



POPULAR ANNUAL FINANCIAL REPORT

For the year ended June 30, 2025





General Manager Doug Menke

WHAT'S INSIDE

Message from the General Manager	1
Board of Directors & Management Team	2
Our History & Introduction of the Popular Annual Financial Report (PAFR)	3
District Values & Budget Priorities	4
By the Numbers & District Map	5
Where does the funding come from?	6
How is the funding distributed?	7
Five-year Comparison	8
Successes & Challenges	9
A Look Ahead	10
Stay Connected	Back cover

Message from the General Manager

Dear Tualatin Hills Park & Recreation District (THPRD) Community Members,

The Board of Directors and I are pleased to present our Popular Annual Financial Report (PAFR) for fiscal year 2025. This report highlights the district's financial performance, and we are proud to announce that, once again, our independent auditors have awarded us an unmodified opinion, reaffirming the sound management of our public resources.

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

This past year was a foundational one, marked by significant behind-the-scenes progress to support generational improvements. We completed implementing the district's new enterprise resource planning (ERP) system, advanced plans for a new unified administrative facility, and launched a major information technology assessment to prepare for website and registration platform upgrades.

These legacy projects represent long-term commitments to improving how we operate and how the community interacts with THPRD. We also began preparing for upcoming funding efforts. With the 2008 bond nearing retirement and the current levy scheduled to expire in 2028, early planning is underway to support continued service delivery and capital investments.

This progress would not be possible without the confidence the public places in THPRD to manage shared resources wisely. That trust is deeply appreciated and drives our ongoing commitment to transparency, equity, and stewardship.

Thank you for being a part of our shared success.

Sincerely,

Doug Menke

General Manager, Tualatin Hills Park & Recreation District

Board of Directors & Management Team

Board of Directors



Felicita Montebianco
Director



Alfredo Moreno
President
Director



Barbie Minor
Secretary
Director



Miles Palacios
Director



Tya Ping
Secretary Pro-Tempore
Director

The THPRD Board of Directors is composed of five elected members who provide overall budgetary and policy direction for the district. The board approves the scope and direction of services offered to the public within district boundaries and ensures that community needs are met to the greatest extent possible with available resources.

In addition to setting policy and hiring the general manager, the board is also responsible for appointing members to various advisory committees, including the Audit Committee and the Budget Committee.

We are thrilled to welcome Pradnya Patil as the newest member of the THPRD Board of Directors. Her term of service will begin on July 1, 2025, and we look forward to the insight and energy she will bring to the board. We also extend our heartfelt gratitude to Felicita Montebianco for her exceptional leadership, vision, and unwavering dedication throughout her many years of service on the THPRD Board of Directors.



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

Management Team



Doug Menke



Aisha Panas



Holly Thompson



Jared Isaksen



Steve Sutton



Sabrina Taylor Schmitt



Julie Rocha

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

Park Services – Led by Aisha Panas, Deputy General Manager

Communications – Led by Holly Thompson, Communications Director

Finance – Led by Jared Isaksen, Finance Director

Human Resources – Led by Steve Sutton, Human Resources Director

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

Introduction & History

Our History & Introduction of the PAFR

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

THPRD's origins date back to 1953, when local physical education teacher Elsie Stuhr envisioned a district where community members could stay active, connect with neighbors, and enjoy access to quality recreation opportunities. Thanks to her advocacy and the support of residents, THPRD was officially formed in 1955, originally serving a population of just 3,000. Now, as we prepare to celebrate 70 years of service in fiscal year 2026, that vision has grown into a thriving district that supports the health, wellness, and quality of life for hundreds of thousands of people.

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

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

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



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



Family outdoors, Newt Day, Tualatin Hills Nature Center



Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**Tualatin Hills Park and Recreation District
Oregon**

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrell

Executive Director/CEO

2024 Award for Outstanding Achievement in Popular Annual
Financial Reporting - Awarded by the Government Finance
Officers Association (GFOA)



Chinese Coalition event (left), La Raíz Park opening (center), and THPRD camp (right).

Vision Statement

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

Mission Statement

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

Values

Leading with Equity with special attention to Racial Equity –

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

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

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

Budget Priorities

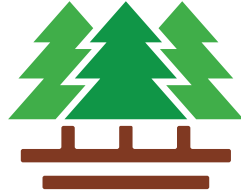
Investing in our Employees and Technology

Focus on Strengthening Programming Opportunities

Develop Sustainable Operating and Financial Models for the Future

THPRD by the Numbers

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



District Map



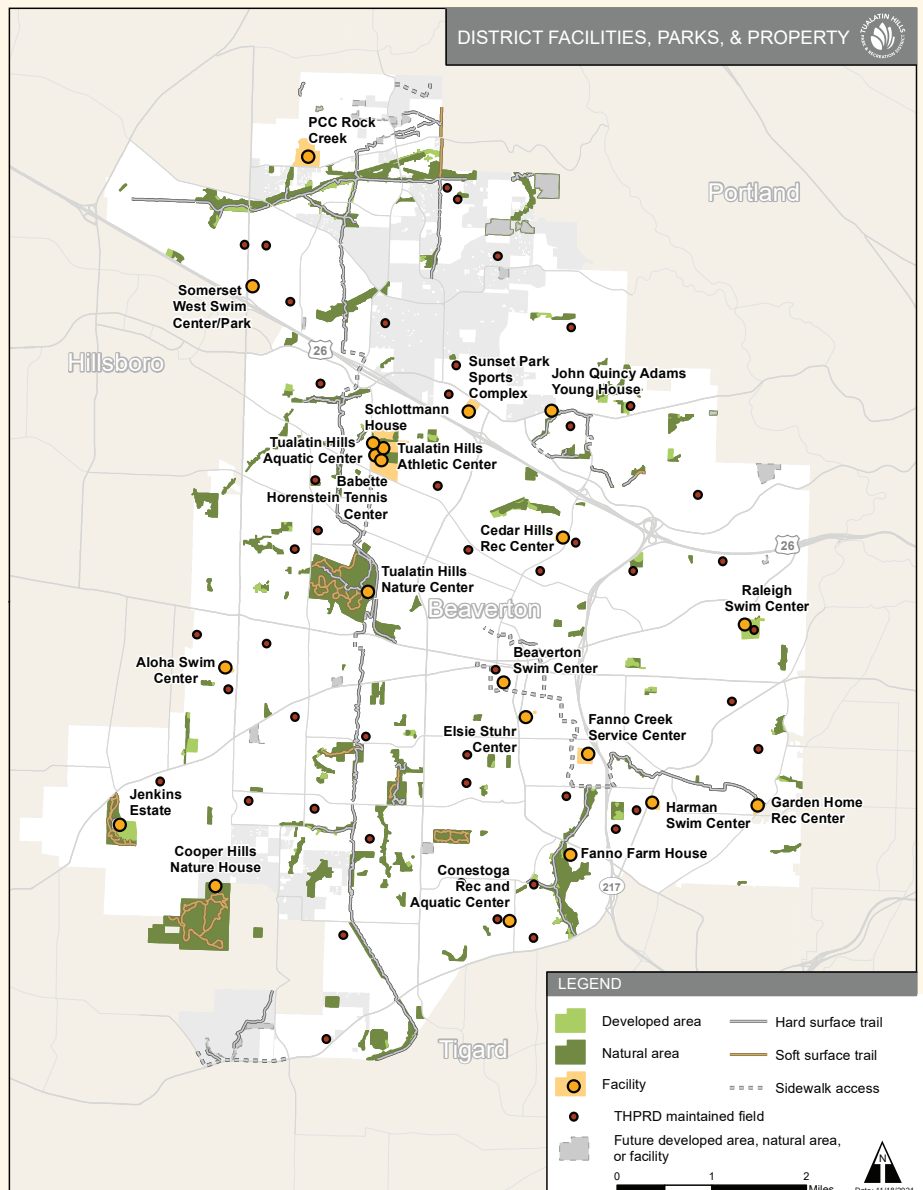
Park ranger at Cooper Mountain



Pickleball court player La Raiz opening



Mother and son view display at Newt Day event

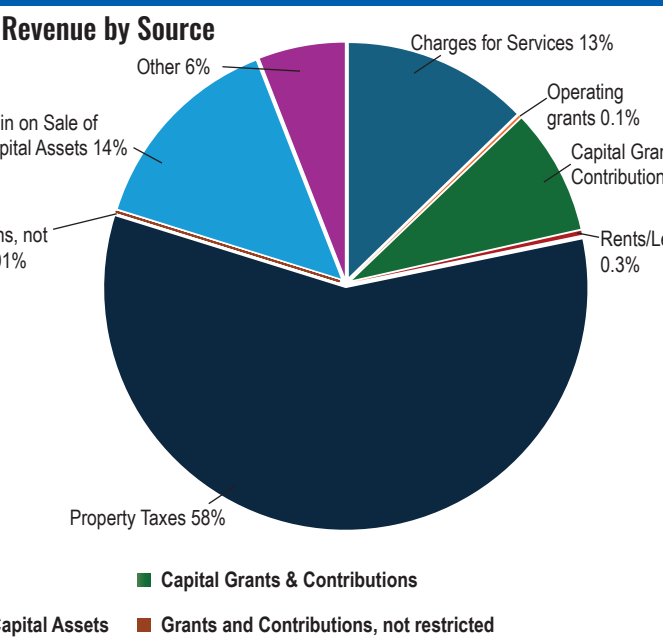
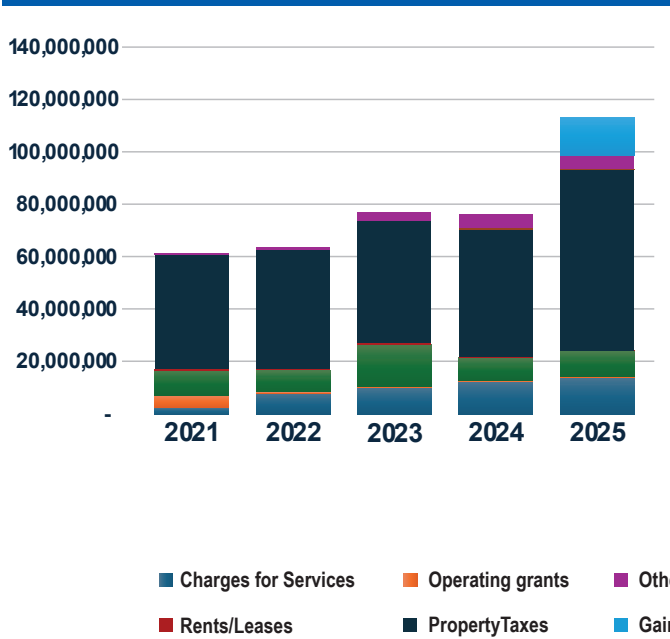


Where does the funding come from?

For the fiscal year ending June 30, 2025, total revenues are \$112,829,905, reflecting an increase from the prior year primarily due to the first year of collections under the district's new local option levy approved by voters in May 2024. The levy provides an additional \$0.50 per \$1,000 of assessed value, ensuring stable funding to maintain service levels, address cost pressures, and support ongoing operations across the district's facilities and programs.

In addition, the revenue increase is driven by proceeds from the sale of the Fanno Creek Service Center to the Portland Timbers. These funds were directly reinvested into the purchase and development of the district's new central administrative facility, consolidating staff and improving operational efficiency.

Revenue Type 2024-2025	
Charges for Services	\$14,365,469
Operating Grants	\$148,528
Capital Grants and Contributions	\$9,721,386
Rents/Leases	\$323,063
Property Taxes	\$65,491,166
Grants and Contributions, not restricted	\$14,041
Gain on Sale of Capital Assets	\$16,084,753
Other	\$6,681,499
TOTAL REVENUE	\$112,829,905



Kids at La Raiz park opening





Kids playing at splash pad

How is the funding distributed?

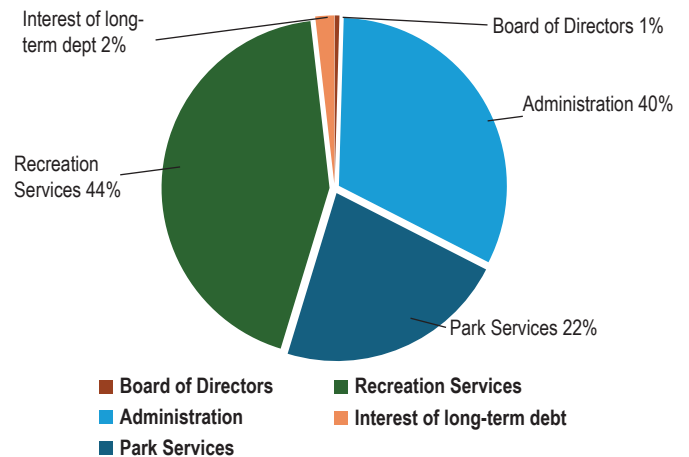
For the fiscal year ending June, 30, 2025 total expenses are \$62,559,287 an increase from \$57,608,072 in fiscal year 2024. The largest portion of this spending was attributed to Recreation Services.

Recreation and park services continued to experience rising operating costs, driven by a combination of internal and external pressures, including:

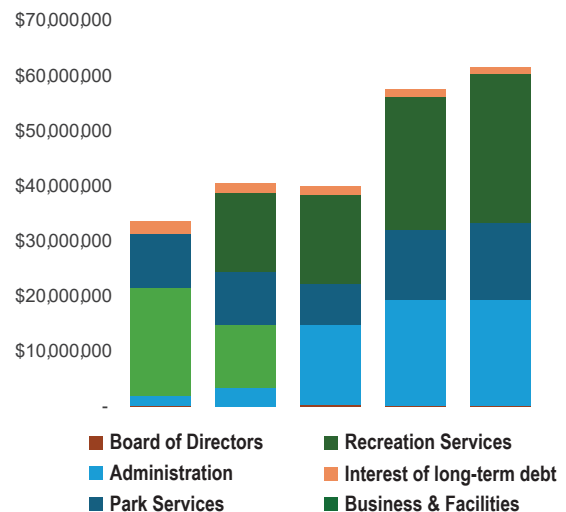
- Competitive labor market conditions and associated wage pressures.
- Implementation of statewide programs such as Oregon Paid Leave and Pay Equity.
- Inflationary impacts on goods and contracted services.
- Ongoing costs to maintain newly developed parks, trails, and amenities added to the system in recent years.

While the local option levy has provided significant relief and operational stability, the district continues to face long-term costs relating to maintaining its existing systems. Planning is now underway for the renewal of the 2008 Bond Measure, which would support critical existing infrastructure repairs and improvements to ensure safety and service quality throughout the community.

Expenditures by Activity



5 Year Major Expenditure Comparison



Five Year Comparison

Over the past five years, THPRD has demonstrated fiscal adaptability amid economic uncertainty and evolving community needs. Following the disruptions of the COVID-19 pandemic, the district refined its budgeting practices, implementing a more agile financial model that emphasizes real-time monitoring and quarterly adjustments to revenues and expenditures.

Key financial trends over this five-year period include:

- Gradual recovery of charges for services as recreation participation rebounded post-pandemic.
- Steady growth in property-tax revenues tied to regional development and assessed value increases.
- Strategic use of System Development Charges to fund capital investments in expanding neighborhoods.
- Ongoing management of labor-related cost increases through targeted adjustments and the support of the new levy.

Looking ahead, the district's focus remains on building financial sustainability, aligning expenditures with recurring revenues, and preparing for long-term capital investment needs through the planned bond renewal. The passage of the local option levy represents a community commitment to maintaining current service levels, while upcoming efforts will focus on securing resources to ensure the continued stewardship of parks, trails, and natural areas for future generations.



Expense by Function	2021	2022	2023	2024	2025
Board of Directors	\$202,902	\$199,592	\$351,088	\$383,356	\$286,040
Administration	\$1,894,447	\$3,245,954	\$14,657,122	\$19,068,059	\$20,055,540
Business and Facilities	\$19,577,534	\$11,587,219	\$-	\$-	\$-
Park Services	\$9,894,243	\$9,554,414	\$7,392,144	\$12,642,035	\$13,880,031
Recreation Services	\$-	\$14,368,060	\$16,109,044	\$24,120,718	\$27,200,530
Interest on Long-term Debt	\$2,243,378	\$1,678,766	\$1,538,328	\$1,393,904	\$1,137,146
Total governmental activities expenses	\$33,812,504	\$40,634,005	\$40,047,726	\$57,608,072	\$62,559,287

Revenues by Function	2021	2022	2023	2024	2025
Charges for Services	\$2,910,204	\$8,300,331	\$10,385,213	\$12,701,610	\$14,365,469
Operating Grants	\$4,565,805	\$382,591	\$382,274	\$245,193	\$148,528
Capital Grants and Contributions	\$9,510,849	\$8,301,147	\$16,114,045	\$8,773,954	\$9,721,386
Rents/Leases	\$557,072	\$598,733	\$575,863	\$524,256	\$323,063
Property Taxes	\$43,587,273	\$45,371,462	\$46,737,624	\$48,583,380	\$65,491,166
Grants and Contributions, not restricted	\$-	\$-	\$-	\$1,167,848	\$14,041
Gain on Sale of Capital Assets	\$-	\$-	\$-	\$-	\$16,084,753
Other	\$648,166	\$734,195	\$3,088,476	\$5,144,682	\$6,681,499
Total governmental activities revenue	\$61,779,369	\$63,688,459	\$77,283,495	\$77,140,923	\$112,829,905

Successes & Challenges

2025 Successes

• Local Option Levy Implementation

Following the successful passage of the five-year local option levy in 2024, THPRD implemented its first full year of levy-funded operations in FY2025. This critical funding preserved essential services, including staffing levels, child care programs, facility hours, and community events.

• Infrastructure Investment

With funding from the American Rescue Plan Act, THPRD completed the construction of permanent restrooms at three park locations, enhancing visitor experience and access to clean, year-round facilities. Additionally, one of the district's final 2008 Bond projects, a multi-sport court at Mountain View Champions Park was completed, while staff continued managing multiple System Development Charge (SDC)-funded projects and collaborated with developers to plan future park and trail sites.

• Youth Development Grant

The Garden Home Recreation Center THRIVE after-school program secured an additional \$10,000 grant from the National Recreation & Park Association's Office of Juvenile Justice and Delinquency Prevention (OJJDP) to support mentoring efforts at Chehalem Elementary. NRPA expressed strong confidence in THPRD's impact, noting the program as a model worth continued investment.

• Strategic Sponsorship Growth

A new sponsorship administrator role was added within Recreation Services to support the district's long-term financial sustainability. This role is focused on developing districtwide corporate partnerships to diversify and grow non-tax revenue streams.

• Equity and Workforce Investments

The Financial Aid Program for the second year in a row achieved full utilization, supporting broad access to programs. The district expanded benefit offerings to part-time benefit-eligible employees. Work began on a comprehensive Equity Strategy to be launched in FY2026.

2025 Challenges

• Measure 5 Compression

Property tax revenue for the district was reduced due to Measure 5 compression. In certain areas where combined tax rates exceeded the cap and assessed values neared market value, THPRD experienced a loss of more than \$732,000 in anticipated revenue. Projections indicate this figure could grow in FY2026.

• Balancing Legacy Projects with Daily Operations

FY2025 was a foundational year filled with strategic planning and preparation for generational investments. However, implementing these large-scale projects, such as finalizing the ERP rollout, planning for a new administrative facility, and IT system upgrades, added workload to already full operational plates. Staff across departments rose to the occasion to take on this added workload.

• Inflation and Labor Market Pressures

Rising costs for materials, services, and wages continued to strain operating budgets. This included increased costs from contracts, utilities, insurance, and compensation requirements driven by a competitive labor market.



Pickleball clinic at HMT complex

A Look Ahead

As THPRD prepares for its 70th anniversary in FY 2025/26, we reflect on the legacy of service that began in 1955 and look forward to the next generation of park and recreation investments.

FY2025 served as a foundational year, one that focused on laying the groundwork for legacy projects. While many of these initiatives have been years in development, this year brought them into alignment and motion. These efforts include the replacement of core technology systems, preparation for bond and levy renewals, and planning for a consolidated administrative facility.

Looking Ahead:

- **Bond Renewal (2026):** Planning for a potential replacement measure, prioritizing what we have already built, ensuring lasting community investment to future generations.
- **Levy Renewal (2028):** Early strategy development to ensure continuity of services beyond the current levy period.
- **Website & Registration Platform Upgrades:** A new website will launch by the end of December 2025, and planning for registration system replacement is underway.
- **Equity Strategy Launch (FY 2026):** A districtwide Equity Strategy is currently in development, with a focus on racial equity and removing access barriers.

THPRD remains committed to long-term financial sustainability, environmental stewardship, and equity-centered service delivery. Transparent planning and community partnerships will continue to guide our next steps. We remain grateful for the opportunity to serve and for the responsibility entrusted to THPRD by the community.



Woman blowing bubbles



Kids at Duck Dive event



Fitness in the Park event



STAY CONNECTED

15707 SW Walker Rd.
Beaverton, OR 97006

Phone: 503-645-6433

Fax: 503-629-6304

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