION

Girls Flag Football

General Fund and
Major Special Revenue Funds

General Fund

The operating fund of the district and accounts for the Executive Director's office, administrative services, planning and design, park services, community engagement and recreation services.

System Development Charges (SDC) Special Revenue Fund

Accounts for the acquisition and development of the community's park system. Funding is provided by a fee charged against developing residential properties. Expenditures are restricted by state law to capacity-enhancing and reimbursement projects for parks, trails and indoor recreation facilities.

Bend Metro Park and Recreation District, Oregon
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts			Actual Amounts Budget Basis	Budget to GAAP Differences	Actual Amounts GAAP Basis	Variance with Final Budget
	Original	Final					
REVENUES							
Property taxes	$ 23,593,124	$ 23,593,124		$ 23,979,526	$ -	$ 23,979,526	$ 386,402
Charges for services	13,385,180	13,385,180		12,778,907	-	12,778,907	(606,273)
Contributions	25,000	25,000		85,993	-	85,993	60,993
Grants	30,000	30,000		36,883	-	36,883	6,883
Sponsorships	60,000	60,000		68,445	-	68,445	8,445
Intergovernmental	90,000	90,000		142,980	-	142,980	52,980
Investment earnings	250,000	250,000		842,454	-	842,454	592,454
Reimbursement for interfund services	170,000	170,000		48,781	-	48,781	(121,219)
Miscellaneous	125,900	125,900		190,097	8,972	199,069	64,197
Total revenues	37,729,204	37,729,204		38,174,066	8,972	38,183,038	444,862
EXPENDITURES							
Current:							
Administration	4,606,508	4,586,508	(1)	4,279,206	(59,763)	4,219,443	307,302
Community engagement	2,003,560	2,023,560	(1)	1,916,055	-	1,916,055	107,505
Planning and design	1,723,502	1,723,502	(1)	1,601,637	-	1,601,637	121,865
Park services	9,037,042	9,037,042	(1)	8,484,280	(86,719)	8,397,561	552,762
Recreation services	17,544,695	17,544,695	(1)	16,483,999	(21,606)	16,462,393	1,060,696
Debt service:							
Principal	492,540	492,540	(1)	492,540	114,542	607,082	-
Interest	12,335	12,335	(1)	12,335	3,224	15,559	-
Capital outlay	-	-		-	262,184	262,184	-
Total expenditures	35,420,182	35,420,182		33,270,052	211,862	33,481,914	2,150,130
Excess (deficiency) of revenues over (under) expenditures	2,309,022	2,309,022		4,904,014	(202,890)	4,701,124	2,594,992
OTHER FINANCING SOURCES (USES)							
Issuance of debt - leases	-	-		-	4,075	4,075	-
Issuance of debt - subscriptions	-	-		-	207,787	207,787	-
Transfers in	615,000	615,000		253,814	-	253,814	(361,186)
Transfers out	(6,500,000)	(6,500,000)	(1)	(6,500,000)	-	(6,500,000)	-
Total other financing sources (uses)	(5,885,000)	(5,885,000)		(6,246,186)	211,862	(6,034,324)	(361,186)
Net change in fund balance	(3,575,978)	(3,575,978)		(1,342,172)	8,972	(1,333,200)	2,233,806
Fund balances, beginning of year	10,546,230	10,546,230		11,138,978	37,861	11,176,839	592,748
Fund balances, end of year	$ 6,970,252	$ 6,970,252		$ 9,796,806	$ 46,833	$ 9,843,639	$ 2,826,554

(1) Appropriation Level

Explanation of Differences:

Items recorded as revenues/other financing sources for GAAP purposes that are not recorded for budget purposes:	
Financing of leases and subscriptions	$ 211,862
Lease revenue, net	8,972
Total Revenue/Other Financing Source Adjustments	220,834
The district budgets for certain expenditures on the cash basis, rather than on the modified accrual basis:	
Capital outlay for leases and subscriptions	(238,122)
Subscription expenditures, net	26,260
Total Revenue/Other Financing Source Adjustments	(211,862)
Net Increase in Fund Balance - Budget to GAAP	$ 8,972

Differences in Presentation between Budget and GAAP Basis:

The district records principal and interest payments related to the subscription-based information technology arrangements and lease activity on a GAAP basis; however, for budget purposes, they are included in the associated program's expenditures. These differences have no bearing on the fund balance since the overall total expenditures are the same.

Bend Metro Park and Recreation District, Oregon
System Development Charges (SDC) Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts			Actual Amounts Budget Basis	Budget to GAAP Differences	Actual Amounts GAAP Basis	Variance with Final Budget
	Original	Final					
REVENUES							
System development fees	$ 7,479,000	$ 7,479,000		$ 8,190,074	$ -	$ 8,190,074	$ 711,074
Investment earnings	708,000	708,000		1,136,550	-	1,136,550	428,550
Miscellaneous	-	-		23,739	-	23,739	23,739
Total revenues	8,187,000	8,187,000		9,350,363	-	9,350,363	1,163,363
EXPENDITURES							
Current:							
Planning and design	9,729,528	9,729,528	(1)	2,951,764	(2,710,758)	241,006	6,777,764
Capital outlay	-	-		-	2,710,758	2,710,758	-
Operating contingency	2,000,000	2,000,000	(1)	-	-	-	2,000,000
Total expenditures	11,729,528	11,729,528		2,951,764	-	2,951,764	8,777,764
Excess (deficiency) of revenues over (under) expenditures	(3,542,528)	(3,542,528)		6,398,599	-	6,398,599	9,941,127
OTHER FINANCING SOURCES (USES)							
Transfers out	(615,000)	(615,000)	(1)	(253,814)	-	(253,814)	361,186
Total other financing sources (uses)	(615,000)	(615,000)		(253,814)	-	(253,814)	361,186
Net change in fund balance	(4,157,528)	(4,157,528)		6,144,785	-	6,144,785	10,302,313
Fund balances, beginning of year	17,352,789	17,352,789		22,522,832	-	22,522,832	5,170,043
Fund balances, end of year	$ 13,195,261	$ 13,195,261		$ 28,667,617	$ -	$ 28,667,617	$ 15,472,356

(1) Appropriation Level

Differences in Presentation between Budget and GAAP Basis:
The district records capitalized expenditures as capital outlay on the GAAP basis; however, for budget purposes they are included in the associated program's expenditures. These differences have no bearing on the fund balance since the overall total expenditures are the same.

Bend Metro Park and Recreation District, Oregon
Oregon Public Employee Retirement Pension Plan (OPERS)
Schedule of the District's Proportionate Share of the Net Pension Liability/(Asset)
Last Ten Plan Years

Year Ended June 30,	(a) Proportion of the net pension liability (asset)	(b) Proportionate share of the net pension liability (asset)	(c) District's Covered payroll	(b/c) Proportionate share of the net pension liability (asset) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2015	0.05433%	$ 3,119,344	$ 7,132,955	43.73%	91.90%
2016	0.05296%	7,950,751	8,161,184	97.42%	80.53%
2017	0.04996%	6,735,247	8,132,587	82.82%	83.12%
2018	0.05536%	8,386,234	8,985,951	93.33%	82.07%
2019	0.05731%	9,913,344	9,803,437	101.12%	80.20%
2020	0.05180%	11,304,339	9,869,816	114.53%	75.80%
2021	0.05426%	6,492,798	9,395,170	69.11%	87.60%
2022	0.05525%	8,460,240	9,780,051	86.51%	84.50%
2023	0.06534%	12,238,404	11,959,480	102.33%	81.70%
2024	0.06645%	14,770,839	12,994,908	113.67%	79.30%

Notes:
The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date. Because of this, the years reported on this schedule and are off by one year from covered payroll amounts in the Schedule of Employer Contributions. The net pension asset or liability determination is one year old; it was determined as of the measurement date.

Bend Metro Park and Recreation District, Oregon
Oregon Public Employee Retirement Pension Plan (OPERS)
Schedule of the District's Pension Plan Contributions

Last Ten Fiscal Years

	(a)	(b)	(a-b)	(c)	(b/c)
Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percent of covered payroll
2016	$ 639,809	$ 639,809	$ -	$ 8,161,184	7.84%
2017	681,954	681,954	-	8,132,587	8.39%
2018	982,675	982,675	-	8,985,951	10.94%
2019	1,070,326	1,070,326	-	9,803,437	10.92%
2020	1,389,871	1,389,871	-	9,869,816	14.08%
2021(1)	1,210,381	1,210,381	-	9,395,170	12.88%
2022	1,361,701	1,361,701	-	9,780,051	13.92%
2023	1,665,515	1,665,515	-	11,959,480	13.93%
2024	2,028,935	2,028,935	-	12,994,908	15.61%
2025	2,237,927	2,237,927	-	14,071,325	15.90%

Notes:

(1) Data was retroactively revised in 2022

Bend Metro Park and Recreation District, Oregon
Oregon Public Employee Retirement Pension Plan (OPERS RHIA)
Schedule of the District's Proportionate Share of the Net OPEB Liability/(Asset)
Last Ten Plan Years[1]

Year Ended June 30,	(a) Proportion of the net OPEB liability (asset)	(b) Proportionate share of the net OPEB liability (asset)	(c) District's covered payroll	(b/c) Proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2016	0.07424%	$ 20,161	$ 8,161,184	0.25%	94.20%
2017	0.07515%	(31,361)	8,132,587	-0.39%	108.90%
2018	0.07786%	(86,913)	8,985,951	-0.97%	123.99%
2019	0.08135%	(157,188)	9,803,437	-1.60%	144.40%
2020	0.06566%	(133,799)	9,869,816	-1.36%	150.10%
2021	0.04815%	(165,346)	9,395,170	-1.76%	183.90%
2022	0.04310%	(153,134)	9,780,051	-1.57%	194.60%
2023	0.03296%	(120,674)	11,959,480	-1.01%	201.60%
2024	0.08905%	(359,668)	12,994,908	-2.77%	220.60%

Notes:

The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date. Because of this, the years reported on this schedule are off by one year from covered payroll amounts in the Schedule of Employer Contributions. The net OPEB asset or liability determination is one year old; it was determined as of the measurement date.

(1) This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Bend Metro Park and Recreation District, Oregon
Oregon Public Employee Retirement Pension Plan (OPERS RHIA)
Schedule of the District's OPEB Plan Contributions
Last Ten Fiscal Years(1)

	(a)	(b)	(a-b)	(c)	(b/c)
Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	District's covered payroll	Contributions as a percent of covered-employee payroll
2017	$ 37,223	$ 37,223	$ -	$ 8,132,587	0.46%
2018	37,700	37,700	-	8,985,951	0.42%
2019	40,316	40,316	-	9,803,437	0.41%
2020	4,689	4,689	-	9,869,816	0.05%
2021	1,288	1,288	-	9,395,170	0.01%
2022	1,062	1,062	-	9,780,051	0.01%
2023	649	649	-	11,959,480	0.01%
2024	108	108	-	12,994,908	0.00%
2025	72	72	-	14,071,325	0.00%

Notes:
In FY 2023, historical data for FY 2022 and prior were updated for columns (a), (b), and (b/c).

(1) This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Bend Metro Park and Recreation District, Oregon
Health Insurance Continuation Plan (HIC)
Schedule of Changes in the District's Total OPEB Liability and Related Ratios
Last Ten Plan Years(1)

Category	2016	2017	2018	2019	2020	2021	2022	2023	2024
Changes for the year:									
Service cost	N/A	$ 40,805	$ 38,519	$ 25,798	$ 28,909	$ 35,091	$ 36,147	$ 39,454	$ 40,155
Interest on total OPEB liability	N/A	12,516	16,178	12,652	13,083	9,329	9,597	17,304	18,503
Effect of economic/demographic gains/(losses)	N/A	-	(43,839)	-	(8,175)	-	75,582	-	100,197
Effect of assumption changes or inputs	N/A	(29,974)	(118,356)	11,018	25,829	1,650	(52,708)	(4,209)	(87,901)
Benefit payments	N/A	(10,347)	(6,283)	(3,217)	(8,251)	(26,860)	(22,942)	(32,066)	(38,289)
Net change in total OPEB liability	N/A	13,000	(113,781)	46,251	51,395	19,210	45,676	20,483	32,665
Total OPEB liability, beginning	N/A	403,507	416,507	302,726	348,977	400,372	419,582	465,258	485,741
Total OPEB liability, ending	$ 403,507	$ 416,507	$ 302,726	$ 348,977	$ 400,372	$ 419,582	$ 465,258	$ 485,741	$ 518,406
Covered-employee payroll	$ 6,140,905	$ 6,668,795	$ 7,237,082	$ 7,611,161	$ 7,685,581	$ 8,580,177	$ 9,711,133	$10,847,028	$11,462,755
Total OPEB liability as a % of covered-employee payroll	6.57%	6.25%	4.18%	4.59%	5.21%	4.89%	4.79%	4.48%	4.52%

Notes:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

(1) This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

Required Supplementary Information includes schedules related to the district's net pension and other postemployment (OPEB) liabilities, assets, and contributions. It also includes budgetary comparisons for the General Fund and the System Development Charges Special Revenue Fund. The budgetary comparison information for all other funds can be found in Other Supplementary Information which follows this section.

Note 1 – Budgetary Information

Municipal budgets are adopted on a basis consistent with ORS 294 – Local Budget Law and generally accepted accounting principles (GAAP). The Executive Director is responsible for submitting a proposed budget to the Budget Committee comprised of the Board of Directors and an equal number of citizens of the district. The district is required to prepare a budget for each fund that is balanced in accordance with ORS. Each fund is budgeted on the modified accrual basis of accounting. The Budget Committee conducts public hearings for the purpose of obtaining citizens' comments, and then approves a budget and submits it to the board for final adoption. The approved expenditures for each fund may not be increased by more than 10% by the board without returning to the Budget Committee for a second approval. After the board adopts the budget and certifies the total ad valorem taxes to be levied, no additional tax levy may be made for that budget period.

The board legally adopts the budget by resolution before July 1. The resolution establishes appropriations for each fund and sets the level by which expenditures and other uses cannot legally exceed appropriations. For all funds, the levels of budgetary control are by organizational unit or program and then by the object classification or category of debt service, capital outlay, transfers, operating contingency, and reserves that cannot reasonably be allocated to one particular unit or program. Appropriations lapse at of the end of the fiscal year for goods or services not yet received. The board may modify the budget by transferring appropriations between levels of control and by adopting supplemental budgets. Unexpected additional resources may be added to the budget through the use of a supplemental budget. Some supplemental budgets require hearings before the public, publications in newspapers and approval by the Board. All appropriations terminate on June 30.

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OTHER SUPPLEMENTARY INFORMATION

Sawyer Park Footbridge

Major Governmental Funds

General Obligation (GO) Bond Debt Service Fund

Accounts for the accumulation of property taxes levied to pay principal and interest on the 2013 GO bond debt.

Facility Reserve Capital Projects Fund

Accounts for acquiring, constructing and re-developing parks, trails and buildings. Principal revenue sources are from transfers from the General Fund, investment income and grants and contributions.

Bend Park & Recreation District

Bend Metro Park and Recreation District, Oregon
General Obligation (GO) Bond Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts			Actual Amounts	Budget to GAAP	Actual Amounts	Variance with Final
	Original	Final		Budget Basis	Differences	GAAP Basis	Budget
REVENUES							
Property taxes	$ 2,146,052	$ 2,146,052		$ 2,137,105	$ -	$ 2,137,105	$ (8,947)
Investment earnings	30,000	30,000		48,973	-	48,973	18,973
Total revenues	2,176,052	2,176,052		2,186,078	-	2,186,078	10,026
EXPENDITURES							
Debt service:							
Principal	1,510,000	1,510,000	(1)	1,510,000	-	1,510,000	-
Interest	625,732	625,732	(1)	625,732	-	625,732	-
Total expenditures	2,135,732	2,135,732		2,135,732	-	2,135,732	-
Net change in fund balance	40,320	40,320		50,346	-	50,346	10,026
Fund balances, beginning of year	103,393	103,393		124,982	-	124,982	21,589
Fund balances, end of year	$ 143,713	$ 143,713		$ 175,328	$ -	$ 175,328	$ 31,615

(1) Appropriation Level

Bend Metro Park and Recreation District, Oregon
Facility Reserve Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts			Actual Amounts Budget Basis	Budget to GAAP Differences	Actual Amounts GAAP Basis	Variance with Final Budget
	Original	Final					
REVENUES							
Grants	$ 2,135,000	$ 2,135,000		$ 346,206	$ -	$ 346,206	$ (1,788,794)
Intergovernmental	-	-		750,649	-	750,649	750,649
Investment earnings	500,000	500,000		896,028	-	896,028	396,028
Miscellaneous	50,000	50,000		-	-	-	(50,000)
Total revenues	2,685,000	2,685,000		1,992,883	-	1,992,883	(692,117)
EXPENDITURES							
Current:							
Planning and design	4,058,410	4,058,410	(1)	2,174,978	(2,157,421)	17,557	1,883,432
Park services	127,500	127,500	(1)	117,276	(72,931)	44,345	10,224
Recreation services	470,900	470,900	(1)	137,085	(55,378)	81,707	333,815
Capital outlay	-	-		-	2,285,730	2,285,730	-
Operating contingency	2,000,000	2,000,000	(1)	-	-	-	2,000,000
Total expenditures	6,656,810	6,656,810		2,429,339	-	2,429,339	4,227,471
Excess (deficiency) of revenues over (under) expenditures	(3,971,810)	(3,971,810)		(436,456)	-	(436,456)	3,535,354
OTHER FINANCING SOURCES (USES)							
Transfers in	5,100,000	5,100,000		5,100,000	-	5,100,000	-
Total other financing sources (uses)	5,100,000	5,100,000		5,100,000	-	5,100,000	-
Net change in fund balance	1,128,190	1,128,190		4,663,544	-	4,663,544	3,535,354
Fund balances, beginning of year	17,656,907	17,656,907		19,415,495	-	19,415,495	1,758,588
Fund balances, end of year	$ 18,785,097	$ 18,785,097		$ 24,079,039	$ -	$ 24,079,039	$ 5,293,942

(1) Appropriation Level

Differences in Presentation between Budget and GAAP Basis:
The district records capitalized expenditures as capital outlay on the GAAP basis; however, for budget purposes they are included in the associated program's expenditures. These differences have no bearing on the fund balance since the overall total expenditures are the same.

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Nonmajor Governmental Funds

Rental Special Revenue Fund

Accounts for the proceeds of district facility and park rental revenues (i.e. Aspen Hall, Hollinshead Barn). Primary expenditures are personnel, building maintenance and renovation costs.

Equipment Reserve Capital Projects Fund

Accounts for new and replacement vehicles, furniture, fixtures, equipment and technology. Principal revenue sources are from transfers from the General Fund, investment income, and sale proceeds from surplus vehicles and equipment.

Bend Metro Park and Recreation District, Oregon
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2025

	Rental Fund	Equipment Reserve	Total
ASSETS			
Pooled cash and investments	$ 1,965,011	$ 1,328,443	$ 3,293,454
Accounts receivable, net	33,230	1,096	34,326
Total assets	$ 1,998,241	$ 1,329,539	$ 3,327,780
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 5,657	$ 4,495	$ 10,152
Payroll liabilities	7,153	-	7,153
Deposits payable	42,185	-	42,185
Unearned revenue	158,423	-	158,423
Total liabilities	213,418	4,495	217,913
Fund Balances:			
Committed	1,784,823	1,325,044	3,109,867
Total fund balances	1,784,823	1,325,044	3,109,867
Total liabilities and fund balances	$ 1,998,241	$ 1,329,539	$ 3,327,780

Bend Metro Park and Recreation District, Oregon
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2025

	Rental Fund	Equipment Reserve	Total
REVENUES			
Charges for services	$ 663,343	$ -	$ 663,343
Grants	-	2,500	2,500
Investments	89,665	12,877	102,542
Miscellaneous	-	33,701	33,701
Total revenues	753,008	49,078	802,086
EXPENDITURES			
Current:			
Administration	-	16,899	16,899
Rental program	424,050	-	424,050
Park services	-	25,920	25,920
Recreation services	-	80,909	80,909
Capital outlay	-	922,709	922,709
Total expenditures	424,050	1,046,437	1,470,487
Excess (deficiency) of revenues over (under) expenditures	328,958	(997,359)	(668,401)
OTHER FINANCE SOURCES (USES)			
Proceeds from sale of capital assets	-	47,466	47,466
Transfers in	-	1,500,000	1,500,000
Transfers out	(100,000)	-	(100,000)
Total other financing sources (uses)	(100,000)	1,547,466	1,447,466
Net change in fund balances	228,958	550,107	779,065
Fund balances, beginning of year	1,555,865	774,937	2,330,802
Fund balances, end of year	$ 1,784,823	$ 1,325,044	$ 3,109,867

Bend Metro Park and Recreation District, Oregon
Rental Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts			Actual Amounts Budget Basis	Budget to GAAP Differences	Actual Amounts GAAP Basis	Variance with Final Budget
	Original	Final					
REVENUES							
Charges for services	$ 599,000	$ 599,000		$ 663,343	$ -	$ 663,343	$ 64,343
Grants	-	-		-	-	-	-
Investment earnings	62,000	62,000		89,665	-	89,665	27,665
Total revenues	661,000	661,000		753,008	-	753,008	92,008
EXPENDITURES							
Current:							
Rental program	527,890	527,890	(1)	424,050	-	424,050	103,840
Operating contingency	100,000	100,000	(1)	-	-	-	100,000
Total expenditures	627,890	627,890		424,050	-	424,050	203,840
Excess (deficiency) of revenues over (under) expenditures	33,110	33,110		328,958	-	328,958	295,848
OTHER FINANCING SOURCES (USES)							
Transfers out	(100,000)	(100,000)	(1)	(100,000)	-	(100,000)	-
Total other financing sources (uses)	(100,000)	(100,000)		(100,000)	-	(100,000)	-
Net change in fund balance	(66,890)	(66,890)		228,958	-	228,958	295,848
Fund balances, beginning of year	1,350,379	1,350,379		1,555,865	-	1,555,865	205,486
Fund balances, end of year	$ 1,283,489	$ 1,283,489		$ 1,784,823	$ -	$ 1,784,823	$ 501,334

(1) Appropriation Level

Bend Metro Park and Recreation District, Oregon
Equipment Reserve Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts			Actual Amounts	Budget to GAAP	Actual Amounts	Variance with Final
	Original	Final		Budget Basis	Differences	GAAP Basis	Budget
REVENUES							
Grants	$ -	$ -		$ 2,500	$ -	$ 2,500	$ 2,500
Investment earnings	22,000	22,000		12,877	-	12,877	(9,123)
Miscellaneous	-	-		33,701	-	33,701	33,701
Total revenues	22,000	22,000		49,078	-	49,078	27,078
EXPENDITURES							
Current:							
Administration	55,000	69,000	(1)	68,188	(51,289)	16,899	812
Park services	735,400	735,400	(1)	728,800	(702,880)	25,920	6,600
Recreation services	236,700	273,700	(1)	249,449	(168,540)	80,909	24,251
Capital outlay	-	-		-	922,709	922,709	-
Operating contingency	150,000	99,000	(1)	-	-	-	99,000
Total expenditures	1,177,100	1,177,100		1,046,437	-	1,046,437	130,663
Excess (deficiency) of revenues over (under) expenditures	(1,155,100)	(1,155,100)		(997,359)	-	(997,359)	157,741
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets	10,000	10,000		47,466	-	47,466	37,466
Transfers in	1,500,000	1,500,000		1,500,000	-	1,500,000	-
Total other financing sources (uses)	1,510,000	1,510,000		1,547,466	-	1,547,466	37,466
Net change in fund balance	354,900	354,900		550,107	-	550,107	195,207
Fund balances, beginning of year	863,794	863,794		774,937	-	774,937	(88,857)
Fund balances, end of year	$ 1,218,694	$ 1,218,694		$ 1,325,044	$ -	$ 1,325,044	$ 106,350

(1) Appropriation Level

Explanation of Differences:

Differences in Presentation between Budget and GAAP Basis:
The district records capitalized expenditures as capital outlay on the GAAP basis; however, for budget purposes they are included in the associated program's expenditures. These differences have no bearing on the fund balance since the overall total expenditures are the same.

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OTHER FINANCIAL SCHEDULES

Bend Metro Park and Recreation District, Oregon
Schedule of Property Tax Collections
For the Fiscal Year Ended June 30, 2025

Tax Year	Property Taxes Receivable July 1, 2024	Levy as Extended by Assessor	Adjustments, Interest and Discounts	Cash Collections	Property Taxes Receivable June 30, 2025
2024-25	$ -	$ 26,850,439	$ (720,942)	$ (25,852,757)	$ 276,741
2023-24	271,980	-	369	(167,068)	105,280
2022-23	92,494	-	3,192	(45,493)	50,193
2021-22	53,293	-	5,588	(41,715)	17,165
2020-21	15,946	-	2,136	(13,979)	4,103
2019-20	4,581	-	(1)	(1,839)	2,741
2018-19	2,751	-	61	(1,150)	1,662
2017-18	1,635	-	(45)	(392)	1,198
2016-17	1,023	-	(25)	(311)	688
2015-16	(1,912)	-	55	(478)	(2,335)
Prior	4,383	-	691	(3,062)	2,012
Total per County	$ 446,174	$ 26,850,439	$ (708,920)	$ (26,128,245)	$ 459,448

	Cash Collections	Property Taxes Receivable June 30, 2025
Other tax collections and receivable adjustments:		
Interest earned on unsegregated taxes	(13,556)	-
Other tax distributions and land sales	(17,597)	-
Potential tax credits held in escrow by County	36,895	157,162
County collection from prior year turned over in current year	(75,063)	-
County collection in current year turned over in subsequent year	95,726	95,726
Total Property Tax Collections/Receivable per District	$ (26,101,841)	$ 712,336

Reconciliation to revenues:

Collections	$ 26,101,841
Change in accrued revenue	14,790
Property Tax Revenues Governmental Funds	26,116,631
Change in unavailable revenue	141,932
Total Property Tax Revenues Governmental Activities	$ 26,258,563

Summary by fund:	Revenues	Property Taxes Receivable
General Fund	$ 23,979,526	$ 653,357
General Obligation Bonds Debt Service Fund	2,137,105	58,979
Totals	$ 26,116,631	$ 712,336

A summary of the General Fund tax levies and collections per County records during the past three years is as follows:

	2022-23	2023-24	2024-25
Current year's levy	$ 22,246,776	$ 23,582,763	$ 24,653,673
Collections on current year's levy	21,444,659	22,695,191	23,737,616
Percentage of collection	96.4%	96.2%	96.3%
Percentage of current year's levy uncollected at end of fiscal year(1)	0.9%	1.1%	1.0%

A summary of the General Obligation Bonds Debt Service tax levies and collections per County records during the past three years is as follows:

	2022-23	2023-24	2024-25
Current year's levy	$ 2,017,181	$ 2,112,810	$ 2,196,766
Collections on current year's levy	1,944,450	2,033,292	2,115,141
Percentage of collection	96.4%	96.2%	96.3%
Percentage of current year's levy uncollected at end of fiscal year(1)	0.9%	1.1%	1.0%

Notes:
(1) Uncollected percent at fiscal year end accounts for taxpayer discounts applied to current year levies.

Bend Metro Park and Recreation District, Oregon
Schedule of Future Debt Service Requirements of General Obligation Bonds
For the Fiscal Year Ended June 30, 2025

Fiscal Year Ending June 30,	Principal	Interest
2026	$ 1,610,000	$ 565,331
2027	1,725,000	492,881
2028	1,840,000	423,881
2029	1,960,000	350,282
2030	2,065,000	291,481
2031	2,175,000	226,950
2032	2,295,000	156,263
2033	2,420,000	81,676
Total	$ 16,090,000	$ 2,588,745

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STATISTICAL SECTION

Bend Park & Recreation DISTRICT

Cougar Camp

The Statistical Section of the district's Annual Comprehensive Financial Report presents detailed information as context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the district's overall financial health.

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

*The information used to prepare our Demographic and Economic Information is based upon data published for the city of Bend, which closely reflects the district's boundaries. The district's boundary is approximately 44.5 square miles and the city of Bend's is 37.6 square miles within the district's boundary. The roughly 6.9 square mile difference is primarily made up of low-density residential development and park land. No separate data is maintained by other parties for the district's boundary.

Bend Metro Park and Recreation District, Oregon
Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	June 30,				
	2016	2017	2018	2019	2020
Governmental activities:					
Net investment in capital assets	$ 88,500,022	$ 93,928,105	$ 98,109,854	$ 101,556,879	$ 119,324,819
Restricted	16,362,379	20,110,007	20,170,539	24,413,983	14,293,200
Unrestricted	10,647,984	12,969,097	17,736,720	19,143,810	20,961,893
Total governmental activities net position	$ 115,510,385	$ 127,007,209	$ 136,017,113	$ 145,114,672	$ 154,579,912

(continued)

Notes:
- June 30, 2021 and prior information has not been restated for the impact of implementing GASB 87, Leases.
- June 30, 2022 and prior information has not been restated for the impact of implementing GASB 96, Subscription-based information technology arrangements (SBITA).
- June 30, 2024 and prior information has not been restated for the impact of implementing GASB 101, Compensated Absences.

Bend Metro Park and Recreation District, Oregon
Net Position, continued
Last Ten Fiscal Years
(accrual basis of accounting)

	June 30,				
	2021	2022	2023	2024	2025
Governmental activities:					
Net investment in capital assets	$ 127,131,575	$ 133,922,361	$ 139,169,739	$ 153,282,903	$ 154,987,387
Restricted	15,653,919	15,760,376	20,387,447	22,803,872	29,249,692
Unrestricted	17,538,100	21,407,257	25,354,159	25,437,088	27,415,836
Total governmental activities net position	$ 160,323,594	$ 171,089,994	$ 184,911,345	$ 201,523,863	$ 211,652,915

(concluded)

Notes:
- June 30, 2021 and prior information has not been restated for the impact of implementing GASB 87, Leases.
- June 30, 2022 and prior information has not been restated for the impact of implementing GASB 96, Subscription-based information technology arrangements (SBITA).
- June 30, 2024 and prior information has not been restated for the impact of implementing GASB 101, Compensated Absences.

Bend Metro Park and Recreation District, Oregon
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,				
	2016	2017	2018	2019	2020
Expenses					
Governmental activities:					
General government	$ 3,545,037	$ 3,568,574	$ 3,693,841	$ 3,971,195	$ 5,228,750
Planning and design	1,146,682	1,042,662	967,102	1,955,340	659,286
Rental program	207,824	232,998	188,870	203,359	184,989
Park services	8,301,736	8,328,614	9,351,964	9,813,318	9,753,339
Recreation services	9,892,216	9,609,321	9,907,436	10,484,206	9,985,701
Interest on long-term debt	1,052,875	947,724	918,954	879,855	838,752
Total governmental activities expenses	$ 24,146,370	$ 23,729,893	$ 25,028,166	$ 27,307,273	$ 26,650,817
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 35,252	$ 36,770	$ -	$ -	$ -
Planning and design	10,951,017	9,863,588	6,411,052	7,465,749	7,600,115
Rental program	324,456	329,630	417,356	449,599	293,311
Park services	-	-	-	-	44,760
Recreation services	6,560,722	7,000,166	7,508,219	7,551,532	5,971,415
Operating grants and contributions	59,542	87,017	214,374	205,750	445,575
Capital grants and contributions	384,646	156,953	420,367	108,492	107,972
Total governmental activities program revenues	$ 18,315,635	$ 17,474,124	$ 14,971,368	$ 15,781,122	$ 14,463,148
Net (Expense)/Revenue	**$ (5,830,735)**	**$ (6,255,769)**	**$ (10,056,799)**	**$ (11,526,151)**	**$ (12,187,669)**
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes, levied for general purposes	$ 14,504,627	$ 15,209,963	$ 16,279,389	$ 17,322,605	$ 18,608,734
Property taxes, levied for bonded debt	1,722,094	1,813,541	1,853,253	1,879,260	1,946,151
Investment earnings	217,531	430,504	747,949	1,290,909	1,016,616
Gain on disposal of capital assets	27,200	-	-	-	-
Miscellaneous revenues	160,570	240,750	186,111	130,936	81,408
Total governmental general revenues and other changes in net position	$ 16,632,022	$ 17,694,758	$ 19,066,702	$ 20,623,710	$ 21,652,909
Change in Net Position	**$ 10,801,287**	**$ 11,438,989**	**$ 9,009,904**	**$ 9,097,559**	**$ 9,465,240**

(continued)

Notes:
- FY 2022 Loss on sale of capital assets has been reclassed to report as a direct expense of the related function/program
- Totals may not add due to rounding

Bend Metro Park and Recreation District, Oregon
Changes in Net Position, continued
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,				
	2021	2022	2023	2024	2025
Expenses					
Governmental activities:					
General government	$ 4,094,249	$ 3,736,094	$ 4,591,968	$ 5,471,561	$ 6,617,795
Planning and design	1,124,711	1,367,411	1,588,909	1,943,346	1,789,617
Rental program	223,247	388,463	384,008	397,683	458,645
Park services	11,409,176	11,366,365	13,086,739	14,008,430	13,429,207
Recreation services	10,744,202	12,034,435	15,761,187	17,071,514	19,465,553
Interest on long-term debt	795,103	751,724	694,690	630,130	556,300
Total governmental activities expenses	$ 28,390,688	$ 29,644,492	$ 36,107,501	$ 39,522,664	$ 42,317,117
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ -	$ -	$ -	$ -	$ -
Planning and design	7,792,806	9,124,371	10,772,411	10,548,400	8,190,074
Rental program	170,096	501,696	643,085	601,075	663,343
Park services	-	-	-	21,406	-
Recreation services	3,805,155	7,484,896	10,355,275	11,633,829	13,038,469
Operating grants and contributions	506,061	278,983	531,181	310,591	220,153
Capital grants and contributions	167,670	518,355	1,881,070	4,882,339	2,275,769
Total governmental activities program revenues	$ 12,441,788	$ 17,908,301	$ 24,183,022	$ 27,997,640	$ 24,387,808
Net (Expense)/Revenue	**$ (15,948,900)**	**$ (11,736,191)**	**$ (11,924,479)**	**$ (11,525,024)**	**$ (17,929,309)**
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes, levied for general purposes	$ 19,290,608	$ 20,456,702	$ 21,712,600	$ 22,953,089	$ 24,109,763
Property taxes, levied for bonded debt	2,014,542	1,901,211	1,968,602	2,056,481	2,148,800
Investment earnings	314,853	(210,598)	1,805,390	2,874,782	3,026,547
Gain on disposal of capital assets	11,000	-	-	-	35,499
Miscellaneous revenues	61,579	355,276	259,238	253,190	259,570
Total governmental general revenues and other changes in net position	$ 21,692,582	$ 22,502,591	$ 25,745,830	$ 28,137,542	$ 29,580,179
Change in Net Position	**$ 5,743,682**	**$ 10,766,400**	**$ 13,821,351**	**$ 16,612,518**	**$ 11,650,870**

(concluded)

Notes:
- FY 2022 Loss on sale of capital assets has been reclassed to report as a direct expense of the related function/program
- Totals may not add due to rounding

Bend Metro Park and Recreation District, Oregon
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020
General Fund					
Nonspendable	$ 93,576	$ 110,222	$ 114,379	$ 155,050	$ 172,042
Assigned	1,500,000	2,000,000	4,062,675	3,401,720	6,025,892
Unassigned	3,772,214	3,139,312	2,264,727	3,034,338	2,534,015
Total general fund	5,365,790	5,249,534	6,441,781	6,591,108	8,731,949
All Other Governmental Funds					
Nonspendable	30,000	30,000	-	-	172,993
Restricted, reported in:					
Special revenue funds	16,867,173	19,996,753	20,043,666	24,264,962	14,084,912
Debt service funds	107,793	113,254	126,873	149,021	208,288
Total restricted	16,974,966	20,110,007	20,170,539	24,413,983	14,293,200
Committed, reported in:					
Special revenue funds	628,271	767,580	1,017,128	1,167,560	1,271,499
Capital projects funds	9,725,059	12,555,744	15,033,974	15,451,143	13,306,227
Total committed	10,353,330	13,323,324	16,051,102	16,618,703	14,577,726
Total all other governmental funds	27,358,296	33,463,331	36,221,641	41,032,686	29,043,919
Total governmental funds	32,724,086	38,712,865	42,663,422	47,623,794	37,775,868

(continued)

Totals may not add due to rounding

Notes:
- June 30, 2021 and prior information has not been restated for the impact of implementing GASB 87, Leases.
- June 30, 2022 and prior information has not been restated for the impact of implementing GASB 96, Subscription-based information technology arrangements (SBITA).

Bend Metro Park and Recreation District, Oregon
Fund Balances – Governmental Funds, continued
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2021	2022	2023	2024	2025
General Fund					
Nonspendable	$ 190,004	$ 278,226	$ 452,277	$ 720,128	$ 562,794
Assigned	5,859,045	7,225,615	9,075,427	9,368,409	8,075,320
Unassigned	2,744,591	1,621,678	1,570,844	1,088,302	1,205,525
Total general fund	8,793,640	9,125,519	11,098,548	11,176,839	9,843,639
All Other Governmental Funds					
Nonspendable	-	98,656	15,619	286,219	194,004
Restricted, reported in:					
Special revenue funds	15,389,208	15,602,570	20,122,789	22,236,613	28,476,534
Debt service funds	264,711	157,806	111,524	124,982	175,328
Total restricted	15,653,919	15,760,376	20,234,313	22,361,595	28,651,862
Committed, reported in:					
Special revenue funds	1,243,888	1,390,571	1,725,461	1,555,865	1,784,823
Capital projects funds	12,020,738	16,631,298	18,698,201	20,190,432	25,401,162
Total committed	13,264,626	18,021,869	20,423,662	21,746,297	27,185,985
Total all other governmental funds	28,918,545	33,880,901	40,673,594	44,394,111	56,031,851
Total governmental funds	37,712,185	43,006,420	51,772,142	55,570,950	65,875,490

(concluded)

Totals may not add due to rounding

Notes:

- June 30, 2021 and prior information has not been restated for the impact of implementing GASB 87, Leases.
- June 30, 2022 and prior information has not been restated for the impact of implementing GASB 96, Subscription-based information technology arrangements (SBITA).

Bend Metro Park and Recreation District, Oregon
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020
REVENUES					
Property taxes	$ 16,239,950	$ 16,960,463	$ 18,154,301	$ 19,211,321	$ 20,536,746
Charges for services	6,920,430	7,366,566	7,925,575	8,001,131	6,309,486
System development fees	10,951,017	9,863,589	6,411,052	7,465,749	7,600,115
Contributions	82,111	60,725	33,752	20,000	23,811
Grants	362,077	183,245	366,665	38,492	115,812
Sponsorships	-	-	116,682	84,485	44,490
Intergovernmental	-	-	117,642	101,265	369,435
Investments	217,531	430,504	747,949	1,290,909	1,016,616
Reimbursement for interfund services	102,498	105,889	136,072	44,542	154,501
Miscellaneous	160,570	234,871	142,178	130,936	81,408
Total revenues	35,036,184	35,205,852	34,151,867	36,388,830	36,252,420
EXPENDITURES					
Current:					
Personnel services	12,433,135	12,863,494	14,063,002	-	-
Materials and services	4,934,159	5,153,160	5,291,275	-	-
Administration (1)	-	-	-	2,690,964	2,616,049
Community engagement (2)	-	-	-	728,391	745,628
Planning and design	-	-	-	1,266,434	1,285,458
Rental program	-	-	-	197,818	177,893
Park services	-	-	-	6,419,769	6,542,213
Recreation services	-	-	-	9,198,423	9,215,857
PERS special payment	-	-	-	-	1,500,000
Debt service:					
Principal	1,210,051	1,291,049	1,366,047	1,440,489	1,514,153
Interest	1,055,012	1,028,516	1,000,647	961,727	920,813
Capital outlay	11,929,460	9,027,403	8,524,273	8,532,243	21,592,782
Total expenditures	31,561,817	29,363,622	30,245,243	31,436,258	46,110,847
Excess (deficiency) of revenues over (under) expenditures	3,474,367	5,842,230	3,906,624	4,952,572	(9,858,427)
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	27,200	5,879	43,933	7,800	10,500
Issuance of debt - leases (3)	-	-	-	-	-
Issuance of debt - subscriptions (3)	-	-	-	-	-
Transfers in	5,985,235	5,899,641	4,217,821	5,535,000	1,754,616
Transfers out	(5,985,235)	(5,899,641)	(4,217,821)	(5,535,000)	(1,754,616)
Total other financing sources (uses)	27,200	5,879	43,933	7,800	10,500
Net Change in Fund Balances	$ 3,501,567	$ 5,848,109	$ 3,950,557	$ 4,960,372	$ (9,847,927)
Debt Service as a percentage of noncapital expenses (4)	11.1%	11.1%	10.1%	10.5%	10.0%

(continued)

Notes:

Totals may not add due to rounding

(1) Director's office and administrative services was changed to Administration in FY 2025.

(2) Community Relations was changed to Community Engagement in FY 2025.

(3) In FY 2025, Right-of-use proceeds was retroactively changed to Issuance of debt - leases and Issuance of debt - subscriptions.

(4) Data was retroactively revised in 2022

Bend Metro Park and Recreation District, Oregon
Changes in Fund Balances – Governmental Funds, continued
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2021	2022	2023	2024	2025
REVENUES					
Property taxes	$ 21,382,102	$ 22,298,961	$ 23,664,165	$ 24,967,107	$ 26,116,631
Charges for services	3,975,615	7,986,592	10,998,360	12,142,752	13,442,250
System development fees	7,792,806	9,124,371	10,772,411	10,548,400	8,190,074
Contributions	190,555	25,916	26,381	114,056	85,993
Grants	7,089	387,269	597,000	128,974	385,589
Sponsorships	30,724	34,200	57,800	59,155	68,445
Intergovernmental	445,000	349,953	1,027,274	270,397	893,629
Investments	314,853	(210,598)	1,805,390	2,874,782	3,026,547
Reimbursement for interfund services	149,762	86,316	77,467	66,761	48,781
Miscellaneous	61,579	355,276	252,638	253,190	256,509
Total revenues	34,350,085	40,438,256	49,278,886	51,425,574	52,514,448
EXPENDITURES					
Current:					
Personnel services	-	-	-	-	-
Materials and services	-	-	-	-	-
Administration[1]	2,819,080	2,791,237	3,509,721	3,988,744	4,236,342
Community engagement[2]	615,216	690,569	805,829	961,576	1,916,055
Planning and design	1,320,120	1,525,895	1,754,926	1,977,854	1,860,200
Rental Program	207,881	362,965	357,716	362,853	424,050
Park services	6,448,993	6,853,041	7,738,532	8,551,438	8,467,826
Recreation services	7,338,107	10,551,685	14,251,274	15,317,311	16,625,009
PERS special payment	-	-	-	-	-
Debt service:					
Principal	1,602,579	1,710,178	1,856,827	1,991,479	2,117,082
Interest	877,349	835,175	775,982	713,972	641,291
Capital outlay	13,195,442	9,957,132	9,717,955	13,892,071	6,181,381
Total expenditures	34,424,767	35,277,877	40,768,762	47,757,298	42,469,236
Excess (deficiency) of revenues over (under) expenditures	(74,682)	5,160,379	8,510,124	3,668,276	10,045,212
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	11,000	8,000	21,740	26,056	47,466
Issuance of debt - leases[3]	-	125,856	-	8,908	4,075
Issuance of debt - subscriptions[3]	-	-	233,858	95,568	207,787
Transfers in	5,595,114	5,896,967	4,548,232	6,553,551	6,853,814
Transfers out	(5,595,114)	(5,896,967)	(4,548,232)	(6,553,551)	(6,853,814)
Total other financing sources (uses)	11,000	133,856	255,598	130,532	259,328
Net Change in Fund Balances	$ (63,682)	$ 5,294,235	$ 8,765,722	$ 3,798,808	$ 10,304,540
Debt Service as a percentage of noncapital expenses[4]	11.0%	10.1%	8.5%	8.0%	7.6%

(concluded)

Notes:
Totals may not add due to rounding

(1) Director's office and administrative services was changed to Administration in FY 2025.
(2) Community Relations was changed to Community Engagement in FY 2025.
(3) In FY 2025, Right-of-use proceeds was retroactively changed to Issuance of debt - leases and Issuance of debt - subscriptions.
(4) Data was retroactively revised in 2022

Bend Metro Park and Recreation District, Oregon
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands)

Fiscal Year Ended June 30,	Real Property		Personal Property		Public Utilities		Total		Total Direct Tax Rate	Percent of TAV to RMV
	RMV	TAV	RMV	TAV	RMV	TAV	RMV	TAV		
2016	$ 14,239,207	$ 9,710,226	$ 253,991	$ 253,981	$ 345,810	$ 339,712	$ 14,839,008	$ 10,303,919	$ 1.63	69.44%
2017	16,069,163	10,266,567	261,567	261,566	259,885	257,203	16,590,615	10,785,336	1.63	65.01%
2018	18,447,755	10,942,076	285,988	285,988	265,075	262,054	18,998,817	11,490,117	1.63	60.48%
2019	20,779,302	11,645,522	303,377	303,377	293,304	288,788	21,375,983	12,237,687	1.62	57.25%
2020	22,726,619	12,396,880	326,515	326,515	295,209	288,789	23,348,343	13,012,184	1.61	55.73%
2021	24,127,032	13,034,031	359,079	359,055	341,544	333,085	24,827,655	13,726,171	1.61	55.29%
2022	28,569,885	13,828,786	382,989	382,989	352,564	344,311	29,305,439	14,556,087	1.59	49.67%
2023	37,288,539	14,620,645	477,379	477,379	377,055	366,244	38,142,973	15,464,269	1.59	40.54%
2024(1)	40,228,681	15,418,048	609,349	609,349	374,028	364,925	41,212,058	16,392,322	1.59	39.78%
2025	41,680,974	16,202,732	618,239	618,239	373,129	364,248	42,672,342	17,185,218	1.59	40.27%

Source: Deschutes County Assessor's Office

Notes:
Totals may not add due to rounding

RMV - Real Market Value
TAV - Total Assessed Value

(1) The district's Total Direct Tax Rate was corrected for FY 2024.

Bend Metro Park and Recreation District, Oregon
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(per $1,000 assessed value)
(unaudited)

	District Direct Rates			Overlapping Rates							
Fiscal Year Ended June 30,	General	Debt Service	Total Direct	City of Bend	Bend Urban Renewal District	Deschutes County	County Library	Education Service District	Central Oregon Community College	Bend-La Pine Admin School District 1	Total Direct & Overlapping
2016	$ 1.46	$ 0.17	$ 1.63	$ 3.17	$ 0.13	$ 2.78	$ 0.54	$ 0.10	$ 0.73	$ 6.18	$ 15.27
2017	1.46	0.17	1.63	3.16	0.12	2.77	0.54	0.10	0.74	6.17	15.25
2018	1.46	0.17	1.63	3.15	0.13	2.63	0.54	0.10	0.73	6.62	15.52
2019	1.46	0.16	1.62	3.14	0.14	2.65	0.54	0.10	0.72	6.61	15.53
2020	1.46	0.15	1.61	3.13	0.15	2.65	0.54	0.10	0.72	6.62	15.52
2021	1.46	0.15	1.61	3.12	0.15	2.65	0.54	0.10	0.72	6.61	15.50
2022	1.46	0.13	1.59	3.10	0.16	2.61	0.98	0.10	0.71	6.57	15.83
2023	1.46	0.13	1.59	3.26	0.21	2.61	0.88	0.09	0.69	6.53	15.86
2024(1)	1.46	0.13	1.59	3.23	0.21	2.87	0.85	0.10	0.69	6.47	16.01
2025	1.46	0.13	1.59	4.09	0.25	2.86	0.85	0.09	0.69	6.36	16.77

Source: Deschutes County Assessor's Office

Notes:
- Overlapping property tax rates are for a representative tax code area (1-001) within the district's boundary and include operating and debt service levies.
- Deschutes County includes the following: Deschutes County, Countywide Law Enforcement, County Extension/4H, and 911.
- Totals may not add due to rounding

(1) The district's General Direct rate was corrected for FY 2024.

Bend Metro Park and Recreation District, Oregon
Principal Property Taxpayers
For the Fiscal Years ended June 30, 2025 and June 30, 2016
(in thousands)
(unaudited)

	Fiscal Year Ended June 30, 2025			Fiscal Year Ended June 30, 2016		
Taxpayer	Rank	Taxable Assessed Value	Percentage of Total District Taxable Assessed Value (1)	Rank	Taxable Assessed Value	Percentage of Total District Taxable Assessed Value (1)
Crowdstrike Inc	1	$ 127,360	0.74%		$ -	0.00%
PacifiCorp (PP&L)	2	96,416	0.56%	4	41,599	0.40%
Lonza Bend Inc	3	75,907	0.44%		-	-
Deschutes Brewery Inc	4	64,515	0.38%	7	38,414	-
TDS Baja Broadband LLC	5	64,322	0.37%	1	139,126	1.35%
Touchmark at Mt Bachelor Village LLC	6	58,018	0.34%	2	44,466	0.43%
Cascade Natural Gas Corp	7	58,112	0.34%	10	26,737	0.26%
CVSC LLC	8	52,807	0.31%	5	38,467	0.37%
Suterra LLC	9	51,461	0.30%	3	47,417	0.46%
Forum Westside LLC	10	45,974	0.27%		-	-
Bend Research Inc	-	-	-	6	38,450	0.37%
Forum Holdings LLC	-	-	-	8	26,331	0.26%
Deschutes Properties LLC	-	-	-	9	26,378	0.26%
Total		$ 694,892	4.04%		$ 467,386	4.16%

Source: Deschutes County Assessor's Office

Notes:
Totals may not add due to rounding

(1) Percent of total assessed value represents percent of taxpayers' total assessed value to the district's total assessed value of $17,185,218,227 for 2025 and $10,303,919,039 for 2016.

Bend Metro Park and Recreation District, Oregon
Property Tax Levies and Collections
Last Ten Fiscal Years
(unaudited)

		Collected within the Fiscal Year of Levy			Total Collections	
Fiscal Year Ended June 30,	Total Tax Levy	Amount Collected[1]	Percent of Levy Collected	Collections in Subsequent Years[1]	Amount Collected	Percent of Levy Collected
2016	$ 16,773,856	$ 15,963,151	95.17%	$ 371,475	$ 16,334,626	97.38%
2017	17,557,740	16,751,965	95.41%	321,551	17,073,516	97.24%
2018	18,617,391	17,886,988	96.08%	259,271	18,146,259	97.47%
2019	19,772,100	18,996,037	96.07%	273,230	19,269,267	97.46%
2020	20,766,214	19,969,014	96.16%	279,727	20,248,741	97.51%
2021	21,884,244	21,080,230	96.33%	214,240	21,294,470	97.31%
2022	22,901,179	22,086,332	96.44%	186,440	22,272,772	97.26%
2023	24,263,957	23,389,109	96.39%	178,245	23,567,354	97.13%
2024	25,695,573	24,728,483	96.24%	167,068	24,895,551	96.89%
2025	26,850,439	25,852,757	96.28%	-	25,852,757	96.28%

Source: Deschutes County Assessor's Office

Notes:

(1) Collection amounts were retroactively updated in 2022 to properly reflect collections in fiscal year of levy and collections in subsequent years.

Bend Metro Park and Recreation District, Oregon
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended June 30,	General Obligation Bonds[1]	Loans Payable	Unamortized Premiums[1]	Leases and Subscriptions[2]	Total Outstanding Debt	Total Debt Percentage of Personal Income[3]	Total Debt Per Capita[3]
2016	$ 26,635,000	$ 4,036,413	$ 1,572,136	$ -	$ 32,243,549	0.95%	$ 397
2017	25,750,000	3,630,364	1,479,657	-	30,860,021	0.83%	370
2018	24,800,000	3,214,317	1,387,178	-	29,401,495	0.66%	339
2019	23,785,000	2,788,828	1,294,699	-	27,868,527	0.62%	311
2020	22,705,000	2,354,675	1,202,220	-	26,261,895	0.51%	287
2021	21,550,000	1,907,096	1,109,742	-	24,566,838	0.43%	265
2022	20,325,000	1,447,013	1,017,265	-	22,789,278	0.37%	226
2023	19,010,000	975,201	924,786	264,604	21,174,591	0.30%	206
2024	17,600,000	492,540	832,308	270,262	19,195,110	0.25%	181
2025	16,090,000	-	739,829	359,209	17,189,038	0.20%	165

Notes:

Details regarding the district's outstanding debt can be found in the notes to the financial statements, Note 8.

(1) Data was retroactively revised in 2022 to report principal and unamortized premiums separately.

(2) Data was retroactively revised in 2024 to report leases and subscription liabilities.

(3) Refer to Demographic and Economic Statistics Schedule on page 134 for personal income and population figures.

Bend Metro Park and Recreation District, Oregon
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended June 30,	General Obligation Bonded Debt(1)	Less: Amounts Available in Debt Service Fund(2)	Net General Obligation Bonded Debt	Total Assessed Value (in thousands)	Ratio of Net Bonded Debt to Assessed Value*	Population(4)	Net Bonded Debt Per Capita*
2016	$ 28,207,136	$ 107,793	$ 28,099,343	$ 10,303,919	0.27	81,310	$ 346
2017	27,229,657	113,254	27,116,403	10,785,336	0.25	83,500	325
2018	26,187,178	126,873	26,060,305	11,490,117	0.23	86,765	300
2019	25,079,699	149,021	24,930,678	12,237,687	0.20	89,505	279
2020	23,907,220	208,288	23,698,932	13,012,184	0.18	91,385	259
2021	22,659,742	264,711	22,395,031	13,726,171	0.16	92,840	241
2022	21,342,265	157,806	21,184,459	14,556,087	0.15	100,922	210
2023	19,934,786	111,524	19,823,262	15,464,269	0.13	102,834	193
2024	18,432,308	124,982	18,307,326	16,392,322	0.11	106,275	172
2025	16,829,829	175,328	16,654,501	17,185,218	0.10	104,089	160

Notes:
Details regarding the district's outstanding debt can be found in the notes to the financial statements, Note 8.

(1) This is the only general bonded debt of the district. Data was revised in 2024 to include unamortized premiums.
(2) Represents amount restricted for debt service principal payments.
(3) See the Schedule of Assessed and Estimated Actual Value of Taxable Property on page 126.
(4) Population figures obtained from Portland State University Population Research Center's Certified Population Estimates. Data was retroactively
revised in 2022 to report population as of beginning of fiscal year. The certified population estimates are revised annually; however, for

* Data was updated in fiscal year 2024 to report amounts based on total assessed value and net general obligation debt outstanding.

Bend Metro Park and Recreation District, Oregon
Direct and Overlapping Debt
June 30, 2025
(unaudited)

Jurisdiction	Net Property Tax Backed Debt Outstanding	Estimated Percentage within District	Amount Applicable to Bend Metro Park and Recreation
Direct Debt			
Bend Metro Park and Recreation District	$ 17,189,038	100.00%	$ 17,189,038
Overlapping Debt			
Central Oregon Community College	32,800,000	44.02%	14,439,150
Central Oregon Regional Housing Authority	2,550,200	51.38%	1,310,283
City of Bend	338,436,930	99.95%	338,264,327
Deschutes County	36,750,000	51.38%	18,882,003
Deschutes County RFPD 2 (Bend)	7,345,000	21.20%	1,557,500
Deschutes County School District No. 1 (Bend-La Pine)	400,511,494	71.08%	284,685,172
Deschutes County School District No. 2J (Redmond)	270,988,172	0.28%	765,000
Deschutes Public Library District	180,915,000	51.38%	92,953,403
High Desert ESD	3,671,016	46.81%	1,718,260
Total overlapping debt	$ 1,273,967,812	59.23%	754,575,098
Total direct and overlapping debt			$ 771,764,136

Source: Oregon State Treasury, Debt Management Division

Notes:

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 within the district's boundary. This process recognizes that, when considering the district's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt of each overlapping government. Net property-tax backed debt was used as the Debt Outstanding which is derived from the gross property-tax backed debt less self-supported unlimited general obligations and self-supporting limited tax general obligation debt. The district's direct debt is the Total Outstanding Debt from the "Ratios of Outstanding Debt by Type" schedule found on page 130.

Bend Metro Park and Recreation District, Oregon
Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)

	Fiscal Year Ended June 30, 2025
Real Market Value	$ 42,672,342,158
	2.5%
General obligation debt limit at 2.5% of real market value	1,066,808,554
Debt subject to limit per ORS 266.512[1]:	
General obligation bonds	16,090,000
Net debt subject to 2.5% limit	16,090,000
Legal debt margin	$ 1,050,718,554
Debt capacity percent	98.5%

Fiscal Year Ended June 30,	2.5% Debt Limit	Net Debt Subject to 2.5% Limit[2]	Legal Debt Margin[2]	Debt Capacity Percent[2]
2016	$ 370,975,205	$ 26,635,000	$ 344,340,205	92.8%
2017	414,765,372	25,750,000	389,015,372	93.8%
2018	474,970,425	24,800,000	450,170,425	94.8%
2019	534,399,569	23,785,000	510,614,569	95.5%
2020	583,708,575	22,705,000	561,003,575	96.1%
2021	620,691,367	21,550,000	599,141,367	96.5%
2022	732,635,964	20,325,000	712,310,964	97.2%
2023	953,574,319	19,010,000	934,564,319	98.0%
2024	1,030,301,455	17,600,000	1,012,701,455	98.3%
2025	1,066,808,554	16,090,000	1,050,718,554	98.5%

Source: Real Market Value obtained from Deschutes County Assessor's Office

Notes:

(1) Oregon Revised Statutes (ORS) 266.512 states: (1) Whenever authorized by the electors, the district board may issue general obligation bonds of the district, not exceeding the principal amount stated in the notice of election and for the purpose therein named. (2) The aggregate amount of general obligation bonds issued and outstanding at any one time shall in no case exceed two and one-half percent of the real market value of all taxable property of the district, computed in accordance with ORS 308.207.

(2) The *Net Debt Subject to 2.5% Limit* amounts for 2021 and prior were retroactively corrected in 2022 to report GO Bond principal sans unamortized premiums per ORS statute. Due to the correction, the *Legal Debt Margin* and *Debt Capacity Percent* amounts were also corrected.

Bend Metro Park and Recreation District, Oregon
Demographic and Economic Statistics
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended June 30,	Population[1]	Area (square miles)	Average Density* (person/ square miles)	Personal Income* (expressed in thousands)	Per Capita Income[2]	School Enrollment[3]	Unemployment Rate[4]
2016	81,310	32.5	2,502	$ 3,388,594	$ 41,675	17,534	5.2%
2017	83,500	32.5	2,569	3,710,323	44,435	18,034	3.2%
2018	86,765	32.5	2,670	4,327,925	49,881	18,375	3.9%
2019	89,505	43.1	2,077	4,492,703	50,195	18,637	4.2%
2020	91,385	43.1	2,121	5,158,409	56,447	18,914	12.3%
2021	92,840	43.1	2,155	5,683,293	61,216	18,432	4.4%
2022	100,922	43.1	2,342	6,178,041	61,216	17,552	3.4%
2023	102,834	43.9	2,342	6,966,284	67,743	17,533	3.8%
2024	106,275	43.9	2,421	7,612,159	71,627	16,940	4.0%
2025	104,089	44.5	2,341	8,433,811	81,025	16,616	4.6%

Sources and Notes:

(1) Population figures obtained from Portland State University Population Research Center's Certified Population Estimates. In fiscal year 2022, population figures were retroactively updated to report populations as of beginning of fiscal year. The certified population estimates are revised annually; however, for consistency the district reports the original certified population estimate figures.

(2) Per capita personal income figures are for the Bend Metropolitan Statistical Area and are obtained from the U.S. Department of Commerce, Bureau of Economic Analysis. Although the Bureau of Economic Analysis provides annual revisions to prior year data, the district, for consistency, continues to report the data that was originally reported in prior years.

(3) School enrollment figures obtained from Bend-La Pine Administrative School District No. 1.

(4) Unemployment rates represent June seasonally adjusted unemployment rates for the Bend Metropolitan Statistical Area obtained from the U.S. Department of Labor, Bureau of Labor Statistics. Seasonally adjusted data for metropolitan areas and metropolitan divisions based on the 2010 Office of Management and Budget (OMB) delineations were introduced on July 1, 2015.

* Data was revised in 2022 due to population figures being retroactively updated to beginning of fiscal year.

Bend Metro Park and Recreation District, Oregon
Principal Employers
For the Fiscal Years ended June 30, 2025 and June 30, 2016
(unaudited)

		2025			2016		
Employer	Product or Service	Rank	Employees	Percent of Population Employed(1)	Rank	Employees	Percent of Population Employed(1)
St. Charles Health System	Health Care	1	4,213	4.0%	1	2,468	3.0%
Bend-La Pine School District No. 1	Education	2	2,385	2.3%	2	1,797	2.2%
Deschutes County	Government	3	1,334	1.3%	3	1,062	1.3%
Mt. Bachelor, formerly Mt. Bachelor Ski Resort	Recreation	4	1,094	1.1%	5	769	0.9%
City of Bend	Government	5	783	0.8%	7	596	0.7%
Central Oregon Community College (COCC)	Education	6	761	0.7%	4	884	1.1%
Bend Park and Recreation District	Government	7	734	0.7%	-	-	-
Safeway (includes Albertson's)	Grocery Store	8	614	0.6%	-	-	-
Summit Medical Group Oregon	Health Care	9	527	0.5%	-	-	-
Epic Aircraft, LLC	Aviation	10	510	0.5%	-	-	-
Bend Memorial Clinic	Health Care	-	-	-	6	679	0.8%
U.S. Forest Service / Deschutes National Forest	Government	-	-	0.0%	8	550	0.7%
IBEX Global	Call Center	-	-	-	9	545	0.7%
Jeld Wen Windows and Doors	Manufacturing	-	-	-	10	517	0.6%
	Total		12,955	12.4%		9,867	12.1%

Source: Economic Development for Central Oregon, Central Oregon Profile

Notes:
The above listing of principal employers represents major employers in Central Oregon.

(1) Percent of population employed represents percent of top 10 employers' employees to total population for the Bend Metropolitan Statistical Area of 104,089 for 2025 and 81,310 for 2016 (obtained from Portland State University Population Research Center's Certified Population Estimates).

Bend Metro Park and Recreation District, Oregon
Full-Time Equivalent District Employees by Program
Last Ten Fiscal Years
(unaudited)

	Full-time Equivalent[1] Employees as of June, 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Executive	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative	12.7	12.4	13.5	14.3	14.3	14.9	15.6	15.1	15.5	14.8
Community engagement[2]	4.8	4.5	4.7	5.0	5.0	5.0	4.9	5.1	5.6	11.7
Planning and design	10.5	10.2	10.2	10.3	11.4	11.5	11.4	11.6	11.3	10.3
Rental program[3]	2.3	2.7	2.5	2.1	1.5	2.2	3.5	3.4	3.5	3.5
Park services	59.6	64.9	63.6	67.1	64.9	61.0	57.6	61.8	64.8	64.3
Recreation services	120.2	128.1	136.1	139.0	133.6	97.2	128.2	152.2	162.3	181.7
Total	**210.9**	**223.9**	**231.6**	**238.9**	**231.6**	**192.7**	**222.2**	**250.2**	**263.9**	**287.2**

Notes:
Totals may not add due to rounding

(1) A full-time employee is scheduled to work 2080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2080.
(2) Park Stewardship moved from Park Services to Community Engagement, which was renamed from Community Relations in FY 2025
(3) The program name for Facility Rental was updated to Rental Program in FY 2024.

Bend Metro Park and Recreation District, Oregon
Operating Indicators by Recreation Program and Facility
Last Ten Fiscal Years
(unaudited)

Recreation Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Adult Enrichment										
Unique Participants	-	-	-	-	-	-	-	-	761	620
Program Visits	-	-	-	-	-	-	-	-	1,611	1,304
# of Participants	1,651	1,261	1,267	857	823	38	574	628	-	-
# of Programs Held	284	250	243	134	95	7	96	78	-	-
Aquatics & Swim Programs(1)										
Unique Participants	-	-	-	-	-	-	-	-	4,023	3,720
Program Visits	-	-	-	-	-	-	-	-	76,601	75,461
# of Participants	7,521	8,201	7,100	8,984	7,634	2,245	7,178	9,650	-	-
# of Programs Held	850	866	770	864	778	470	929	1,053	-	-
Art Programs(1)										
Unique Participants	-	-	-	-	-	-	-	-	996	1,071
Program Visits	-	-	-	-	-	-	-	-	7,725	7,126
# of Participants	-	468	1,946	1,912	1,450	1,435	2,993	2,743	-	-
# of Programs Held	-	138	332	285	191	217	334	373	-	-
Childcare & Youth Camps(2)										
Unique Participants	-	-	-	-	-	-	-	-	2,459	2,334
Program Visits	-	-	-	-	-	-	-	-	174,255	176,973
Fitness & Wellness(3)										
Unique Participants	-	-	-	-	-	-	-	-	500	513
Program Visits	-	-	-	-	-	-	-	-	11,721	10,621
Outdoor Programs(4)										
Unique Participants	-	-	-	-	-	-	-	-	715	765
Program Visits	-	-	-	-	-	-	-	-	5,464	4,508
Pavilion Programs(1)										
Unique Participants	-	-	-	-	-	-	-	-	1,687	1,846
Program Visits	-	-	-	-	-	-	-	-	22,023	28,211
# of Participants	3,698	7,591	9,238	8,746	7,626	5,367	9,294	3,254	-	-
# of Programs Held	373	716	717	823	654	578	820	254	-	-
Sports										
Unique Participants	-	-	-	-	-	-	-	-	7,459	7,580
Program Visits	-	-	-	-	-	-	-	-	120,954	133,538
# of Participants	10,979	12,093	11,583	12,356	9,367	6,060	8,643	13,555	-	-
# of Programs Held	915	1,086	980	843	726	391	605	845	-	-

(continued)

Notes:

- *Unique Participants* counts an individual only once, regardless of how many programs an individual enrolls. The district added this metric in FY 2024 as the statistic gives a clearer picture of community reach and overall district impact.
- *Program Visits* measures total attendance (i.e. number of participants multiplied by the number of class sessions). The district added this metric in FY 2024 to provide a better measurement of communicating services provided.
- *# of Participants* counts the number of enrollments in a program; when an individual enrolls in multiple programs, they are counted for every enrollment. The district replaced this metric with Unique Participants to better communicate community reach and overall district impact.
- *# of Programs Held* counts the number of sessions regardless of the number of classes per session. The district discontinued this metric in FY 2024 as it can be inconsistent when comparing data over a multi-year period due to consolidation/separation of classes sessions and meeting days.

(1) Aquatics & Swim Programs, Art Programs, and Pavilion Programs names were updated in FY 2024.
(2) Childcare & Youth Camps was added in FY 2024 and was previously reported under Youth Recreation.
(3) Fitness & Wellness was added in FY 2024 and was previously reported under Adult Enrichment and Youth Enrichment.
(4) Outdoor Programs was added in FY 2024 and was previously reported under Adult Outdoor Recreation and Youth Outdoor Recreation.

Bend Metro Park and Recreation District, Oregon
Operating Indicators by Recreation Program and Facility, continued
Last Ten Fiscal Years
(unaudited)

Recreation Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Therapeutic Recreation Programs										
Unique Participants	-	-	-	-	-	-	-	-	168	197
Program Visits	-	-	-	-	-	-	-	-	8,131	6,799
# of Participants	984	1,108	1,215	959	859	335	1,214	1,905	-	-
# of Programs Held	91	108	126	107	116	41	111	141	-	-
Youth Enrichment										
Unique Participants	-	-	-	-	-	-	-	-	2,584	2,039
Program Visits	-	-	-	-	-	-	-	-	26,279	20,255
# of Participants	4,806	3,747	5,312	3,373	2,593	1,339	2,591	1,799	-	-
# of Programs Held	652	618	623	495	391	154	234	175	-	-
Adult Outdoor Recreation(4)										
# of Participants	707	665	613	623	379	255	408	322	-	-
# of Programs Held	125	127	126	57	32	14	16	13	-	-
Youth Outdoor Recreation(4)										
# of Participants	700	586	825	2,404	1,809	561	1,728	85	-	-
# of Programs Held	84	86	92	96	80	40	78	9	-	-
Youth Recreation(2)										
# of Participants	1,172	1,839	2,347	1,604	2,082	4,092	2,166	6,151	-	-
# of Programs Held	182	114	120	132	127	242	168	342	-	-
Total Unique Participants	-	-	-	-	-	-	-	-	**21,352**	**20,685**
Total Program Visits	-	-	-	-	-	-	-	-	**454,764**	**464,796**
Total # of Participants	**32,218**	**37,559**	**41,446**	**41,818**	**34,622**	**21,727**	**36,789**	**40,092**	-	-
Total # of Programs Held	**3,556**	**4,109**	**4,129**	**3,836**	**3,190**	**2,154**	**3,391**	**3,283**	-	-

Recreation Facility Visits	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Larkspur Community Center, Home of the Bend Senior Center	43,058	46,583	53,356	49,914	34,152	33,789	196,992	269,697	297,727	332,724
Juniper Swim and Fitness Center	417,318	419,240	423,878	420,568	318,381	102,955	193,583	311,567	345,271	362,000
The Pavilion	25,063	26,396	34,566	32,403	26,256	18,827	35,284	73,563	50,391	49,368
Total Facility Visits	**485,439**	**492,219**	**511,800**	**502,885**	**378,789**	**155,571**	**425,859**	**654,827**	**693,389**	**744,092**
Total Program and Facility Visits	-	-	-	-	-	-	-	-	**1,148,153**	**1,208,888**

(concluded)

Notes:

- *Unique Participants* counts an individual only once, regardless of how many programs an individual enrolls. The district added this metric in FY 2024 as the statistic gives a clearer picture of community reach and overall district impact.
- *Program Visits* measures total attendance (i.e. number of participants multiplied by the number of class sessions). The district added this metric in FY 2024 to provide a better measurement of communicating services provided.
- *# of Participants* counts the number of enrollments in a program; when an individual enrolls in multiple programs, they are counted for every enrollment. The district replaced this metric with Unique Participants to better communicate community reach and overall district impact.
- *# of Programs Held* counts the number of sessions regardless of the number of classes per session. The district discontinued this metric in FY 2024 as it can be inconsistent when comparing data over a multi-year period due to consolidation/separation of classes sessions and meeting days.

(1) Aquatics & Swim Programs, Art Programs, and Pavilion Programs names were updated in FY 2024.
(2) Childcare & Youth Camps was added in FY 2024 and was previously reported under Youth Recreation.
(3) Fitness & Wellness was added in FY 2024 and was previously reported under Adult Enrichment and Youth Enrichment.
(4) Outdoor Programs was added in FY 2024 and was previously reported under Adult Outdoor Recreation and Youth Outdoor Recreation.

Bend Metro Park and Recreation District, Oregon
Capital Asset Statistics by Program
Last Ten Fiscal Years
(unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Outdoor Recreation										
Number of Parks(1)	88	90	90	91	92	94	92	93	96	96
Completed Park Sites(2)	79	84	84	84	85	88	87	87	91	92
Park Sites to be Developed(2)	9	6	6	7	7	6	5	6	5	4
Acres of Developed Park Land	2,725	2,955	2,955	2,955	2,955	3,043	3,070	3,085	3,119	3,119
Developed Acres per 1,000 Residents	34	34	33	32	32	33	30	30	29	29
Miles of Trails(1)	65	65	70	70	73	74	79	87	88	91
Number of Bend Whitewater Parks	1	1	1	1	1	1	1	1	1	1
Indoor Recreation										
Indoor Recreation Facilities(3)(5)	3	4	4	4	4	4	4	3	3	3
Square Footage of Facilities:										
Art Station(3)	-	2,292	2,292	2,292	2,292	2,292	2,292	-	-	-
Juniper Swim & Fitness Center(4)	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Larkspur Community Center, Home of the Bend Senior Center(5)	-	-	-	-	-	49,024	49,485	49,485	49,485	49,485
Bend Senior Center(5)	14,067	14,067	14,067	14,067	14,067	-	-	-	-	-
The Pavilion	47,780	47,780	47,780	47,780	47,780	47,780	47,780	47,780	47,780	47,780

Notes:

(1) In fiscal year 2022 the district changed its calculation for the number of parks and miles of trails. The number of parks decreased due to a combination of satellite parcels combining into a larger parcel (e.g. Hillside Park). Miles of trails, while continuing to increase, were adjusted to remove river access points and trail easements where the district has no property interest or maintenance obligations.

(2) In fiscal year 2025, the number of completed parks and parks to be developed were corrected for fiscal year 2024.

(3) In fiscal year 2023 the Art Station closed and art programs moved to the Harmon Park Clay Studio, the Larkspur Community Center, and various school locations. In fiscal year 2024, the number of Indoor Recreation Facilities and the square footage for the Art Station were corrected for fiscal year 2023.

(4) Juniper Swim & Fitness Center square footage includes outdoor activity pool and surrounding deck area.

(5) In fiscal year 2021, the Larkspurs Community Center opened and became the new home for the Bend Senior Center. In fiscal year 2024, the square footage for the two facilities were combined and the number of Indoor Recreation Facilities for statistic years 2021 through 2023 were updated.

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AUDIT COMMENTS AND DISCLOSURES

Bend Park & Recreation
DISTRICT

Aldrich CPAs + Advisors LLP
4275 Commercial St. SE, Suite 100
Salem, OR 97302

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

To the Board of Directors
Bend Metro Park and Recreation District
Bend, Oregon

We have audited the basic financial statements of Bend Metro Park and Recreation District, Oregon (the District) as of and for the year ended June 30, 2025, and have issued our report thereon dated December 10, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing, nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

Budgets legally required (ORS Chapter 294)

ORS 294.438 requires the financial summary portion of the LB-1 to agree to the amounts presented on the detail budget sheets. The following differences were identified:

	Per Detail Budget Sheets	Per LB-1	Difference
2023–2024 Resources	$ 109,765,462	$ 109,739,462	$ (26,000)
2023–2024 Requirements	109,765,462	109,739,462	(26,000)

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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 or significant deficiencies. However, material weaknesses or significant deficiencies may exist that were not identified.

Restriction on Use

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

Aldrich CPAs + Advisors LLP

By:

Andrew Maffia, CPA, Partner
Salem, Oregon
December 10, 2025

Bend Park & Recreation

DISTRICT