



STATE OF MINNESOTA

Annual Comprehensive Financial Report

For the year ended December 31, 2022

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**THREE RIVERS PARK DISTRICT
STATE OF MINNESOTA**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FISCAL YEAR ENDED
DECEMBER 31, 2022**

Prepared by:
Department of Finance

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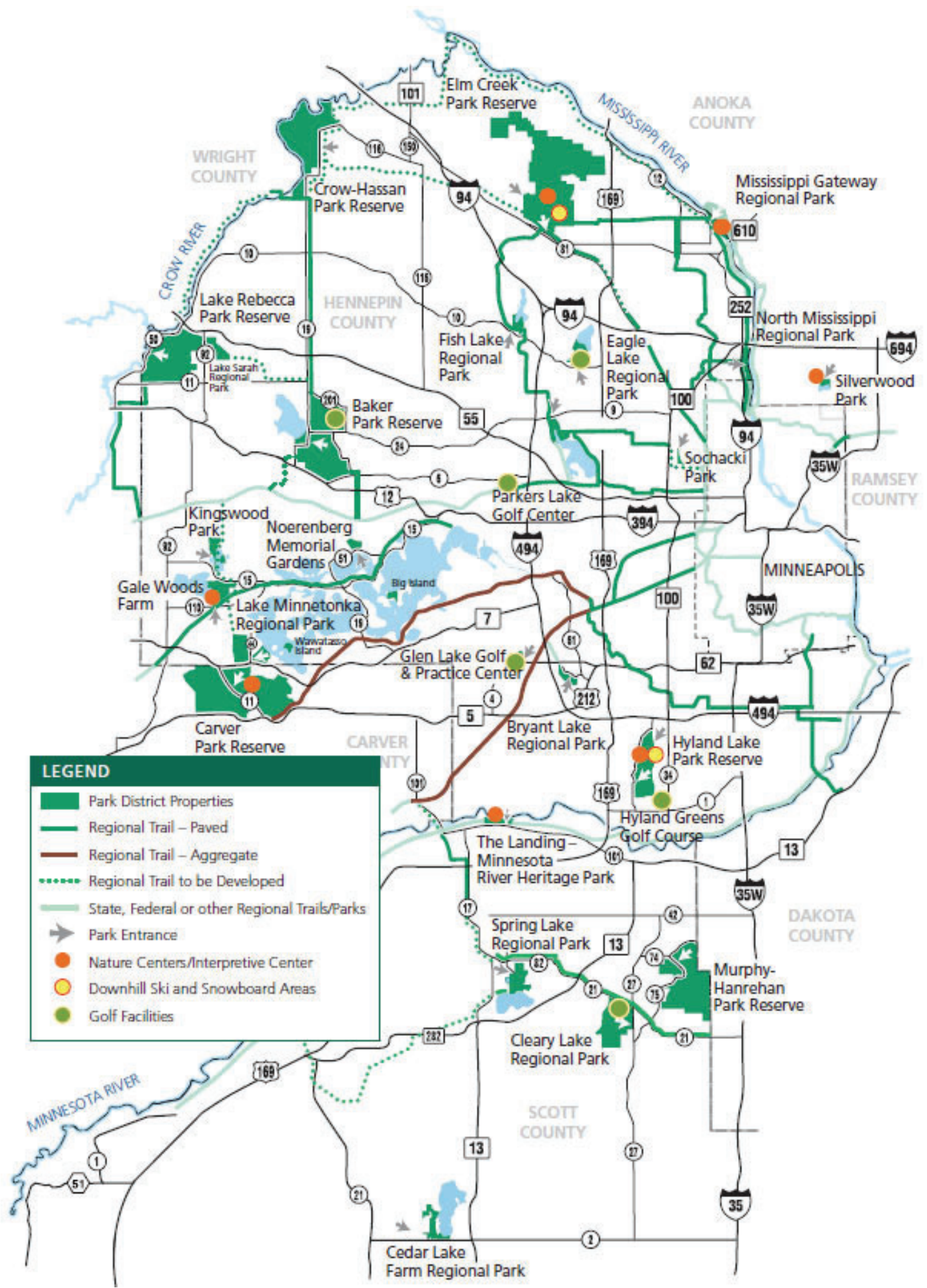
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INTRODUCTORY SECTION



LEGEND

- Park District Properties
- Regional Trail – Paved
- Regional Trail – Aggregate
- Regional Trail to be Developed
- State, Federal or other Regional Trails/Parks
- Park Entrance
- Nature Centers/Interpretive Center
- Downhill Ski and Snowboard Areas
- Golf Facilities



Three Rivers
Park District
Board of
Commissioners

June 28, 2023

Marge Beard
District 1

The Honorable Members of the Three Rivers
Park District Board of Commissioners

Jennifer DeJournett
District 2

State law requires that every general-purpose local government publish within six months of the close of each year a complete set of audited financial statements. Therefore, we hereby issue the Annual Comprehensive Financial Report of the Three Rivers Park District, (hereafter referred to as the Park District) for the fiscal year ended December 31, 2022.

Daniel Freeman,
Vice Chair
District 3

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

John Gunyou,
Chair
District 4

CliftonLarsonAllen LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Park District's financial statements for the year ended December 31, 2022. The independent auditor's report is located at the front of the financial section of this report.

John Gibbs
District 5

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Gene Kay
Appointed
At Large

Profile of the Government

Jesse Winkler
Appointed
At Large

Three Rivers Park District was established in 1957 after legislation was enacted in 1955 allowing for the activation of park districts whose primary duties are "acquisition, development, and maintenance of large parks, wildlife sanctuaries, forests and other reservations, and means for public access to historic sites and to lakes, rivers, and streams and to other natural phenomena" (Minnesota State Statute, Chapter 398.07). The Park District's mission is to promote environmental stewardship through recreation and education in a natural resource-based park system.

Boe Carlson
Superintendent

In 2022, the Park District estimates there were over 14 million annual visitors to more than 27,000 acres of park reserves, regional parks, and special-use areas in Hennepin County and four adjoining counties and 175 miles of regional trails. Current outdoor-recreation activities in regional parks and trails include camping, hiking, cross-country and downhill skiing, tubing, bicycling, horseback riding, nature interpretation, golfing, fishing, and swimming.

Three Rivers Park District also operates a natural resource management program, which administers the restoration and perpetuation of both native wildlife and plants to provide opportunities for a high-quality recreational experience for park visitors.

The Park District has operated under several different names since its creation. The original name, Hennepin County Park Reserve District, was changed by the State Legislature in 1985 to the Suburban Hennepin Regional Park District. The Park District, looking for a more user-friendly name, did business using the shortened name, Hennepin Parks, until 2003 when the operating name was changed to Three Rivers Park District, to better represent the area served by the Park District. In 2005, the State Legislature officially changed the Park District's name to Three Rivers Park District. The name "Three Rivers" comes from the parks' geography, situated within the watersheds that flow into three significant rivers to this region: the Mississippi, the Minnesota, and the Crow.

The Park District's jurisdiction includes Hennepin County, except for the City of Minneapolis. Parks in Scott County are operated through an agreement which establishes the Park District as a regional park authority for that county. In addition, facilities are owned and operated by the Park District in four adjacent counties: Dakota, Wright, Carver, and Ramsey. The Park District has the authority to levy property taxes and issue debt within statutorily prescribed limits. In addition, it has the power to enact and enforce ordinances on its property.

The Board of Commissioners is the Park District's governing body. The Board is comprised of seven (7) Commissioners: five (5) are elected by district and the Hennepin County Board of Commissioners appoints two (2) at large. The Park District is independent for financial reporting purposes, and the Park District's officials exercise oversight responsibility in the operation of the park system. This includes the provision of staff for maintenance and program purposes, system planning, land acquisition and development, and administrative services.

The annual budget serves as the foundation for the Park District's financial planning and control. All departments of the Park District submit requests for appropriation to the Superintendent in August of each year. The Superintendent uses these requests as the starting point for developing a proposed budget. The Superintendent then presents this proposed budget to the Board for review. The Board holds a public hearing on the proposed budget and adopts the budget by late November. The adopted preliminary operating budget is submitted to Hennepin County for review as required by Minnesota Statute.

The Board considers any Hennepin County recommendations in December and reaffirms the final budget by January 1, the beginning of the Park District's fiscal year.

The appropriated budget is prepared by fund, function, and department. The Superintendent may make transfers of appropriations within a fund. Transfers of appropriations between funds or increases to fund's total appropriation, however, require the approval of the Board. A budget-to-actual comparison is provided in this report for the general fund and the major special revenue funds as part of the basic financial statements for the governmental funds.

Local Economy, Important Events and Future Prospects

The Park District is responsible for managing over 27,000 acres of parkland and over 175 miles of trails within suburban Hennepin County and surrounding counties. Management and development of the Park District's numerous sites requires the Park District to collaborate with several counties, more than 50 cities, and numerous watershed districts. The Park District continues to have to balance the increased costs associated with ever increasing park usage, expanded services to residents in their local neighborhoods, the Park District's desire to provide high quality recreational and educational opportunities, and managing and preserving natural resources against available revenue from user fees and the desire to limit property tax increases.

The Park District's largest revenue stream comes from the property tax levied against all property in suburban Hennepin County. The Park District's ability to levy taxes for operations is limited by state statute to .03224% of market value. While the Park District's levy has always been below the levy limit, the annual proposed levy is reviewed as part of the budget process to ensure the current year levy complies with state law and that future levies will not be constrained by the levy limit.

The 2022 budget included a 3.96% total tax levy increase from 2021. This represents the first time in the last decade where the tax levy has increased in three consecutive years. In fact, between 2012 and 2022, the annual tax levy increase has averaged \$519,000 (1.28%) with five years showing no increase at all. The ability to convert debt service levy decreases into operating levy increases which allowed tax levies to remain relatively flat over the last decade is no longer a mechanism available to continue to fund operational increases.

The 2022 budget for park use revenue includes a variety of increases that reinstate revenue decreases associated with the impact of COVID-19 that were included in the 2021 budget. Many revenue streams have returned to normal levels while some remain depressed due to COVID restrictions and changes to guest behaviors. The Park District expects park use revenues to continue to increase and surpass pre-COVID-19 levels over the next several years. In addition, the Park District remains committed to balancing the need for increased fees with the desire to keep park facilities accessible to all.

The last major section of the Nine Mile Creek Regional Trail began construction in late 2021. This segment connects via tunnel two portions of the trail separated by US Highway 169. The segment also includes a series of boardwalks to cross existing wetlands. Once this segment is completed, the Nine Mile Creek Regional Trail will stretch from the western suburbs across three major state highways before reaching the edge of the Minneapolis-St. Paul International Airport and will provide connections to a variety of other Three River's trails.

Planning for the redevelopment of Mississippi Gateway Regional Park continues and construction is expected to start in 2022. The redevelopment of this 40-year-old park, which includes a partnership with the City of Brooklyn Park to incorporate the City's nature area into the park, is the largest project the Park District has undertaken and will create a major regional park highlighting the Mississippi River and the Coon Rapids Dam. The project will take at least two years to complete and, when finished, will provide park guests with more information about the Mississippi River and its importance to the area. Funding for this \$30 million dollar project is coming from the State of Minnesota, Metropolitan Council through a variety of grants and the City of Brooklyn Park.

Users of the Baker Outdoor Learning Center at Baker Park Reserve have been requesting the construction of a shower and infirmary building at Baker Outdoor Learning Center for the past several years.

The construction of this amenity began in 2021 and was completed in 2022. This project will complement the existing lodge and cabins by providing groups with the ability to remain on site for several days and provide an infirmary to treat minor injuries and isolate ill group members.

The Park District's 2040 System Plan outlines the Park District's strategic priorities for the next eighteen years. By providing overarching guidance for decision making, resource allocation and focus areas, the Plan calls for creating a culture of inclusivity, so everyone feels invited and welcome at Three Rivers. Programming changes designed to reach underserved communities and groups have been implemented to get park guests to try new activities and learn new skills. In addition, the Recreation Pass Plus program, which is available to individuals and families with financial difficulties, grants holders' free recreation passes, equipment rental and other discounts in order help remove the financial barrier that park guests may face.

The Park District continued to acquire property along regional trail corridors and near existing park facilities to allow for future development of trails and park amenities. Acquiring property when it is available versus when development is going to occur, has served the Park District well in its development. By acquiring property years before it is needed, the Park District often can purchase the property at a lower cost or, in many cases, even receive it through donation. The Metropolitan Council provides funding to help with these acquisitions.

Long-term Financial Planning

The asset management program provides a sound, comprehensive, fiscally responsible method to manage capital development, maintenance, rehabilitation, information technology, and other capital-intensive activities at a District-wide level. An effective asset management program facilitates decision making that prioritizes projects, reduces costs, and maximizes assets.

The 2022 asset management program totaled \$36 million which finances 69 projects throughout the Park District. The projects have been divided into seven distinct program areas. The first five program areas are responsible for sustaining existing service levels, infrastructure, and facilities. They play a critical role in the function of the Park District and should be strongly considered for funding prior to the construction of new or expanded facilities. These program areas are ADA compliance, infrastructure management, preservation and rehabilitation, information technology, and natural resources management. The final two program areas either improve existing facilities and operations or add new facilities; these program areas are capital projects, and partnerships. Projects include trail crossing improvements, construction of various regional trail segments, pavement rehabilitation projects, community enhancement programs, energy efficiency and conservation programs, and accessibility improvements. The largest project in 2022 is the construction of Mississippi Gateway Regional Park which accounts for two-thirds of the cost of the asset management program. Other major projects funded by the 2022 asset management program include pavement repair and replacement at Richardson Nature Center, a variety of American with Disabilities Act improvements and the addition of a program building and restrooms at Sochacki Park. A variety of sources were identified to fund these improvements including regional park development grants, state funding, Hennepin County grants, and funding from the City of Brooklyn Park for improvements at Mississippi Gateway. These external funding sources total 76% of the cost included in the asset management program, leaving 24% to be funded by the Park District through general obligation bonds. Projects completed in 2022 include the boardwalk on the Nine Mile Creek Regional Trail, the Baker Outdoor Learning Center Shower and Infirmary, the restroom building at Noerenberg Gardens, and a variety of reconstruction of parking areas, roads, and trails throughout the District.

The Park District uses a five-year capital improvement plan to determine upcoming capital projects. This plan highlights the scope, timing, and funding of all major projects for the next five years and is updated annually as the current year is removed and year 5 projects are included. It is expected that most of the proposed projects in years 2-5 will remain in their programmed year, but it is also possible that new opportunities (or challenges) may require revisions of project timing in years 2-5. The five-year capital improvement plan is also used to help plan and manage debt issuance and structure.

Relevant Financial Policies

The Park District Board of Commissioners adopted a Financial Management Plan in 1989 that provides a framework for managing public funds. This plan has been amended 12 times since its adoption. The plan contains 70 policy statements covering:

- Operating Budgets
- Revenue Sources
- Gifts and Donations
- Fund Balance Levels
- Accounting and Financial Reporting
- Capital Improvements Planning and Funding
- Golf and Alpine Skiing Operations
- Debt Management
- Investments
- Risk Management
- Special Assessments
- Vehicle/Mobile Equipment Funding

The Park District periodically reviews these policies and amends them as necessary based on best practices and financial and economic conditions. These policies not only provide guidance for managing public funds but also require some difficult decisions to be made. For example, one of the operating budget policies requires the Park District to adopt a balanced budget while another policy prohibits the use of one-time revenues to balance the budget. If the Park District determines that there is a higher fund balance than needed, it cannot be used to balance the budget since it is a one-time revenue source. So, while the opportunity exists to possibly decrease property taxes one year due to a large fund balance, the financial management plan requires the Park District to either amend the policy or pass on using the fund balance.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Park District for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2021. This was the thirty-third consecutive year the Park District has received this certificate. The Certificate of Achievement for Excellence in Financial Reporting is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit had to publish an easily readable and efficiently organized financial report that satisfied both U.S. generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for one year only. However, we believe that our current financial report continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been accomplished without the skill, effort and dedication of all members of the Finance Department. We would also like to express our appreciation to the Superintendent, Associate Superintendents, Department Directors, and Board of Commissioners for their interest and support in planning and conducting the financial operations of the Park District in a responsible and progressive manner.

Respectfully submitted,



Howard D. Koolick
Director of Finance/CFO



Bao Vang
Senior Finance Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Three Rivers Park District
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

**THREE RIVERS PARK DISTRICT
ORGANIZATIONAL INFORMATION
DECEMBER 31, 2022**

PRINCIPAL OFFICIALS

The Board of Commissioners is the policy body for the Park District. Five members are elected by District, and two are appointed at large by the Hennepin County Board of Commissioners.

John Gunyou, Chair	Elected – District 4	Term expires 12/31/2022
Daniel Freeman, Vice Chair	Elected - District 3	Term expires 12/31/2022
Marge Beard	Elected - District 1	Term expires 12/31/2022
Jennifer DeJournett	Elected - District 2	Term expires 12/31/2022
John Gibbs	Elected – District 5	Term expires 12/31/2022
Gene Kay	Appointed	Term expires 12/31/2022
Jesse Winkler	Appointed	Term expires 12/31/2024

Senior Management

Boe Carlson	Superintendent and Secretary to the Board
Eric Quiring, P. A.	General Counsel
Luke Skinner	Associate Superintendent/Recreation, Education and Natural Resources
Jonathon Vlaming	Associate Superintendent/Planning, Design and Technology
Howard Koolick	Director of Finance/Chief Financial Officer

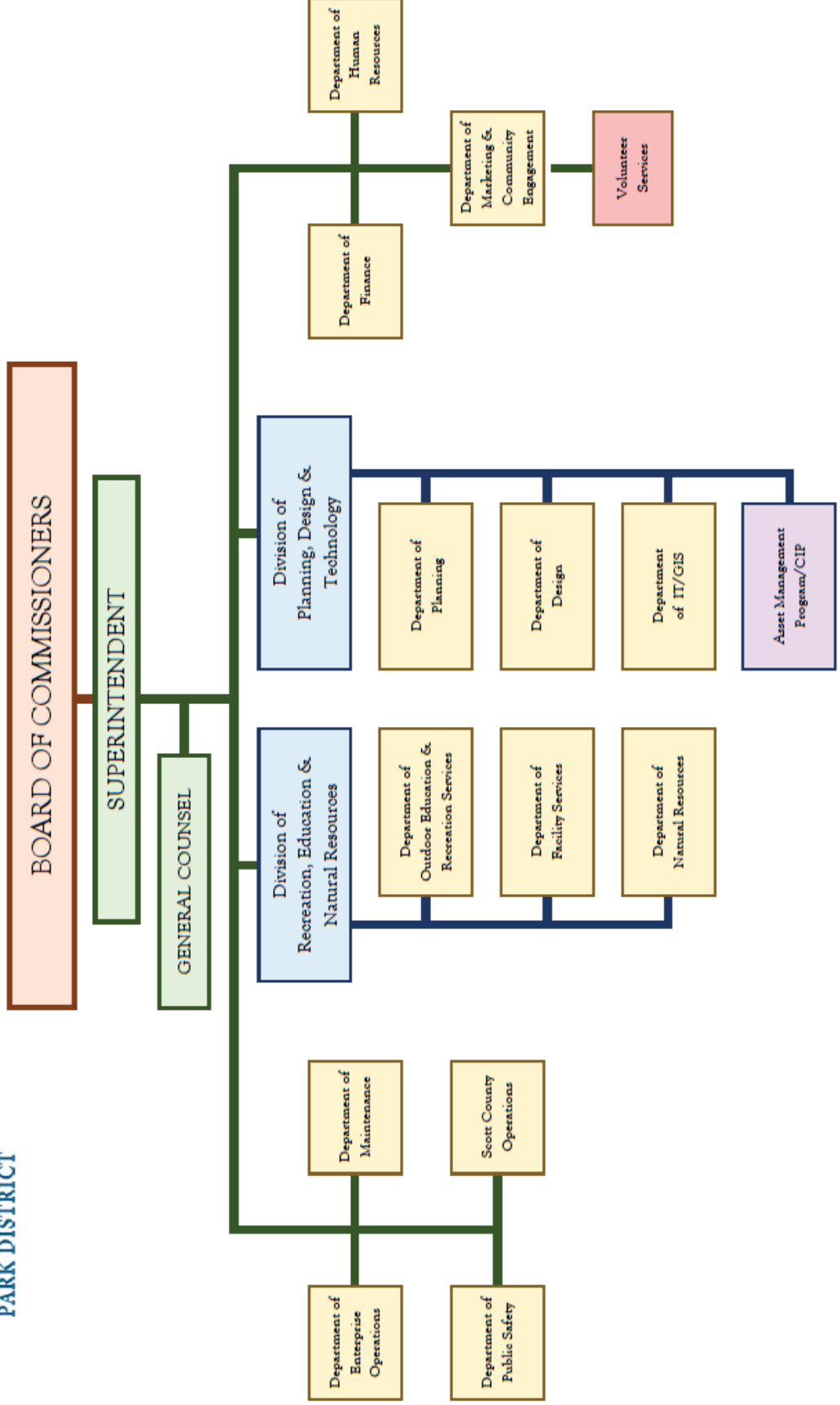
Consultants and Advisors

External Auditor	CliftonLarsonAllen, LLP
Financial Consultant	Public Financial Management, Inc.
Bond Counsel	McGrann, Shea, Carnival, Straughn and Lamb, Chartered
Insurance and Risk Management	Minnesota Counties Intergovernmental Trust



THREE RIVERS PARK DISTRICT

Organizational Chart
December 2022



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FINANCIAL SECTION



Three Rivers
PARK DISTRICT



INDEPENDENT AUDITORS' REPORT

Board of Commissioners and Management
Three Rivers Park District
Plymouth, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Three Rivers Park District, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Three Rivers Park 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, the business-type activities, each major fund, and the aggregate remaining fund information of Three Rivers Park District, as of December 31, 2022, and the respective changes in financial position and budgetary comparison statements for the General Fund and Scott County Special Revenue Fund, and, where applicable, cash flows thereof 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Three Rivers Park 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.

Emphasis of Matter

During fiscal year ended December 31, 2022, the Park District restated certain beginning fund balances and net position to reflect prior year unearned revenue balances which were not previously recorded. In addition, the Park District also restated certain beginning net position amounts to reflect the proper allocation of its net pension liability related to its participation in the state administered pension plans. See Note 12 for additional information on this restatement. Our auditors' opinions are not modified with respect to these restatements.

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 Three Rivers Park 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.

Auditors' 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 auditors' 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 and *Government Auditing Standards* 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.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, 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 Three Rivers Park 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 Three Rivers Park 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, Other Postemployment Benefits Plan Schedule of Changes in the Park District's Total OPEB Liability and Related Ratios, and Defined Benefit Pension Plans Schedules 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 required supplementary information 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Three Rivers Park District's basic financial statements. The combining and individual fund financial statements and 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 and individual fund financial statements and schedules 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 auditors' 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.

Board of Commissioners and Management
Three Rivers Park District

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **June 29, 2023** June 28, 2023, on our consideration of Three Rivers Park District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Three Rivers Park District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Three Rivers Park District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
June 28, 2023

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**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2022**

As management of the Three Rivers Park District (the Park District), we offer readers of the Park District's financial statements this narrative overview and analysis of the financial activities of the Park District for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which precedes this report.

FINANCIAL HIGHLIGHTS

- The Park District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$228,039,859 (net position). Of this amount, \$214,021,704 is the Park District's net investment in capital assets and \$9,544,787 is restricted for specific purposes (restricted net position) leaving a balance of \$4,473,368 in unrestricted net position. The remaining balance may be used to meet the ongoing obligations to citizens and creditors in accordance with the Park District's fiscal policies.
- The Park District's total net position increased by \$206,819 when compared to the prior year restated net position.
- As of the close of the current fiscal year, the Park District's governmental funds reported combined ending fund balances of \$44,057,914, an increase of \$419,162 in comparison with the prior year restated fund balance. Approximately 53% of this amount, \$23,373,349, is available for use within the Park District's constraints and policies.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned and unassigned components of fund balance) for the general fund was \$16,636,321 or approximately 37% of total general fund expenditures. The committed or assigned amount, \$5,692,137 is in accordance with the Park District's Financial Management Plan, leaving \$10,944,184 unassigned and available for future allocation.
- The Park District's total bonded debt increased by \$425,000, from \$58,550,000 to \$58,975,000. This increase is a result of the 2022 bonds issued exceeding the principal bond payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Park District's basic financial statements. The Park District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

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

The statement of net position presents information on all of the Park District's assets, deferred outflows of resources, 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 Park District is improving or deteriorating.

**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2022**

The statement of activities presents information showing how the Park District's net position changed during the most recent 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 only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Park District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Park District include Park and Trail Operations, Recreation, Education and Natural Resource, Planning, Design, and Technology, and General Government. The business-type activities of the Park District include Baker National Golf Course, Hyland Hills Ski Area, and Eagle Lake Golf Course.

The government-wide financial statements can be found at the beginning of the Basic Financial Statements section.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Park District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Park District can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported 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. Such information may be useful in evaluating a government'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 statement. By doing so, readers may better understand the long-term impact of the Park District's near-term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Park District maintains seventeen individual governmental funds. 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 six of these funds which are considered to be major funds. Data from the other eleven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements elsewhere in this report.

The Park District adopts an annual appropriated budget for its general fund and certain special revenue funds. A budget to actual comparison has been provided for these funds to demonstrate compliance with these budgets.

The governmental fund financial statements can be found immediately following the government-wide financial statements in the Basic Financial Statements section.

**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Proprietary funds. The Park District maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Park District uses enterprise funds to account for Baker National Golf Course, Hyland Hills Ski Area, and Eagle Lake Golf Course.

Internal service funds are used as an accounting device to accumulate and allocate costs internally among the Park District's various functions. The Park District uses internal service funds to account for its fleet of vehicles and equipment and for its risk management functions. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report. These services have been allocated proportionately to governmental and business-type activities in the government-wide financial statements.

The proprietary fund financial statements can be found in the Basic Financial Statements section of this document following the governmental fund financial statements.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the government and proprietary fund financial

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Park District's progress in funding its pension liability and other post-employment benefits (OPEB).

The combining and individual fund financial statements and schedules referred to earlier in connection with nonmajor governmental and internal service funds, are presented immediately following the required supplementary information. The statistical section is the final section presented.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Park District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$227,935,249. By far the largest portion of the Park District's net position (94%) reflects its investment in capital assets (e.g., land, buildings, land improvements, furniture and equipment) less any related debt used to acquire those assets that is still outstanding. The Park District uses these capital assets to provide services to park guests; consequently, these assets are not available for future spending. Although the Park District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position decreased \$356,387 to \$9,544,787 in 2022. Net position is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or are imposed by law through constitutional provisions or enabling legislation.

**THREE RIVERS PARK DISTRICT
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The remaining unrestricted net position of \$4,150,480 represents the unrestricted portion of the Park District's net position. The balance is impacted negatively by being required to report the unfunded portion of the state administered defined benefit pension plans in which the District participates. The decrease in this balance is due in large part to spending \$2.2 million of funds on hand to replace the irrigation system at Baker Golf Course and a planned usage of funds on hand to repay a portion of bonds payable.

Three Rivers Park District's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets:						
Current and Other Assets	\$ 53,619,701	\$ 53,721,106	\$ 7,343,593	\$ 7,340,161	\$ 60,963,294	\$ 61,061,267
Capital Assets, Net	<u>246,073,112</u>	<u>246,910,863</u>	<u>21,006,287</u>	<u>19,580,310</u>	<u>267,079,399</u>	<u>266,491,173</u>
Total Assets	<u>299,692,813</u>	<u>300,631,969</u>	<u>28,349,880</u>	<u>26,920,471</u>	<u>328,042,693</u>	<u>327,552,440</u>
Deferred Outflows of Resources	11,214,732	12,868,324	713,657	-	11,928,389	12,868,324
Liabilities:						
Long-Term Liabilities:						
Due Within One Year	8,991,302	8,576,302	459,324	666,679	9,450,626	9,242,981
Due in More Than One Year	83,908,091	70,454,975	7,672,769	5,680,804	91,580,860	76,135,779
Other Liabilities	<u>6,631,970</u>	<u>4,930,313</u>	<u>2,389,202</u>	<u>503,310</u>	<u>9,021,172</u>	<u>5,433,623</u>
Total Liabilities	<u>99,531,363</u>	<u>83,961,590</u>	<u>10,521,295</u>	<u>6,850,793</u>	<u>110,052,658</u>	<u>90,812,383</u>
Deferred Inflows of Resources	1,844,745	16,650,474	33,820	-	1,878,565	16,650,474
Net Position:						
Net Investment in Capital Assets	198,406,468	200,578,305	15,615,236	13,789,537	214,021,704	214,367,842
Restricted	9,544,787	9,901,174	-	-	9,544,787	9,901,174
Unrestricted	<u>1,580,182</u>	<u>2,408,750</u>	<u>2,893,186</u>	<u>6,280,141</u>	<u>4,473,368</u>	<u>8,688,891</u>
Total Net Position	<u>\$ 209,531,437</u>	<u>\$ 212,888,229</u>	<u>\$ 18,508,422</u>	<u>\$ 20,069,678</u>	<u>\$ 228,039,859</u>	<u>\$ 232,957,907</u>

**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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The Park District's overall net position increased \$206,819, before a prior period restatement which reduced net position by \$5,124,867. The governmental activities net position decreased by \$1,343,374 while the business-type activities net position increased by \$1,550,193. The following table presented the changes in net position for governmental and business-type activities.

Three Rivers Park District's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for Services	\$ 10,563,903	\$ 10,027,028	\$ 12,204,676	\$ 11,714,412	\$ 22,768,579	\$ 21,741,440
Operating Grants and Contributions	5,408,167	7,777,853	4,632	-	5,412,799	7,777,853
Capital Grants and Contributions	6,132,841	4,585,422	-	-	6,132,841	4,585,422
General Revenues:						
Property Taxes	45,025,150	43,154,822	-	360,570	45,025,150	43,515,392
Unrestricted Investment Earnings	(940,500)	(174,396)	(350,981)	(40,216)	(1,291,481)	(214,612)
Gain on Sale of Capital Assets	175,051	247,048	-	-	175,051	247,048
Other Revenue	211,905	338,935	165,775	48,239	377,680	387,174
Total Revenues	66,576,517	65,956,712	12,024,102	12,083,005	78,600,619	78,039,717
Expenses:						
Park and Trail Operations	28,450,791	26,712,482	-	-	28,450,791	26,712,482
Recreation, Education, and Natural Resources	23,306,045	21,603,769	-	-	23,306,045	21,603,769
Planning, Design, and Technology	6,473,901	6,045,707	-	-	6,473,901	6,045,707
General Government	8,906,058	8,550,770	-	-	8,906,058	8,550,770
Interest and Fiscal Charges on Debt	783,096	948,472	-	-	783,096	948,472
Baker National Golf Course	-	-	2,737,882	2,414,304	2,737,882	2,414,304
Hyland Hills Ski Area	-	-	6,538,352	5,677,290	6,538,352	5,677,290
Eagle Lake Golf Course	-	-	1,197,675	1,066,805	1,197,675	1,066,805
Total Expenses	67,919,891	63,861,200	10,473,909	9,158,399	78,393,800	73,019,599
Increase in Net Position Before Transfers	(1,343,374)	2,095,512	1,550,193	2,924,606	206,819	5,020,118
Transfers	-	10,702	-	(10,702)	-	-
Change in Net Position	(1,343,374)	2,106,214	1,550,193	2,913,904	206,819	5,020,118
Net Position - January 1	212,888,229	210,782,015	20,069,678	17,155,774	232,957,907	227,937,789
Prior Period Restatement - See Note 17	(2,013,418)	-	(3,111,449)	-	(5,124,867)	-
Net Position - January 1, as Restated	210,874,811	210,782,015	16,958,229	17,155,774	227,833,040	227,937,789
Net Position - December 31	\$ 209,531,437	\$ 212,888,229	\$ 18,508,422	\$ 20,069,678	\$ 228,039,859	\$ 232,957,907

GOVERNMENTAL ACTIVITIES

Governmental activities decreased the Park District's net position by \$1,343,374, compared to an increase of \$2,106,214 for 2021. The revenues for the Park District's governmental activities increased by \$619,805, or 1.0%, while expenses increased by \$4,058,961, or 6.4%. The major components of these changes are as follows:

- Charges for Services increased \$536,875, or 5.4% in 2022. More than half of this increase is due to the tubing operation at Elm Creek Park Reserve being able to open as normal in December of 2022. The tubing operation was unable to make snow and open in December 2021 due to unseasonably warm temperatures in December of 2021, resulting in 2021 revenue being much lower than normal. In addition, a full season of operations at Hyland Greens Golf Course resulted in an increase of more than \$138,000 in revenue when compared to the 2021 season which was the first season the Park Districted operated this course for the City of Bloomington after the course had been closed for more than a year.
- Operating and capital grants and contributions decreased by \$822,267, or 6.7%. This decrease is due to a reduction in Metropolitan Council funded projects, a reduction in cost sharing by local

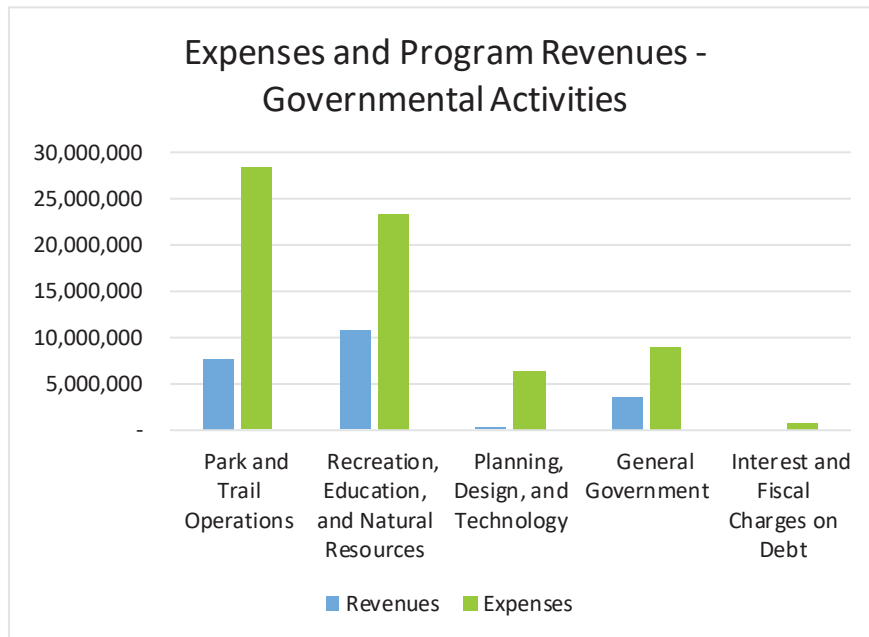
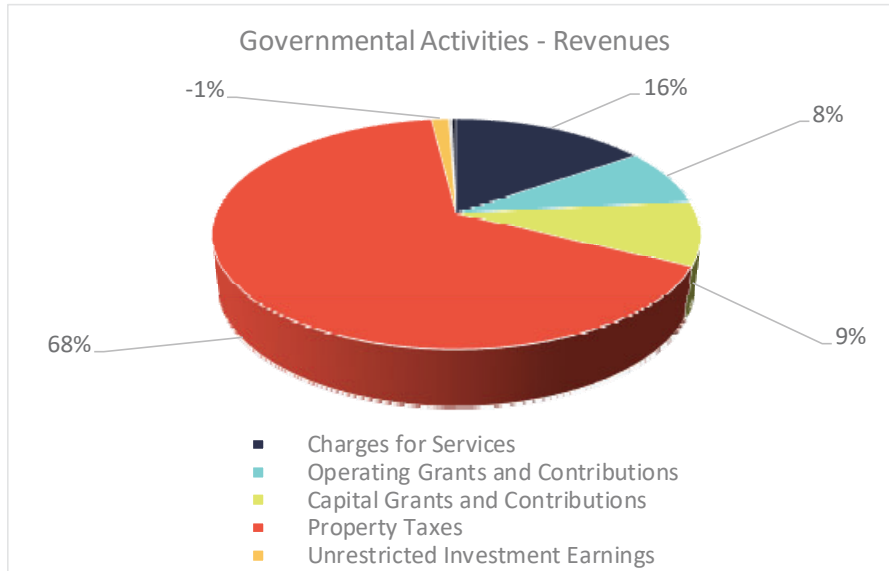
**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2022**

government units partially offset by an increase in lottery-in-lieu-of grant funds allocated by the State of Minnesota.

- Property tax revenue increased \$1,870,328, or 4.4%. The Park District raised the total property tax levy by 3.96% for 2022 which includes a state-mandated assumption that 98% of the taxes levied will be collected in the year due. The revenue increase is higher than the levy increase due to the actual collected rate being above 99%, in addition to a small amount collected for past year delinquent taxes.
- Unrestricted interest earnings decreased by \$766,104. Interest earned on investments increased as interest rates rose during the year. However, the interest received was offset by the unrealized loss, which is a measure of the change in value of the investments if they were sold at year-end, that was recorded. Since the investment pool that the Park District participates in historically holds their investments until maturity, the Park District does not anticipate an actual loss of investment principal to occur.
- Expenses for 2022 increased \$4,163,301, or 6.5% over 2021 expenses. The following are the major contributors to this increase:
 - Wage and retirement benefits (Medicare, Social Security, and state pension costs) associated with increases in union contracts and non-union staff merit increases - \$1,202,971.
 - Seasonal staff wages increased due primarily to the need to offer higher wages to attract workers - \$195,803.
 - Fuel and parts for the Park District's vehicle and equipment fleet increased by \$202,320, or 23.2% over 2021.
 - Maintenance and repair costs increased \$373,750 due to the increased need to maintain and resurface trails as trails begin to show their age.
 - A one-time partnership with the Burlington Northern Santa Fe Railroad resulted in a \$295,000 expense in 2022 to provide access for a future trail to cross beneath an existing rail line.
 - A variety of natural resource projects including prairie restoration, forestry management and water quality improvements were started in 2022 resulting in expenses increasing over the 2021 levels by \$151,728.

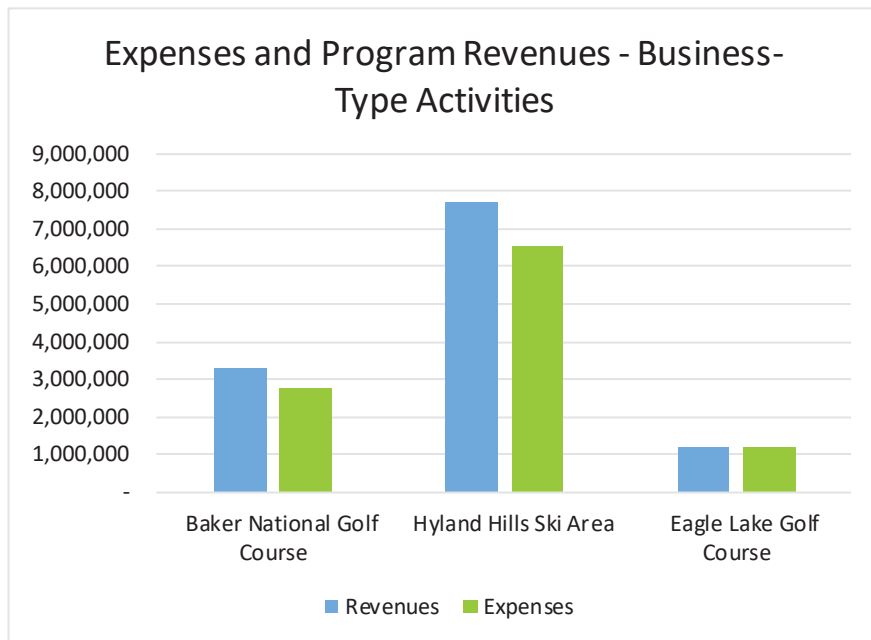
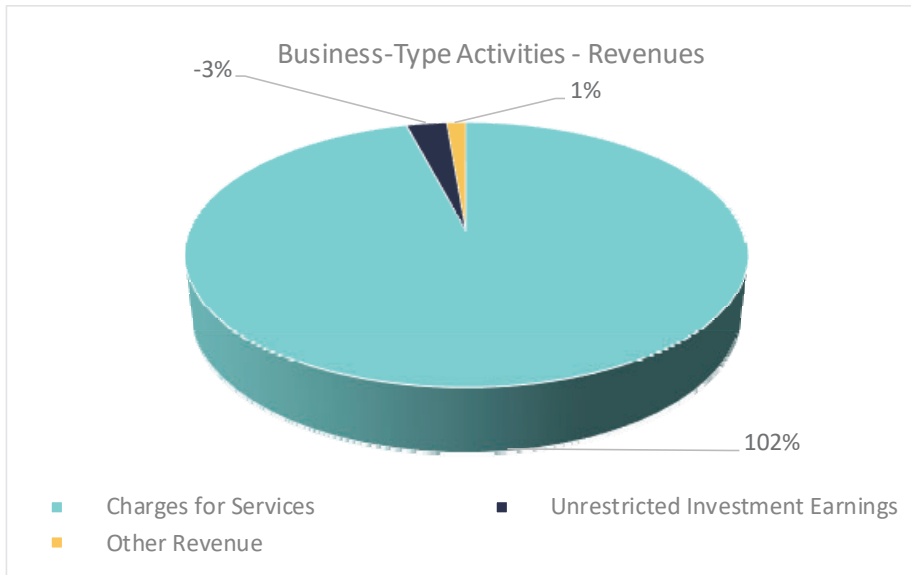
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Below are specific graphs which provide comparisons of the governmental activities revenues and expenses:



**THREE RIVERS PARK DISTRICT
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BUSINESS-TYPE ACTIVITIES



**THREE RIVERS PARK DISTRICT
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The changes in business-type activities revenues and expenses can be explained as follows:

Revenues – The Park District's business-type total revenues decreased by \$58,903 or 0.4%. Operating revenues at Baker Golf Course and Eagle Lake Golf Course decreased \$5,188 and \$64,133, respectively, when compared to 2021 revenues. At Baker Golf Course, green fees decreased by \$55,804 (3.2%) and driving range fees decreased \$20,124 (8.6%). These decreases were offset by increases in food and beverage sales of \$40,272 (11.2%) and merchandise sales of \$28,843 (17.9%). All other operating revenue streams were close to prior year amounts. Eagle Lake Golf Course saw green fees decrease by \$56,087 (8.5%) with all other revenues close to prior year amounts. With golf revenues reaching record amounts in 2021, it is not surprising that 2022 revenues fell slightly short of the 2021 amounts. Hyland Hills Ski Area operating revenue increased \$559,585 led by food and beverage sales, lift tickets and ski and helmet rental. Usage at all three facilities is still high compared to pre-pandemic usage indicating the public continues to enjoy recreating outdoors in all seasons.

Property tax revenue decreased at Eagle lake Golf Course as the tax levy associated with the repayment of the General Obligation Revenue Bonds used to construct the course expired in 2021.

Unrestricted investment earnings decreased \$310,765. Interest earned on investments increased as interest rates rose during the year. However, the interest received was offset by the unrealized loss, which is a measure of the change in value of the investments if they were sold at year-end, that was recorded. Since the investment pool that the Park District participates in historical holds their investments until maturity, the Park District does not anticipate an actual loss of investment principal to occur.

Expenses – The Park District's expenses for business-type activities increased \$1,315,510, or 14.3%. Hyland Hills Ski Area reported higher expenses of \$841,341, due to increases in staffing due to labor market conditions and supplies, especially for food and beverage sales, being impacted heavily by increasing costs. These conditions were exacerbated by an earlier than normal opening. Baker National Golf Course and Eagle Lake Golf Course show increased expenses of \$221,767 and \$54,144, respectively, with staffing costs a major component of the increased costs.

Business-type activities increased net position by \$1,550,193 as compared to an increase of \$2,913,904 in 2021. This overall increase in net position for business-type activity is due to the excellent ski seasons during the 2022 calendar year at Hyland Hills Ski Area and the continued popularity of Baker National and Eagle Lake Golf Courses.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental funds. The focus of the Park 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 Park District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Park District's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Park District's governmental funds reported combined ending fund balances of \$44,057,914, a decrease of \$1,036,532 in comparison with the prior year when taking into consideration a prior period restatement of \$1,455,684 which reduced the January 1, 2022 fund

**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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balance. Committed, assigned, and unassigned fund balance, which is available for spending at the Park District's discretion, have a balance of \$23,373,499, or 53.1%, of fund balance at year-end. The remainder of fund balance is nonspendable or restricted to indicate that it is not available for new spending because it has already been obligated; 1) for assets not readily available, such as prepaid items and inventories, 2) for permanent fund trust accounts, 3) for future debt service payments, 4) for capital improvement projects, and 5) for maintenance and rehabilitation of existing Park District facilities.

The General Fund is the chief operating fund of the Park District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$10,944,184, while total fund balance reached \$16,904,660. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 24.1% of total general fund expenditures, while total fund balance represents 37.2% of that same amount.

The Park District, in an effort to ensure financial stability and adequate cash flow, has established the following fund balance allocations for the General Fund.

- The Park District's Board of Commissioners committed fund balance to fully fund obligations for accrued employee benefits.
- The financial management plan assigned fund balance to ensure the Park District can adequately fund:
 - Next year's budget commitments to be funded by its allocation of state operation and maintenance funding
 - Emergencies and unforeseen circumstances without a major impact on existing customer service levels equal to \$1,000,000
- The financial management plan sets the minimum unassigned fund balance to equal 22.0% of the ensuing year's budget to ensure availability of funds for the next year's budget until property tax and park use revenues are received. The Park District met this minimum assigned fund balance, by \$227,117, as of December 31, 2022.

The committed and assigned fund balances demonstrate the Park District's dedication to responsible financial management and continued high quality programming, facilities for the public, and management of natural resources. The amount committed for compensated absences as of December 31, 2022 is \$4,002,184. The total of the assigned fund balance in the General Fund as of December 31, 2022 is \$1,689,953.

The fund balance of the Park District's general fund increased \$1,336,695 from current fiscal year activities. Key factors in this increase are as follows:

- General fund revenues for 2022 exceeded revenues for 2021 by \$1,988,431, or 4.4%.
- General fund property tax revenue increased by \$2,098,683 due to an increase in the tax levy and higher than anticipated collection rate.
- General fund charges for park use increased by \$174,058 as a result of increased activity in , facility use, public and group education programs, and downhill skiing fees.
- Rental charges for services increased by \$175,209 due to a December tube rental in 2022 compared to no rental in December of 2021 due to unseasonably warm weather that prevented the Park District from making snow in December of 2021.

**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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- Investment earnings decreased by \$583,557 due to the requirement to record the unrealized loss in investments due to increasing interest rates. Since the investment pool that the Park District participates in historically holds their investments until maturity, the Park District does not anticipate an actual loss of investment principal to occur.
- General fund expenditures increased \$2,415,366, or 5.6% in the current fiscal year. This increase was due to a 1.5% to 6.0% inflationary salary adjustment for employees, increases in seasonal staffing hourly rates driven by market conditions, higher ISF equipment rental charges, additional equipment purchased, higher utility costs and increased costs for supplies due to inflation.

The Scott County special revenue fund's net change in fund balance shows an increase of \$265,064 from current fiscal year activities. Intergovernmental revenue, which consists of payments from Scott County and the Metropolitan Council exceeded 2021 revenues by \$125,351, due to increased annual allocations from both entities. Expenditures showed an increase of only \$24,496, or 0.1%, despite being subject to the same expenditure increases faced by the General Fund. Staffing changes during the year resulted in savings that offset the impact of expenditure increases.

The G.O. Bond C.I.P. fund net change in fund balance increased \$152,629. This increase is a combination of unspent 2022 bond proceeds associated with projects under construction and continued capital project expenditures for projects started in the previous year. The capital project expenditures included construction of an underpass along the Nine Mile Creek Regional Trail, improvements to the MAC wildlife area, shoreline fishing improvements at Silverwood Regional Park, a permanent restroom building and barn stabilization at Noerenberg Gardens. Other construction projects included a variety of Natural Resource Management projects, planning for future projects including Mississippi Gateway Regional Park and future regional trails, preventive maintenance of parking lots, roads, and various trail segments, and district wide accessibility improvements.

The Metro-Three Rivers C.I.P. Fund had zero net change in fund balance due to grant revenues matching project expenditures.

The Land Acquisition, Development and Betterment fund had a decrease in its fund balance of \$347,062 due to land acquisitions and trail improvement projects approved in the Asset Management Program or by the Board of Commissioners.

The debt service fund has a total fund balance of \$5,911,758, all of which is restricted for the payment of debt service. The decrease in fund balance during the current year was \$1,412,951, which is due to the Park District's use of excess property tax revenues to decrease the debt service levy.

**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2022**

Proprietary funds. The Park District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Baker National Golf Course at the end of the year amounted to \$488,376, those of Hyland Hills Ski Area amounted to \$2,621,922, and those of Eagle Lake Golf Course amounted to \$304,210. The total net position for these funds increased by \$535,145 for Baker National Golf Course, \$1,152,794 for Hyland Hills Ski Area, and \$17,261 for Eagle Lake Golf Course.

Golf course revenues were lower by \$5,118 at Baker National Golf Course and \$64,133 at Eagle Lake Golf Course when compared to 2021, which saw revenues at both courses approach record levels. The 2022 expenses increased by \$221,767 at Baker National Golf Course and \$50,144 at Eagle Lake Golf Course due to an increase in staffing costs and increased supply costs caused by rising prices. Hyland Hills Ski Area revenues increased by \$559,585 while expenses increased by \$841,341.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, there was a \$535,250 increase in appropriations between the original and final amended budget. Following are the main components of the increase:

- \$277,100 represents appropriation increases for prior year encumbrances.
- \$258,150 represents additions approved by the Board of Commissioners for unanticipated grants, and the associated operating expenditures in addition to increase park use charges and transfers.

Actual revenues were \$478,605 higher than budgeted. All revenues exceeded budget except investment earnings. Property tax revenues exceeded budget by \$407,501, as the Park District is required by State Statute to budget assuming a 98.0% collection rate. The actual collection rate for 2022 was 99.3%. Charges for park use exceeded budget by \$573,493 due to cross country ski fees, overnight camping, and program fees exceeding budgeted amounts while swimming fees fell short of its budgeted amount.

Expenditures were \$1,131,376 less than budgeted. This positive variance is due to unspent budget authority in wages and benefits, consultant agreements, capital equipment and other service charges. When combined with the budget surplus in revenues, the fund balance in the General Fund increased by \$1,336,695 which was \$1,613,795 higher than planned in the amended budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The Park District's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounted to \$267,079,399 (net of accumulated depreciation and amortization). This investment in capital assets included land, construction in progress, permanent easements, buildings and structures, improvements other than buildings, furniture and equipment, infrastructure, temporary easements, and leased assets. The Park District spent \$657,125 in land acquisitions during 2022. In addition, major capital assets completed during the current year included the following:

- Nine Mile Creek Regional Trail Boardwalk - \$1,605,211
- Baker Outdoor Learning Center Shower/Infirmary Building - \$1,484,116
- Richardson Nature Center Parking Lot - \$587,033
- Noerenberg Gardens Restroom Building - \$266,512
- East Medicine Lake Regional Trail Segment - \$200,000

**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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**Three Rivers Park District's Capital Assets
(Net of Depreciation and Amortization)**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 101,286,708	\$ 100,629,583	\$ 417,179	\$ 417,179	\$ 101,703,887	\$ 101,046,762
Construction in Progress	5,465,521	4,031,170	2,235,507	20,371	7,701,028	4,051,541
Permanent Easements	2,147,879	2,147,879	-	-	2,147,879	2,147,879
Buildings and Structures	40,470,934	40,381,644	11,823,757	12,250,484	52,294,691	52,632,128
Improvements Other Than Buildings	58,388,249	61,909,342	3,394,863	3,504,305	61,783,112	65,413,647
Furniture and Equipment	11,247,903	11,728,508	2,977,685	3,387,971	14,225,588	15,116,479
Infrastructure	26,911,500	26,082,737	-	-	26,911,500	26,082,737
Leased Assets	154,418	-	157,296	-	311,714	-
Total	<u>\$ 246,073,112</u>	<u>\$ 246,910,863</u>	<u>\$ 21,006,287</u>	<u>\$ 19,580,310</u>	<u>\$ 267,079,399</u>	<u>\$ 266,491,173</u>

Additional information on the Park District's capital assets can be found in Note 3.

Long-term debt. At the end of the current fiscal year, the Park District had \$58,975,000 in bonds and notes outstanding versus \$58,550,000 last year. The increase was the result of the issuance of 2022 General Obligation bonds less the scheduled debt payments during the year.

Three Rivers Park District's Outstanding Bonds

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation Bonds	\$ 53,865,000	\$ 52,890,000	\$ -	\$ -	\$ 53,865,000	\$ 52,890,000
Revenue Bonds	-	-	5,110,000	5,660,000	5,110,000	5,660,000
Total	<u>\$ 53,865,000</u>	<u>\$ 52,890,000</u>	<u>\$ 5,110,000</u>	<u>\$ 5,660,000</u>	<u>\$ 58,975,000</u>	<u>\$ 58,550,000</u>

The Park District's previous ratings of "Aaa" from Moody's was confirmed for the 2022 bond issue. Fitch Ratings was not asked to rate the 2022 bond issue but did confirm its "AAA" rating on past bonds it has rated. The decision to not seek a rating from Fitch was made for financial reasons. Both rating agencies cited the Park District's large and diverse tax base, proactive financial management, and ample financial reserves as reasons for the ratings.

Additional information on the Park District's long-term debt can be found in Note 5.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Park users continue to enjoy the Park District's parks and trails in record numbers. Visitation continues to increase, and the Park District anticipates annual visitation increases to continue for the foreseeable future. The increased visitation, combined with the high quality of service the Park District provides, will continue to impact the costs of operating and maintaining both parks and trails. Increased visitation requires more maintenance costs, increased cleaning costs and ultimately, additional staff to meet park user's needs. The increased need to be proactive in protecting natural resources from invasive species and contamination continues to grow. In addition, the increases in wages and benefits are influenced by internal factors (such as contracts and insurance premiums) and external factors (labor market, state mandated minimum wage) making it a challenge to continue to offer a high level of service while limiting property taxes.

The Park District anticipates starting construction on Mississippi Gateway Regional Park in the summer or early fall of 2022. This project, which is a total redevelopment of an existing park along the Mississippi River, will replace park buildings and facilities that are over 40 years old with new buildings, trails and amenities designed to highlight the importance of the river. This project, which will take two

**THREE RIVERS PARK DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2022**

years to complete once started, is being funded by a variety of state grants, Metropolitan Council grants and funding from the City of Brooklyn Park.

The Park District's largest revenue stream comes from a property tax levied against all property in suburban Hennepin County. The property tax levy has two components: an operating levy and a debt service levy. The operating levy is limited by state statute to .03224% of taxable market value. While the Park District's levy has always been below the levy limit; the limit and the proposed levy are reviewed as part of the budget process, to ensure the current year levy complies with state law, and the future levies will not be constrained by the levy limit. The levy limit for 2022 is \$45,858,813 while the actual operating levy is \$38,277,105. The second component, the debt service levy, must be used to pay the principal and interest on debt issued for park acquisitions and improvements. The combined impact of the two components is what the taxpayers sees and hence, the overall tax levy is the amount the Park District has worked extremely hard to control. For many years, the Park District was able to provide core services, while adding trails and new services, and avoiding large annual tax increases each year by decreasing the debt service levy and increasing the operating levy. In an effort to plan for the future, the Park District put together a plan to limit property tax increases while still allowing for operational growth and anticipated future debt service costs. This plan projects property tax increases for the next five years, averaging 4% to 6%. The 2023 budget includes a property tax increase of 4.80%, just the fifth increase in the last decade.

The Park District's 2023 General Fund Operating Budget was approved at \$48,725,797, which is an increase of \$2,693,093, or 5.85%, from the 2022 budget. The Park District's goals for 2023 that provide the basis for the budget and operational decisions are:

- Continue to provide high quality facilities, programs, and recreational opportunities.
- Continue to manage natural resources, be a leader in natural resource management issues and educate the public on natural resource management issues.
- Continue to provide services to Park District users both within existing park locations and in resident's local communities.
- Position the Park District to meet the challenges and unknowns associated with current economic conditions.

Contacting the Park District's Financial Management

This financial report is designed to provide our taxpayers, park guests, our creditors, and other interested parties with a general overview of the Three Rivers Park District's finances and to show the Park District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department at 3000 Xenium Lane North, Plymouth, MN 55441, or Bao Vang, Senior Finance Manager at (763) 559-6739, or Bao.Vang@threeriversparks.org.

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BASIC FINANCIAL STATEMENTS



Three Rivers
PARK DISTRICT

**THREE RIVERS PARK DISTRICT
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash, cash equivalents, and investments	\$ 48,982,207	\$ 7,706,956	\$ 56,689,163
Property taxes receivable	228,874	-	228,874
Leases receivable	19,128	-	19,128
Other receivables	65,194	7,858	73,052
Internal balances	609,289	(609,289)	-
Due from other governmental units	2,968,895	61,121	3,030,016
Prepaid items	195,392	750	196,142
Inventory	550,722	176,197	726,919
Capital assets:			
Nondepreciable	108,900,108	2,652,686	111,552,794
Depreciable/amortizable	272,271,732	37,173,945	309,445,677
Accumulated depreciation and amortization	(135,098,728)	(18,820,344)	(153,919,072)
Total assets	<u>299,692,813</u>	<u>28,349,880</u>	<u>328,042,693</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	10,688,814	713,657	11,402,471
Deferred outflows of resources - OPEB	525,918	-	525,918
Total deferred outflows of resources	<u>11,214,732</u>	<u>713,657</u>	<u>11,928,389</u>
LIABILITIES			
Accounts payable	1,213,050	248,258	1,461,308
Contracts payable	959,952	-	959,952
Retainage payable	99,965	52,998	152,963
Due to other governmental units	235,747	7,826	243,573
Unearned revenue	1,848,961	1,818,937	3,667,898
Accrued interest	838,981	66,500	905,481
Accrued liabilities	1,435,314	194,683	1,629,997
Noncurrent liabilities:			
Net pension liability	29,477,349	2,292,981	31,770,330
OPEB payable	1,579,212	100,782	1,679,994
Other long-term liabilities due within one year	8,991,302	459,324	9,450,626
Other long-term liabilities due in more than one year	52,851,530	5,279,006	58,130,536
Total liabilities	<u>99,531,363</u>	<u>10,521,295</u>	<u>110,052,658</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of resources - leases	19,128	-	19,128
Deferred Inflows of resources - pensions	586,364	33,820	620,184
Deferred Inflows of resources - OPEB	1,239,253	-	1,239,253
Total deferred inflows of resources	<u>1,844,745</u>	<u>33,820</u>	<u>1,878,565</u>
NET POSITION			
Net investment in capital assets	198,406,468	15,615,236	214,021,704
Restricted for			
Capital improvement projects	806,357	-	806,357
Maintain and rehabilitate existing facilities	2,160,287	-	2,160,287
Debt service	5,320,523	-	5,320,523
Noerenberg Trust			
Non-Expendable	1,200,000	-	1,200,000
C.E. French Endowment			
Non-Expendable	28,519	-	28,519
Expendable	18,967	-	18,967
Eastman Library			
Non-Expendable	5,025	-	5,025
Expendable	5,109	-	5,109
Unrestricted	1,580,182	2,893,186	4,473,368
Total Net Position	<u>\$ 209,531,437</u>	<u>\$ 18,508,422</u>	<u>\$ 228,039,859</u>

See accompanying Notes to Financial Statements.

**THREE RIVERS PARK DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

	Program Revenues			Net (Expenses) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
Functions/Programs					
Governmental activities:					
Park and Trail Operations	\$ 28,450,791	\$ 8,250	\$ 1,666,859	\$ 6,052,690	\$ -
Recreation, Education, and Natural Resources	23,306,045	10,428,342	341,623	80,151	(12,455,929)
Planning, Design, and Technology	6,473,901	-	12,489	-	(6,461,412)
General Government	8,906,058	127,311	3,387,196	-	(5,391,551)
Interest and fiscal charges on debt	783,096	-	-	-	(783,096)
Total governmental activities	67,919,891	10,563,903	5,408,167	6,132,841	(45,814,980)
Business-type activities:					
Baker National Golf Course	2,737,882	3,297,692	1,235	-	561,045
Hyland Hills Ski Area	6,538,352	7,723,761	2,734	-	1,188,143
Eagle Lake Golf Course	1,197,675	1,183,223	663	-	(13,789)
Total business-type activities	10,473,909	12,204,676	4,632	-	1,735,399
Total government	\$ 78,393,800	\$ 22,768,579	\$ 5,412,799	\$ 6,132,841	(44,079,581)
General revenues:					
Property Taxes				45,025,150	45,025,150
Unrestricted Investment Loss				(940,500)	(1,291,481)
Gain on Sale of Capital Assets				175,051	175,051
Other				211,905	377,680
Total general revenue and transfers				44,471,606	44,286,400
Change in net position				(1,343,374)	206,819
Net Position - Beginning				212,888,229	232,957,907
Prior Period Adjustment - See Note 13				(2,013,418)	(5,124,867)
Net Position - Beginning as restated				210,874,811	227,833,040
Net Position - Ending				\$ 209,531,437	\$ 228,039,859

See accompanying Notes to Financial Statements.

MAJOR GOVERNMENTAL FUNDS

General Fund

The General Fund accounts for the revenues and expenditures relating to normal governmental activities which are not accounted for in another fund. It is the main operating fund of the Park District.

Special Revenue Funds

The Special Revenue Funds are used to account for a specific revenue source that is restricted, committed, or assigned to expenditures for particular purposes.

Scott County

The Scott County fund accounts for revenues and expenditures associated with all regional park facilities in Scott County per the covenants of a joint powers agreement.

Capital Project Funds

Capital projects funds account for the financial resources that are restricted, committed, or assigned to expenditures for the acquisition, development and betterment of Park District facilities other than those facilities financed by proprietary funds.

General Obligation Bonds CIP Fund

A fund established to account for the revenue from General Obligation Bond sales. These monies will be used to fund the Capital Improvement Plan.

Metro-Three Rivers Park Districts CIP Fund

A fund established to account for monies received from Metropolitan Council (Minnesota) grants and expended in accordance with grant agreements between the Park District and the Metropolitan Council. This fund applies to all Three Rivers Park Districts' facilities not located in Scott County.

Land Acquisition, Development and Betterment Fund

A fund established to account for the revenues and expenditures associated with park acquisition and improvement that is not funded by Metropolitan Council grants.

Debt Service Fund

The Debt Service Fund accounts for financial resources that are restricted, committed, or assigned to expenditures for the payment of long-term debt principal, interest, and related costs, which are not accounted for in another fund.



Three Rivers
PARK DISTRICT

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**THREE RIVERS PARK DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

ASSETS	General	Scott County	G.O. Bond C.I.P.	Metro - Three Rivers C.I.P.	Land Acquisition Development & Betterment	Debt Service	Other Governmental	Total Governmental
Cash, cash equivalents, and investments	\$ 19,781,891	\$ 1,436,908	\$ 10,778,298	\$ -	\$ 1,281,365	\$ 5,911,758	\$ 6,737,813	\$ 45,928,033
Property taxes receivable	184,701	-	-	-	-	44,173	-	228,874
Leases receivable	19,128	-	-	-	-	-	-	19,128
Other receivables	28,293	738	35,416	-	-	-	747	65,194
Due from other funds	26,836	-	-	-	1,021,655	-	-	1,048,491
Due from other governmental units	146,068	328	612,256	2,004,872	-	-	205,371	2,968,895
Advances to other funds	-	-	-	-	-	-	87,967	87,967
Prepaid items	154,484	-	-	-	-	-	38,232	192,716
Inventory	113,855	25,614	-	-	-	-	11,589	151,058
Total Assets	\$ 20,455,256	\$ 1,463,588	\$ 11,425,970	\$ 2,004,872	\$ 2,303,020	\$ 5,955,931	\$ 7,081,719	\$ 50,690,356
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE								
Liabilities:								
Accounts payable	\$ 528,620	\$ 20,139	\$ 72,395	\$ 148,351	\$ 37	\$ -	\$ 252,626	\$ 1,022,168
Contracts payable	1,731	-	187,354	756,432	14,435	-	-	959,952
Retainage payable	-	-	23,485	75,229	1,251	-	-	99,965
Accrued liabilities	1,116,049	43,360	-	-	-	-	12,298	1,171,707
Due to other funds	-	-	-	1,021,655	-	-	26,836	1,048,491
Due to other government units	219,522	1,438	946	3,205	4,470	-	3,614	233,195
Unearned revenue	1,480,844	33,730	334,387	-	-	-	-	1,848,961
Total Liabilities	3,346,766	98,667	618,567	2,004,872	20,193	-	295,374	6,384,439
Deferred Inflows of Resources:								
Unavailable revenue-property taxes	184,702	-	-	-	-	44,173	-	228,875
Leases	19,128	-	-	-	-	-	-	19,128
Total Deferred Inflows of Resources	203,830	-	-	-	-	44,173	-	248,003
Fund Balances:								
Nonspendable:								
Prepaid items	154,484	-	-	-	-	-	38,232	192,716
Inventory	113,855	25,614	-	-	-	-	11,589	151,058
C.E. French Endowment - non-expendable	-	-	-	-	-	-	28,519	28,519
Noerenberg Trust - non-expendable	-	-	-	-	-	-	1,200,000	1,200,000
Eastman Library - non-expendable	-	-	-	-	-	-	5,025	5,025
Restricted:								
Capital improvement projects	-	-	10,807,403	-	-	-	203,573	11,010,976
Maintain and rehabilitate existing facilities	-	-	-	-	-	-	2,160,287	2,160,287
Debt Service	-	-	-	-	-	5,911,758	-	5,911,758
C.E. French Endowment	-	-	-	-	-	-	18,967	18,967
Eastman Library	-	-	-	-	-	-	5,109	5,109
Committed:								
Future park & trail acquisition and improvement	-	-	-	-	2,282,827	-	-	2,282,827
Compensated absences	4,002,184	-	-	-	-	-	-	4,002,184
Maintain and rehabilitate existing facilities	-	-	-	-	-	-	1,703,723	1,703,723
Betterment of and access to facilities & programs	-	-	-	-	-	-	1,020,425	1,020,425
Operation & improvement of parks & trails in Scott County	-	1,339,307	-	-	-	-	-	1,339,307
Assigned:								
Future park operating and maintenance costs	689,953	-	-	-	-	-	-	689,953
Capital improvement projects	-	-	-	-	-	-	424,120	424,120
Contingencies	1,000,000	-	-	-	-	-	-	1,000,000
Unassigned:	10,944,184	-	-	-	-	-	(33,224)	10,910,960
Total Fund Balances	16,904,660	1,364,921	10,807,403	-	2,282,827	5,911,758	6,786,345	44,057,914
Total Liabilities, Deferred Inflows of Resources, and Fund Balances								
Fund Balances	\$ 20,455,256	\$ 1,463,588	\$ 11,425,970	\$ 2,004,872	\$ 2,303,020	\$ 5,955,931	\$ 7,081,719	\$ 50,690,356

See accompanying Notes to Financial Statements.

**THREE RIVERS PARK DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022**

FUND BALANCE - TOTAL GOVERNMENTAL FUNDS	\$	44,057,914
Amounts reported for governmental activities in the statement of net position are different because:		
1) Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds:		
Governmental capital assets	\$ 362,152,456	
Less accumulated depreciation and amortization	<u>(122,244,265)</u>	239,908,191
2) Long term debt is not payable with current financial resources and are therefore not reported in the governmental funds.		
Bonds payable	(53,865,000)	
Accrued interest payable	(838,981)	
Unamortized bond premium	(3,649,406)	
Leases payable	(153,284)	
Compensated absences	<u>(4,002,185)</u>	(62,508,856)
3) The District's OPEB liability is not payable with current financial resources and, therefore, the liability and related deferred inflows and deferred outflows are not reported in the governmental funds.		
OPEB liability	(1,579,212)	
Deferred outflows of resources - OPEB	525,918	
Deferred inflows of resources - OPEB	<u>(1,239,253)</u>	(2,292,547)
4) The District's net pension liability is not payable with current financial resources and, therefore, the liability and related deferred inflows and deferred outflows are not reported in the governmental funds.		
Net pension liability	(28,580,085)	
Deferred outflows of resources - pensions	10,409,554	
Deferred inflows of resources - pensions	<u>(573,130)</u>	(18,743,661)
5) Internal service funds are used by management to charge the cost of insurance and equipment rental to individual funds.		
Equipment rental	7,060,876	
Risk management	<u>1,299,323</u>	8,360,199
6) Business-type activities allocation of internal service funds' charges for insurance and equipment rental to individual funds.		
		521,322
7) Adjustments for deferred inflows of resources on long-term assets not available to pay current-period expenditures.		
Delinquent property taxes		<u>228,875</u>
Total Net Position	\$	<u><u>209,531,437</u></u>

See accompanying Notes to Financial Statements.

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**THREE RIVERS PARK DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	General	Scott County	G.O. Bond C.I.P.	Metro - Three Rivers C.I.P.	Land Acquisition Development & Betterment	Debt Service	Other Governmental	Total Governmental
Revenues:								
Property taxes	\$ 38,036,512	\$ -	\$ -	\$ -	\$ -	\$ 7,151,873	\$ -	\$ 45,188,385
Intergovernmental	1,526,909	1,995,751	1,090,611	4,738,719	100,000	-	1,686,898	11,138,888
Charges for park use	5,312,136	238,945	-	-	-	-	7,344	5,558,425
Golf charges for services	128,658	433,239	-	-	-	-	1,403,224	1,965,121
Concession charges for services	657,696	28,428	-	-	-	-	84,913	771,037
Rental charges for services	1,034,663	113,431	-	-	-	-	223,031	1,371,125
Merchandise charges for services	170,301	18,339	-	-	-	-	33,086	221,726
Lesson and league charges for services	225,810	90,643	-	-	-	-	232,705	549,158
Investment earnings (charges)	(677,044)	(36,743)	187,995	-	(23,929)	(87,659)	(178,245)	(815,625)
Fines and forfeitures	30,960	-	-	-	-	-	-	30,960
Other	242,526	14,999	-	-	48,674	-	308,390	614,589
Total revenues	46,689,127	2,897,032	1,278,606	4,738,719	124,745	7,064,214	3,801,346	66,593,789
Expenditures:								
Current:								
Park and Trail Operations	15,000,145	1,482,208	2,129,461	3,294	295,000	-	3,837,162	22,747,270
Recreation, Education and Natural Resources	17,032,706	825,374	1,313,881	321,100	494	-	926,225	20,419,780
Planning, Design, and Technology	4,629,709	-	494,253	-	-	-	1,185,887	6,309,849
General Government	8,488,537	309,073	-	-	-	9,818	94,809	8,902,237
Debt Service:								
Principal	2,444	15,601	-	-	-	6,980,000	48,011	7,046,056
Interest	-	-	-	-	-	1,683,749	-	1,683,749
Bond issuance costs	-	-	107,777	-	-	-	-	107,777
Capital outlay	253,132	-	2,566,912	4,414,325	176,313	-	123,402	7,534,084
Total expenditures	45,406,673	2,632,256	6,612,284	4,738,719	471,807	8,673,567	6,215,496	74,750,802
Excess of revenues over (under) expenditures	1,282,454	264,776	(5,333,678)	-	(347,062)	(1,609,353)	(2,414,150)	(8,157,013)
Other financing sources (uses):								
Transfers in	65,420	288	-	-	-	-	2,980,071	3,045,779
Transfers (out)	(30,412)	-	(2,789,660)	-	-	-	(218,607)	(3,038,679)
Issuance of debt	-	-	7,955,000	-	-	-	-	7,955,000
Premium on debt issued	-	-	320,967	-	-	196,402	-	517,369
Leases Issued	19,233	-	-	-	-	-	77,473	96,706
Total other financing sources (uses)	54,241	288	5,486,307	-	-	196,402	2,838,937	8,576,175
Net Change in Fund Balances	1,336,695	265,064	152,629	-	(347,062)	(1,412,951)	424,787	419,162
Fund balances, January 1	16,986,191	1,137,325	10,654,774	-	2,629,889	7,324,709	6,361,558	45,094,446
Prior period adjustment - see note 13	(1,418,226)	(37,468)	-	-	-	-	-	(1,455,694)
Fund balances, January 1, as restated	15,567,965	1,099,857	10,654,774	-	2,629,889	7,324,709	6,361,558	43,638,752
Fund balance, December 31	\$ 16,904,660	\$ 1,364,921	\$ 10,807,403	\$ -	\$ 2,282,827	\$ 5,911,758	\$ 6,786,345	\$ 44,057,914

See accompanying Notes to Financial Statements.

**THREE RIVERS PARK DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 419,162

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

- 1) 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. This is the amount by which capital outlays exceeded depreciation and amortization in the current period, as well as the net effect of various miscellaneous transactions involving capital assets, including disposals.

Capital outlays	\$	7,329,410	
Depreciation		<u>(8,712,391)</u>	(1,382,981)

- 2) Long-term debt activity.

Bond principal payments		6,980,000	
Change in interest payable		(225,491)	
Amortization of bond premiums		1,233,921	
Premiums on bonds issued		(517,369)	
Issuance of bonds		(7,955,000)	
Issuance of Leases		(96,706)	
Lease principal payments		66,056	
Change in compensated absences		<u>108,045</u>	(406,544)

- 3) Pension expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on the Statement of Activities are measured by the change in net pension liability and related deferred inflows and outflows of resources. 338,084

- 4) Other postemployment benefits related to expenses in the governmental funds are measured by current year employee benefit amounts. Other postemployment benefits related expenses on the Statement of Activities are measured by the change in the total other postemployment benefits liability and the related deferred inflows and outflows of resources. (95,039)

- 5) The change in net position of the internal service funds generally related to governmental activities .
- | | | | |
|--------------------------------------|--|----------------|----------|
| Change in net position | | (207,828) | |
| Portion for business-type activities | | <u>155,007</u> | (52,821) |

- 6) Changes in unavailable revenue for activities that do not provide current financial resources.

Delinquent property taxes			<u>(163,235)</u>
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			<u>\$ (1,343,374)</u>
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**THREE RIVERS PARK DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2022**

	Original Budget	Budget as Amended	Actual	Variance Over/(Under) Amended Budget
REVENUES:				
Property taxes	\$ 37,629,011	\$ 37,629,011	\$ 38,036,512	\$ 407,501
Intergovernmental	1,259,146	1,329,846	1,526,909	197,063
Charges for park use	4,604,643	4,738,643	5,312,136	573,493
Golf charges for services	105,000	114,350	128,658	14,308
Concession charges for services	652,198	652,198	657,696	5,498
Rental charges for services	924,132	964,132	1,034,663	70,531
Merchandise charges for services	128,040	128,040	170,301	42,261
Lesson and league charges for services	200,000	200,000	225,810	25,810
Investment earnings	200,000	200,000	(677,044)	(877,044)
Fines and forfeits	25,000	25,000	30,960	5,960
Other	229,302	229,302	242,526	13,224
Total revenues	45,956,472	46,210,522	46,689,127	478,605
EXPENDITURES:				
Park and Trail Operations	15,190,168	15,190,168	15,000,145	(190,023)
Recreation, Education, and Natural Resources	17,659,743	17,716,715	17,032,706	(684,009)
Planning, Design, and Technology	4,492,520	4,505,535	4,629,709	124,174
General Government	8,453,768	8,553,468	8,488,537	(64,931)
Capital outlay	206,600	572,163	253,132	(319,031)
Total expenditures	46,002,799	46,538,049	45,406,673	(1,131,376)
Excess of revenues over (under) expenditures	(46,327)	(327,527)	1,282,454	1,609,981
OTHER FINANCING SOURCES (USES):				
Sale of capital assets	1,000	1,000	-	(1,000)
Leases issued	-	-	19,233	19,233
Transfers in	76,732	80,832	65,420	(15,412)
Transfers out	(31,405)	(31,405)	(30,412)	993
Total other financing sources (uses)	46,327	50,427	54,241	3,814
NET CHANGE IN FUND BALANCES	\$ -	\$ (277,100)	1,336,695	\$ 1,613,795
FUND BALANCE AT BEGINNING OF YEAR			16,986,191	
PRIOR PERIOD ADJUSTMENT - SEE NOTE 17			(1,418,226)	
FUND BALANCE, BEGINNING, AS RESTATED			<u>15,567,965</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 16,904,660</u>	

See accompanying Notes to Financial Statements.

**THREE RIVERS PARK DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL – SCOTT COUNTY SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2022**

	Original Budget	Budget as Amended	Actual	Variance Over/(Under) Amended Budget
REVENUES:				
Intergovernmental	\$ 1,969,193	\$ 1,994,193	\$ 1,995,751	\$ 1,558
Charges for park use	231,048	231,048	238,945	7,897
Golf charges for services	289,016	289,016	433,239	144,223
Concession charges for services	20,329	20,329	28,428	8,099
Rental charges for services	92,607	92,607	113,431	20,824
Merchandise charges for services	17,000	17,000	18,339	1,339
Lesson and league charges for services	95,000	95,000	90,643	(4,357)
Investment earnings (charges)	-	-	(36,743)	(36,743)
Fines and forfeits	500	500	-	(500)
Other	4,250	4,250	14,999	10,749
Total revenues	<u>2,718,943</u>	<u>2,743,943</u>	<u>2,897,032</u>	<u>153,089</u>
EXPENDITURES:				
Park and Trail Operations	1,465,733	1,465,733	1,482,208	16,475
Recreation, Education, and Natural Resources	910,873	910,873	825,374	(85,499)
General Government	342,337	367,337	309,073	(58,264)
Debt Service	-	-	15,601	15,601
Total expenditures	<u>2,718,943</u>	<u>2,743,943</u>	<u>2,632,256</u>	<u>(111,687)</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	265,064	<u>\$ 265,064</u>
FUND BALANCE AT BEGINNING OF YEAR			1,137,325	
PRIOR PERIOD ADJUSTMENT - SEE NOTE 17			(37,468)	
FUND BALANCE, BEGINNING, AS RESTATED			<u>1,099,857</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 1,364,921</u>	

See accompanying Notes to Financial Statements.

PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds are used to account for Park District operations that are financed and operated in a manner similar to private business enterprises - where the intent of the Park District's Board of Commissioners is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges and fees; and that periodic determination of net income is appropriate for accountability purposes.

Baker National Golf Course Fund

This fund accounts for the day-to-day operations of the Baker National Golf Course and Driving Range.

Hyland Hills Ski Area Fund

This fund accounts for the day-to-day operations of the alpine ski and snowboard operation and the summer disc golf at the Hyland Hills Ski Area.

Eagle Lake Golf Course Fund

This fund accounts for the day-to-day operations of the Eagle Lake Golf Course and Driving Range.

Internal Service Funds

Internal service funds are used by the Park District to account for the financing of the worker's compensation and general insurance services, as well as equipment replacement, and pension benefits provided to other departments of the Park District.

Equipment Internal Service Fund

This fund is used to account for the rental of vehicles and other equipment to other departments and related costs.

Risk Management Internal Service Fund

This fund is used to account for all insurance premiums, recoveries, self-funded losses, legal costs and other expenses associated with risk management activities of the Park District.

State Pension Internal Service Fund

This fund is used to provide pension benefits to other funds of the Park District on a cost reimbursement



Three Rivers
PARK DISTRICT

**THREE RIVERS PARK DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Baker	Hyland Hills Ski Area	Eagle Lake Golf Course	Total	
	National Golf Course				
ASSETS:					
Current Assets:					
Cash and cash equivalents	\$ 1,091,268	\$ 5,929,434	\$ 686,254	\$ 7,706,956	\$ 3,054,174
Customers and other receivables	-	7,858	-	7,858	-
Due from other governmental units	-	61,121	-	61,121	-
Prepaid items	-	750	-	750	2,676
Inventories	9,370	162,601	4,226	176,197	399,664
Total current assets	<u>1,100,638</u>	<u>6,161,764</u>	<u>690,480</u>	<u>7,952,882</u>	<u>3,456,514</u>
Noncurrent Assets:					
Capital assets:					
Nondepreciable	2,545,007	107,679	-	2,652,686	-
Depreciable/amortizable	9,177,906	22,782,815	5,213,224	37,173,945	19,019,384
Accumulated depreciation/amortization	(7,518,355)	(7,516,537)	(3,785,452)	(18,820,344)	(12,854,463)
Total noncurrent assets	<u>4,204,558</u>	<u>15,373,957</u>	<u>1,427,772</u>	<u>21,006,287</u>	<u>6,164,921</u>
Total assets	<u>5,305,196</u>	<u>21,535,721</u>	<u>2,118,252</u>	<u>28,959,169</u>	<u>9,621,435</u>
Deferred Outflows of Resources Related to Pensions	190,219	421,257	102,181	713,657	279,260
LIABILITIES:					
Current Liabilities:					
Accounts payable	19,292	218,958	10,008	248,258	190,882
Retainage payable	52,998	-	-	52,998	-
Due to other government units	3,854	2,733	1,239	7,826	2,552
Unearned revenue	-	1,818,937	-	1,818,937	-
Accrued interest	-	66,500	-	66,500	-
Accrued liabilities	22,184	162,658	9,841	194,683	28,303
Current portion of lease payable	60,910	-	15,576	76,486	-
Current portion OPEB	1,148	1,932	1,165	4,245	-
Current portion bonds payable	-	220,000	-	220,000	-
Current portion advance from other funds	-	43,983	-	43,983	-
Current portion compensated absences	37,550	55,780	21,280	114,610	58,964
Total current liabilities	<u>197,936</u>	<u>2,591,481</u>	<u>59,109</u>	<u>2,848,526</u>	<u>280,701</u>
Noncurrent liabilities:					
Bonds payable	-	4,962,939	-	4,962,939	-
Advance from other funds	-	43,984	-	43,984	-
Accrued liabilities	-	-	-	-	235,304
Leases payable	62,616	-	16,012	78,628	-
OPEB liabilities	26,101	43,937	26,499	96,537	-
Compensated absences	72,163	128,233	85,271	285,667	113,993
Net pension liability	611,174	1,353,501	328,306	2,292,981	897,264
Total noncurrent liabilities	<u>772,054</u>	<u>6,532,594</u>	<u>456,088</u>	<u>7,760,736</u>	<u>1,246,561</u>
Total liabilities	<u>969,990</u>	<u>9,124,075</u>	<u>515,197</u>	<u>10,609,262</u>	<u>1,527,262</u>
Deferred Inflows of Resources Related to Pensions	9,015	19,963	4,842	33,820	13,234
NET POSITION:					
Net investment in capital assets	4,028,034	10,191,018	1,396,184	15,615,236	6,164,921
Unrestricted	488,376	2,621,922	304,210	3,414,508	2,195,278
Total net position	<u>\$ 4,516,410</u>	<u>\$ 12,812,940</u>	<u>\$ 1,700,394</u>	<u>19,029,744</u>	<u>\$ 8,360,199</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				<u>(521,322)</u>	
Total net position - business-type activities				<u>\$ 18,508,422</u>	

See accompanying Notes to Financial Statements.

**THREE RIVERS PARK DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Business-Type Activities - Enterprise Funds				Governmental
	Baker National Golf Course	Hyland Hills Ski Area	Eagle Lake Golf Course	Total	Activities - Internal Service Funds
OPERATING REVENUES:					
Golf charges for services	\$ 1,990,504	\$ 4,972	\$ 879,003	\$ 2,874,479	\$ -
Ski & snowboard charges for services	-	3,689,560	-	3,689,560	-
Concession charges for service	398,356	1,202,750	33,415	1,634,521	-
Rental charges for service	510,728	864,231	93,779	1,468,738	-
Merchandise	189,631	246,090	18,109	453,830	-
Lesson and league charges for service	184,753	1,298,382	146,995	1,630,130	-
Special events charges	-	144,626	8,370	152,996	-
Interfund services used	-	-	-	-	4,422,017
Miscellaneous charges	23,720	273,150	3,552	300,422	395,003
Total operating revenues	<u>3,297,692</u>	<u>7,723,761</u>	<u>1,183,223</u>	<u>12,204,676</u>	<u>4,817,020</u>
OPERATING EXPENSES:					
Salaries and wages	1,074,897	2,757,339	526,492	4,358,728	886,122
Retirement contributions	185,523	416,742	81,023	683,288	200,078
Insurance contributions and other benefits	98,223	282,843	61,084	442,150	594,948
Supplies and commodities	567,115	1,010,409	127,080	1,704,604	1,102,557
Professional service fees	-	-	-	-	294,148
Repair and maintenance service fees	1,666	197,665	6,233	205,564	230,336
Utilities	62,971	316,543	51,280	430,794	49,048
Equipment rental	315,291	270,045	114,935	700,271	1,243
Claims settlements	-	-	-	-	2,500
Insurance premiums	-	-	-	-	676,539
Other services and charges	123,780	272,569	36,119	432,468	57,975
Depreciation and Amortization	236,622	849,793	133,403	1,219,818	1,195,198
Total operating expenses	<u>2,666,088</u>	<u>6,373,948</u>	<u>1,137,649</u>	<u>10,177,685</u>	<u>5,290,692</u>
OPERATING INCOME (LOSS)	631,604	1,349,813	45,574	2,026,991	(473,672)
NONOPERATING REVENUES (EXPENSES):					
Intergovernmental	1,235	2,734	663	4,632	-
Investment earnings (charges)	(101,544)	(217,832)	(31,605)	(350,981)	(124,875)
Gain (loss) on disposal of assets	-	-	-	-	175,051
Interest on capital lease obligation	(1,802)	-	(461)	(2,263)	-
Interest and fees on bonded debt	-	(138,954)	-	(138,954)	-
Other	5,652	157,033	3,090	165,775	-
Total nonoperating revenues (expenses)	<u>(96,459)</u>	<u>(197,019)</u>	<u>(28,313)</u>	<u>(321,791)</u>	<u>50,176</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	535,145	1,152,794	17,261	1,705,200	(423,496)
Capital contributions	-	-	-	-	222,768
Transfer (out)	-	-	-	-	(7,100)
CHANGE IN NET POSITION	535,145	1,152,794	17,261	1,705,200	(207,828)
NET POSITION - BEGINNING	4,350,092	14,189,358	1,896,543	20,435,993	9,125,751
Prior period Adjustment - See Note 13	(368,827)	(2,529,212)	(213,410)	(3,111,449)	(557,724)
NET POSITION - BEGINNING BALANCE AS RESTATED	<u>3,981,265</u>	<u>11,660,146</u>	<u>1,683,133</u>	<u>17,324,544</u>	<u>8,568,027</u>
NET POSITION - ENDING	<u>\$ 4,516,410</u>	<u>\$ 12,812,940</u>	<u>\$ 1,700,394</u>	<u>\$ 19,029,744</u>	<u>\$ 8,360,199</u>
Change in Net Position reported above				\$ 1,705,200	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				<u>(155,007)</u>	
Change in net position - business-type activities				<u>\$ 1,550,193</u>	

See accompanying Notes to Financial Statements.

**THREE RIVERS PARK DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Baker National Golf Course	Hyland Hills Ski Area	Eagle Lake Golf Course	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Interfund services used	\$ -	\$ -	\$ -	\$ -	\$ 4,422,017
Charges for services	3,273,972	7,604,737	1,179,671	12,058,380	717,401
Payments to suppliers	(990,054)	(2,153,188)	(330,378)	(3,473,620)	(1,773,508)
Payments to employees	(1,308,203)	(3,306,000)	(696,818)	(5,311,021)	(1,593,276)
Claims and premiums paid	-	-	-	-	(662,739)
Other operating revenues	30,607	432,917	7,305	470,829	3,634
Net cash provided by operating activities	<u>1,006,322</u>	<u>2,578,466</u>	<u>159,780</u>	<u>3,744,568</u>	<u>1,113,529</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Cash repaid to other funds	-	(43,983)	-	(43,983)	-
Purchase of property and equipment	(2,272,239)	(137,613)	-	(2,409,852)	(1,396,330)
Proceeds from the sale of property and equipment	-	-	-	-	174,737
Principal payments on capital debt	(64,369)	(210,000)	(356,461)	(630,830)	-
Interest and fees paid on capital debt	(1,802)	(167,080)	(3,860)	(172,742)	-
Transfer to other funds	-	-	-	-	(7,100)
Net cash (used) by capital and related financing activities	<u>(2,338,410)</u>	<u>(558,676)</u>	<u>(360,321)</u>	<u>(3,257,407)</u>	<u>(1,228,693)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on Investments	(101,544)	(217,832)	(31,605)	(350,981)	(124,875)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,433,632)	1,801,958	(232,146)	136,180	(240,039)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,524,900</u>	<u>4,127,476</u>	<u>918,400</u>	<u>7,570,776</u>	<u>3,294,213</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR (INCLUDING RESTRICTED CASH)	<u>\$ 1,091,268</u>	<u>\$ 5,929,434</u>	<u>\$ 686,254</u>	<u>\$ 7,706,956</u>	<u>\$ 3,054,174</u>

See accompanying Notes to Financial Statements.

**THREE RIVERS PARK DISTRICT
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Baker National Golf Course	Hyland Hills Ski Area	Eagle Lake Golf Course	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 631,604	\$ 1,349,813	\$ 45,574	\$ 2,026,991	\$ (473,672)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Intergovernmental Revenue	1,235	2,734	663	4,632	-
Miscellaneous revenue	5,652	157,033	3,090	165,775	-
Depreciation and amortization	236,622	849,793	133,403	1,219,818	1,195,198
(Increase) decrease in:					
Receivables	-	(5,238)	-	(5,238)	326,032
Due from other government units	417	30,703	-	31,120	-
Prepaid expenses	908	-	-	908	2,873
Inventory	13,849	(18,326)	(589)	(5,066)	(19,177)
Deferred outflows of resources	(190,219)	(421,257)	(102,181)	(713,657)	(279,260)
Increase (decrease) in:					
Accounts payable	9,926	(68,540)	6,436	(52,178)	(21,306)
Retainage Payable	52,998	-	-	52,998	-
Other accrued liabilities	8,535	58,720	1,903	69,158	24,069
Due to other government units	2,671	909	(578)	3,002	(591)
Unearned revenue	-	128,661	-	128,661	-
OPEB liability	(14,834)	(26,022)	(23,097)	(63,953)	-
Compensated absences	(4,404)	4,955	(24,582)	(24,031)	4,971
Net pension liability	242,347	514,565	114,896	871,808	341,158
Deferred inflows of resources	9,015	19,963	4,842	33,820	13,234
Net cash provided (used) by operating activities	<u>\$ 1,006,322</u>	<u>\$ 2,578,466</u>	<u>\$ 159,780</u>	<u>\$ 3,744,568</u>	<u>\$ 1,113,529</u>
NONCASH ACTIVITIES:					
Accrued interest expense	<u>\$ -</u>	<u>\$ 66,500</u>	<u>\$ -</u>	<u>\$ 66,500</u>	<u>\$ -</u>
Capital debt amortization	<u>\$ -</u>	<u>\$ (25,501)</u>	<u>\$ -</u>	<u>\$ (25,501)</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**NOTES TO
FINANCIAL STATEMENTS**



Three Rivers
PARK DISTRICT

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Three Rivers Park District (the Park District), formerly known as the Hennepin County Park Reserve District and the Suburban Hennepin Regional Park District, was organized in 1957 as a special park district pursuant to authority provided by Minnesota Statutes, Chapter 398. The primary purpose of the Park District is to acquire, develop, and operate large parks, forests, and other preservations, trail systems, and wildlife sanctuaries. The Park District is governed by a seven-member Board of Commissioners; five commissioners are elected from districts within suburban Hennepin County, and two commissioners are appointed by the Hennepin County Board of Commissioners.

The accounting policies of the Park District conform to U.S. generally accepted accounting principles applicable to governmental entities, as of December 31, 2022. The following is a summary of the more significant policies:

A. Financial Reporting Entity

The accompanying financial statements of the Three Rivers Park District include the primary government (the Park District) and its component units, entities for which the Park District is considered financially accountable. The Park District may be considered financially accountable for another entity if it appoints a voting majority of the governing body, is able to impose its will on that organization, if the organization can provide financial benefits or impose financial burdens on the Park District or if the organization is fiscally dependent on the Park District. The Park District does not have any component units.

Pursuant to the terms of an agreement between the Park District and Scott County, Minnesota, the Park District provides staff, planning, land acquisition, administrative and operational services to all regional park facilities in Scott County and keeps records of all related financial transactions. The funds and accounts relating to these activities, consisting of \$2,897,032 of revenues and \$2,632,256 of expenditures, are included in the Scott County Special Revenue Fund in the accompanying financial statements.

The Park District has entered into a joint powers' agreement with Hennepin County whereby the Park District manages and operates the Glen Lake Golf and Practice Center, an executive golf facility owned by Hennepin County. Under the terms of the agreement, the Park District is reimbursed by Hennepin County for all costs incurred. All land, buildings and equipment are owned by Hennepin County. The agreement specifies that Hennepin County and the Park District will split profits on a 70/30 percent allocation, once a fund balance of \$150,000 is achieved and maintained. All activity has been recorded in a Special Revenue Fund – Glen Lake Golf Course Fund, a nonmajor fund included with the Park's other nonmajor governmental funds in these financial statements.

The Park District has entered into a cooperative agreement with Hennepin County for the management, operation and maintenance of the Parkers Lake Golf Center owned by Hennepin County. Under the terms of the agreement, Hennepin County and the Park District will split profits on a 50/50 percent allocation, once a spendable balance of \$25,000 is achieved. The term of the agreement is from March 11, 2020, through December 31, 2023. The agreement will automatically renew for one three-year period unless either party sends written notice.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

The Park District has entered into a cooperative agreement with the City of Bloomington for the management, operation and maintenance of Hyland Greens Golf Course owned by the City of Bloomington. Under the terms of the agreement, the City of Bloomington and the Park District will split profits on a 30/70 percent allocation, once a spendable balance of \$150,000 is achieved. The term of the agreement is from March 15, 2021, through December 31, 2023. The agreement will automatically renew for one three-year period unless either party sends written notice.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Park District. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Aggregated information for the remaining nonmajor governmental and enterprise funds as well as the internal service funds is reported in a single column in the fund financial statements.

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

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

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

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 Park District considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. For reimbursable grants, the Park District considers revenues to be available if they are collected within six months of the end of the current fiscal year. Major revenues susceptible to accrual include property taxes, intergovernmental revenues, charges for services, and interest on investments. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, other postemployment benefits (OPEB), net pension liabilities, and claims and judgments are recorded only when payment is due.

The Park District reports the following major governmental funds:

General Fund - The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The fund's main sources of revenue include property taxes, licenses and permit fees, fines and penalties, intergovernmental revenues, and interest earnings. Most of the current day-to-day operations of the governmental units are financed from this fund.

Scott County Fund - The special revenue *Scott County Fund* is used to account for revenues and expenditures associated with all regional park facilities in Scott County per the covenants of a joint powers' agreement. The revenue sources include user fees, grants, and a contribution from Scott County as agreed upon in the joint powers' agreement.

G.O. Bond CIP Fund - The capital projects *G.O. Bond CIP Fund* is used to account for the acquisition and construction of major capital facilities that are financed with bonding activity, other than those that are financed by proprietary funds.

Metro-Three Rivers CIP Fund - The capital projects *Metro-Three Rivers CIP Fund* is used to account for the acquisition and construction of major capital facilities that are financed with grant activity through the Metropolitan Council.

Land Acquisition, Development and Betterment Fund - The capital projects *Land Acquisition, Development and Betterment Fund* is used to account for the acquisition and construction of major capital facilities, other than those that are financed by proprietary funds.

Debt Service Fund - The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs, which are not accounted for in another fund.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Park District reports the following major proprietary funds:

Baker National Golf Course Fund - The *Baker National Golf Course Fund* is used to account for resources and payments related to the operation and maintenance of the Baker National Golf Course.

Hyland Hills Ski Area Fund – The *Hyland Hills Ski Area Fund* is used to account for resources and payments related to the operation and maintenance of the Hyland Hills Ski Area.

Eagle Lake Golf Course Fund - The *Eagle Lake Golf Course Fund* is used to account for resources and payments related to the operation and maintenance of the Eagle Lake Golf Course.

Additionally, the Park District reports the following fund types:

Internal Service Funds – *Internal Service Funds* are used to account for equipment rental, provided to other departments or agencies of the Park District, as well as the worker's compensation, employee dental benefits, and general insurance services provided to other funds of the Park District on a cost reimbursement basis.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the Park District. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Park District's enterprise funds and internal service fund are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

Aggregated information for the internal service funds is reported in a single column in the proprietary fund financial statements. These services have been allocated proportionately to governmental and business-type activities in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Depreciation expense is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities.

D. Budgets

The Park District uses the following procedures in establishing budgetary data reflected in the financial statements:

1. The Park District's Board of Commissioners, after holding a public hearing, approved an operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
2. The Park District submitted the budget to the Hennepin County (Minnesota) Board of Commissioners. The County Board may, within 15 days, veto or modify an item contained in the budget. The Park District Board may re-approve a vetoed or modified item by a two thirds majority.
3. After adoption of a final budget and on or before five working days after December 20, the Park District certified to Hennepin County the amount of ad valorem taxes to be levied.
4. The Park District's Board may make modifications to the adopted budget by increasing or decreasing appropriations and may authorize the transfer of budgeted amounts between departments within any fund. The Park District's management may amend the budget up to the total fund level without seeking the approval of the Park District Board.
5. The legal level of budgetary control is at the total fund level. Monitoring of budgets is maintained at the expenditure category level (i.e., personal services, commodities, contractual services, other charges, capital outlay) within each activity.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets (Continued)

6. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the General Fund and the following special revenue funds: Scott County, Glen Lake Golf Course, Parkers Lake Golf Course, and Hyland Greens Golf Course. Formal budgetary integration is not employed for the Debt Service Fund because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. Budgetary control for Capital Projects Funds is accomplished using project reporting controls. The Board made supplemental budgetary appropriations throughout the year for the General Fund, totaling \$535,250, \$277,100 relating to encumbrances and \$258,150 relating to unanticipated grants and capital outlay. The Board also made a supplemental budgetary appropriation for the Scott County Special Revenue Fund relating to a grant and the associated expenditures totaling \$25,000. There were no supplemental budgetary appropriations for Glen Lake Golf Course, Parkers Lake Golf Course, and Hyland Greens Golf Course.

7. Budgeted amounts are as originally adopted, or as amended by the Park District Board of Commissioners. Budgeted expenditure appropriations lapse at year-end. Encumbrances represent purchase commitments. Encumbrances outstanding at year-end are reported in fund balances since they do not constitute expenditures or liabilities.

There were no Park District funds whose expenditures exceeded budgeted appropriations in 2022.

E. Cash, Cash Equivalents, and Investments

Cash and Investments

The cash balances of the Park District, except for small amounts on hand or in the Park District depositories, are pooled and invested for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at year-end, except for investments in external investment pools, which are stated at amortized cost. The Park District has the ability and intent to hold its investments to maturity. The individual funds' portions of the pool's fair value are presented as "Cash, cash equivalents, and investments." Earnings from such investments are allocated to the respective funds based on average cash balances. Cash balance in the G.O. Bond Fund are invested by the Park District directly and investment earnings are allocated to that fund. Cash and cash equivalents include all highly liquid investments with an original maturity of three months or less from the time of purchase. For purposes of the statement of cash flows, the Proprietary Funds consider all unrestricted investments held in the pooled accounts of Hennepin County to be cash equivalents because this pool is used essentially as a demand deposit account.

The Park District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

See Note 2 for the Park District's recurring fair value measurements as of the current year-end.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered, as well as short-term cash deficits. Short-term interfund loans are classified as “due to/from other funds.” All short-term interfund receivables and payables at December 31, 2022 are planned to be eliminated in 2023. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government- wide financial statements as “internal balances.”

G. Property Taxes

1. Property Tax Revenue Recognition

Property tax levies are set by the Board of Commissioners in December and are certified to Hennepin County (the County) for collection in the following year. In Minnesota, counties act as collection agents for all property taxes.

The County spreads all levies over taxable property. Such taxes become a lien on January 1 and are recorded as receivables by the Park District at that date. Within the fund financial statements, property taxes are accrued and recognized as revenue, excluding delinquent taxes received over 60 days after year-end. Unavailable revenue in governmental activities is susceptible to full accrual on the government-wide statements.

Real property taxes may be paid by taxpayers in two equal installments, on May 15 and October 15. The County provides tax settlements to taxing districts four times a year in January, May, June, and November.

Government-Wide Financial Statements

The Park District recognizes property tax revenue in the period for which the taxes were levied. Uncollectible property taxes are not material and have not been reported.

Governmental Fund Financial Statements

The Park District recognizes property tax revenue when it becomes both measurable and available to finance expenditures of the current period. In practice, current and delinquent taxes and state credits received by the Park District in July, December, and January are recognized as revenue for the current year. Taxes collected by the County by December 31 (remitted to the Park District the following January) and taxes and credits not received at the year-end are classified as delinquent and due from County taxes receivable. The portion of delinquent taxes not collected by the Park District in January are fully offset by deferred inflows of resources because they are not available to finance current expenditures.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Inventories and Prepaid Items

All inventories are valued at cost based on physical counts, which approximates a first-in, first-out basis.

Inventory in the General Fund consists of expendable supplies for consumption. The cost of inventory is recorded as an expenditure/expense when consumed (i.e., consumption method) in the General Fund, as well as special revenue and proprietary fund types.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.

I. Capital Assets

Capital assets, which include land, buildings and structures, land improvements, furniture and equipment, machinery and automobiles, infrastructure (roads, bridges, sidewalks, and similar items), and intangible assets such as easements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are also reported in the proprietary fund financial statements but not in the governmental fund financial statements.

Capital assets are defined by the Park District as assets with an initial cost of more than \$5,000 (\$40,000 for infrastructure type assets) and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Improvements other than buildings	10-40
Buildings	20-40
Furnishings and equipment	3-15
Ski Jump	40
Trail systems	11-40
Street and infrastructure	10-50
Temporary easements	2
Leasehold improvements	Lesser of remaining life of lease or Life of leasehold improvements

Capital assets that are not depreciated include land, easements, and construction in progress.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Leases

Leases Receivable

The Park District determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the Park District's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

The Park District determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

Leases Payable

Lease assets represent the Park District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the Park District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the Park District will exercise that option.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences

The Park District compensates all employees upon termination for unused vacation pay, up to a maximum of 240 hours. Park District employees are also entitled to sick leave benefits upon resignation in good standing or retirement after completion of ten years of service. The amount of severance benefits is limited to one-half of their sick leave accumulation, up to a maximum of 600 hours of sick leave.

The expense and related liability for accrued vacation and sick pay is recognized when earned in the government-wide and all proprietary fund financial statements. The liability for the nonvested accumulating rights has been estimated and recorded as part of the liability for compensated absences. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation or retirement.

L. State-Wide Pension Plans

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from the PERA's fiduciary net position have been determined on the same basis as they are reported by the PERA except that the PERA's fiscal year-end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Pension liabilities are liquidated by various governmental funds based on where the corresponding employees' salaries are allocated.

M. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Park District has two items which qualifies for reporting in this category.

Deferred outflows of resources related to pensions and OPEB are reported in the government-wide and enterprise funds statement of net position. These deferred outflows result from differences between expected and actual experience, changes of assumptions, differences between projected and actual investment earnings, changes in proportion, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

In addition to liabilities, statements of financial position or balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Park District has four items which qualify for reporting in this category.

Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Deferred inflows of resources related to leases are reported in the government-wide and fund financial statements. These deferred inflows represent future revenues related to long-term lease receivables.

Deferred inflows of resources related to pensions and OPEB are reported in the government-wide and enterprise fund statement of net position. These deferred inflows result from differences between expected and actual experience, changes of assumptions, and the difference between projected and actual investment earnings. These amounts are deferred and amortized as required under pension and OPEB standards.

O. Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Interfund loans are reported as an interfund loan receivable or payable which offsets the movement of cash between funds. All other interfund transactions are reported as transfers and are eliminated to the extent possible on the government-wide statements.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Balance Classification

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory, and other long-term assets.
- **Restricted** – Consists of amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.
- **Committed** – Consists of internally imposed constraints that are established by resolution of the Park District's Board of Commissioners, which is the Park District's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Board of Commissioners removes or changes the specified use by resolution.
- **Assigned** – Consists of internally imposed constraints. These constraints consist of amounts intended to be used by the Park District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts represent intended uses established by the Board of Commissioners itself or by an official to which the governing body delegates the authority. Pursuant to the Park District's Board of Commissioners resolution, the Park District's Chief Financial Officer is authorized to establish assignments of fund balance.
- **Unassigned** – The residual classification for the general fund which also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the Park District's policy to first use restricted resources, and then use unrestricted resources as they are needed.

When committed, assigned, or unassigned resources are available for use, it is the Park District's policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

The Park District's financial management plan sets the minimum unassigned fund balance for the General Fund to equal 22% of the ensuing year's budget. This will ensure availability of adequate funds for the next year's budget until property tax and park use revenues are received.

At December 31, 2022, the unassigned fund balance of the General Fund was \$10,944,184, compared to its targeted fund balance of \$10,719,675 based on the above policy.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Net Position

In the government-wide and proprietary fund financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in three components:

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets.
- **Restricted Net Position** – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Unrestricted Net Position** – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the Park District’s policy to first use restricted resources, and then use unrestricted resources as they are needed.

R. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

S. Endowments

The Park District receives a variety of donations from constituents and business partners that contain restrictions on their use. Most are intended to be used within one year of receipt and are accounted for in the General Donations Special Revenue Fund. The Park District does maintain three permanent funds for endowments that have extended lives due to restrictions placed on the funds by the donor. The Board of Commissioners has the authority to spend the investment earnings from the original donation and Park District policy requires all spending of these funds to be approved by the Board. Investment earnings allocated to these funds are earned and realized upon allocation to the funds. The amounts available to spend are reflected in the Net Position as expendable. The three endowments, the C.E. French Endowment, the Noerenberg Trust and the Eastman Library Trust are described below:

C.E. French Endowment – This fund accounts for the original donations of \$28,519 to honor the Park District’s first Park Superintendent. At Mr. French’s request, the funds are to be used for staff development and training. Mr. French’s desire was that the funds remain in perpetuity.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Endowments (Continued)

Noerenberg Trust – This fund accounts for the original donation of \$1.2 million to fund the operation of the Noerenberg Memorial Gardens. The trust document requires the Park District maintain the original donation while allowing the Park District to spend all investment earnings on operations of the gardens.

Eastman Library Trust – This fund accounts for the original donation of \$5,025 made to create a library at Eastman Nature Center. The trust allows the Park District to spend funds on books and materials for the library, but not on regular operations. The Park District has opted to not spend the entire endowment to allow for periodic updating of library materials as needed.

T. Risk Management

The Park District is exposed to various risks of loss related to torts; damage to, and destruction of, assets; errors and omissions; injuries to employees; and natural disasters. The risk management activities of the Park District are accounted for by the Risk Management Fund, an internal service fund that charges its costs to user departments. Such reimbursements are recorded as interfund services used.

The Park District insures for risks associated with general liability and property with the Minnesota Counties Intergovernmental Trust. The Risk Management Fund provides coverage of insurance premiums that will cover up to a maximum of \$1,500,000 for general liability claims and either replacement cost or actual cash value for property and equipment claims.

The Park District is self-insured for worker's compensation costs. The Park District provides coverage through the Risk Management Fund up to the retention factor of \$500,000 per occurrence. Claims in excess of that amount are covered 100% by Workers Compensation Reinsurance Agency.

In 1997, the Park District also began a self-insurance program for dental benefits. Accordingly, the Park District has not purchased outside insurance for the risk of losses to which it is exposed. Instead, the Park District management believes it is more economical to manage its risks internally and set aside assets for claim settlement. Participants in the program make premium payments to the Risk Management Internal Service Fund. The excess amount received above the claims is \$359,876 at December 31, 2022.

The liability recorded by the Risk Management Fund includes estimated settlements for claims reported but not yet settled as of December 31, 2022, estimated deductible/premium adjustments not settled as of December 31, 2022, as well as, an estimate of claims incurred but not reported. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Risk Management (Continued)

Changes in the fund's liability amount are as follows:

	2022	2021
Beginning of year liability	\$ 224,614	\$ 111,910
Claims and change in estimates	398,750	299,008
Claims payments	(368,297)	(186,304)
Accrued liabilities	\$ 255,067	\$ 224,614

U. Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

NOTE 2 CASH AND INVESTMENTS

A. Components of Cash and Investments

Cash and investments at year-end consist of the following:

Deposits	\$ 1,350,980
Investments	55,286,595
Cash on Hand	51,588
Total	\$ 56,689,163

B. Deposits

In accordance with applicable Minnesota Statutes, the Park District maintains deposits at depository banks authorized by the Board of Commissioners, including checking accounts, savings accounts, and certificates of deposit.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 CASH AND INVESTMENTS POLICIES (CONTINUED)

B. Deposits (Continued)

The following is considered the most significant risk associated with deposits:

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the Park District’s deposits may be lost.

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The fair value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated “A” or better; revenue obligations rated “AA” or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The Park District’s investment policy does not contain further restrictions on the types of collateral required.

At year-end, the carrying amount of the Park District’s deposits was \$1,350,980 while the balance on the bank records was \$841,243. At December 31, 2022, all of the Park District’s deposits were properly collateralized in accordance with state statutes.

C. Investments

The Park District has the following investments at year-end:

Investment type	Credit Risk		Investment Risk-Maturity Duration in Years		
	Rating	Agency	Less than 1	1 to 5	Total
US Treasury Notes with Maturities at Time of Purchase of Less Than One Year	AAA	Moody's	\$ 3,147,945	\$ -	\$ 3,147,945
US Treasury Notes with Maturities at Time of Purchase of More Than One Year			1,748,565	-	1,748,565
Investment pools/mutual funds					
Hennepin County Investment Pool	N/R	N/R	N/A	N/A	44,268,633
PMA - 4M Fund	N/R	N/R	N/A	N/A	3,965,196
PMA - 4M Fund PLUS Fund	N/R	N/R	N/A	N/A	2,156,256
Total Investments					<u>\$ 55,286,595</u>

The Minnesota Municipal Money Market Fund (4M Fund) is regulated by Minnesota Statutes and the board of directors of the League of Minnesota Cities. The 4M Fund is an external investment pool not registered with the Securities Exchange Commission (SEC) that follows the same regulatory rules of the SEC. The Park District’s investment in the 4M Fund is measured at amortized cost which approximates fair value. The fair value of its position in the pool is the same as the value of the pool shares. The fund does not have any limitations or restrictions on participant withdrawals.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 CASH AND INVESTMENTS POLICIES (CONTINUED)

C. Investments (Continued)

Investments are subject to various risks, the following of which are considered the most significant:

Custodial Credit Risk – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the Park District would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Park District's investment policy specifically addresses custodial credit risk, requiring the Park District to limit its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the Park District's investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

Concentration Risk – This is the risk associated with investing a significant portion of the Park District's investment (considered 5% or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as Treasuries), investment pools, and mutual funds. The Park District's investment policies specifically address the Park District's desire to limit concentration risk, but do not set specific guidelines for measurement of this risk. At year-end, the Park District's did not have investments in any one issuer that exceeded 5% of total investments.

Interest Rate Risk – This is the risk of potential variability in the fair value of fixed rate investment resulting in changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The Park District's investment policies specifically address the Park District's desire to limit interest rate risk, but do not set specific guidelines for measurement of this risk.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 CASH AND INVESTMENTS POLICIES (CONTINUED)

C. Investments (Continued)

The Park District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Park District has the following fair value measurements at December 31, 2022:

Investment type	12/31/2022	Fair Value Measuring Using		
		Level 1	Level 2	Level 3
Investments at fair value:				
US Treasury Notes with Maturities at Time of Purchase of More Than One Year	\$ 1,748,565	\$ -	\$ 1,748,565	\$ -
Investments at amortized cost:				
US Treasury Notes with Maturities at Time of Purchase of Less Than One Year	3,147,945			
Investment pools/mutual funds:				
Hennepin County Investment Pool	\$44,268,633			
PMA - 4M	\$3,965,196			
PMA - 4M PLUS	2,156,256			
Total	<u>\$ 55,286,595</u>			

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022 is as follows:

	Balance	Increases	Decreases	Transfers	Balance
Governmental activities:					
Land	\$ 100,629,583	\$ 657,125	\$ -	\$ -	\$ 101,286,708
Construction in progress	4,031,170	6,528,559	(5,094,208)	-	5,465,521
Permanent easements	2,147,879	-	-	-	2,147,879
Subtotal non-depreciable capital assets	<u>106,808,632</u>	<u>7,185,684</u>	<u>(5,094,208)</u>	<u>-</u>	<u>108,900,108</u>
Buildings and structures	69,736,343	1,914,121	-	-	71,650,464
Improvements other than buildings	114,749,431	1,154,374	-	-	115,903,805
Furniture and equipment	38,318,813	1,666,118	(636,128)	-	39,348,803
Infrastructure	42,957,671	2,025,713	-	-	44,983,384
Temporary Easements	165,936	-	-	-	165,936
Right-to-use buildings	-	77,473	-	-	77,473
Right-to-use furniture and equipment	122,634	19,233	-	-	141,867
Subtotal depreciable/amortizable capital assets	<u>266,050,828</u>	<u>6,857,032</u>	<u>(636,128)</u>	<u>-</u>	<u>272,271,732</u>
Total assets	<u>372,859,460</u>	<u>14,042,716</u>	<u>(5,730,336)</u>	<u>-</u>	<u>381,171,840</u>
Less accumulated depreciation:					
Buildings and structures	(29,354,699)	(1,824,831)	-	-	(31,179,530)
Improvements other than buildings	(52,840,089)	(4,675,467)	-	-	(57,515,556)
Furniture and equipment	(26,590,305)	(2,145,419)	634,824	-	(28,100,900)
Infrastructure	(16,874,934)	(1,196,950)	-	-	(18,071,884)
Temporary Easements	(165,936)	-	-	-	(165,936)
Less: accumulated amortization:					
Right-to-use buildings	-	(21,600)	-	-	(21,600)
Right-to-use furniture and equipment	-	(43,322)	-	-	(43,322)
Total accumulated depreciation and amortization	<u>(125,825,963)</u>	<u>(9,907,589)</u>	<u>634,824</u>	<u>-</u>	<u>(135,098,728)</u>
Governmental activities capital assets, net	<u>\$ 247,033,497</u>	<u>\$ 4,135,127</u>	<u>\$ (5,095,512)</u>	<u>\$ -</u>	<u>\$ 246,073,112</u>
Business-type activities:					
Land	\$ 417,179	\$ -	\$ -	\$ -	\$ 417,179
Construction in progress	20,372	2,215,135	-	-	2,235,507
Subtotal non-depreciable capital assets	<u>437,551</u>	<u>2,215,135</u>	<u>-</u>	<u>-</u>	<u>2,652,686</u>
Buildings and structures	17,508,052	-	-	-	17,508,052
Improvements other than buildings	12,609,282	194,716	-	-	12,803,998
Furniture and equipment	6,625,951	-	-	-	6,625,951
Right-to-use furniture and equipment	-	235,944	-	-	235,944
Subtotal depreciable/amortizable capital assets	<u>36,743,285</u>	<u>430,660</u>	<u>-</u>	<u>-</u>	<u>37,173,945</u>
Total assets	<u>37,180,836</u>	<u>2,645,795</u>	<u>-</u>	<u>-</u>	<u>39,826,631</u>
Less accumulated depreciation:					
Buildings and structures	(5,257,568)	(426,727)	-	-	(5,684,295)
Improvements other than buildings	(9,104,977)	(304,158)	-	-	(9,409,135)
Furniture and equipment	(3,237,981)	(410,285)	-	-	(3,648,266)
Less: accumulated amortization:					
Furniture and equipment	-	(78,648)	-	-	(78,648)
Total accumulated depreciation and amortization	<u>(17,600,526)</u>	<u>(1,219,818)</u>	<u>-</u>	<u>-</u>	<u>(18,820,344)</u>
Business-type activities capital assets, net	<u>\$ 19,580,310</u>	<u>\$ 1,425,977</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,006,287</u>

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 CAPITAL ASSETS (CONTINUED)

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

Park and Trail Operations	\$ 5,471,551
Recreation, Education and Natural Resources	3,040,297
Planning, Design, and Technology	188,859
General government	11,684
Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets	1,195,198
Total depreciation and amortization expense, governmental activities	\$ 9,907,589
Baker National Golf Course	\$ 236,622
Hyland Hills Ski Area	849,793
Eagle Lake Golf Course	133,403
Total depreciation and amortization expense, business-type activities	\$ 1,219,818

Included in construction-in-progress are several projects in various stages of completion. Outstanding commitments for these projects were \$4,576,698 at December 31, 2022. In March and April of 2023, the Park District entered into construction and consultant agreements for the construction of Mississippi Gateway Regional Park in the amount of \$21,560,861. Funds available from Metropolitan Council and State of Minnesota grants as well as funds available in the G.O. Bond Capital projects Fund, Coon Rapids Dam Rehabilitation Fund, Maintenance and Rehabilitation Fund and the Land Acquisition Development and Betterment Fund will be used to finance these commitments.

NOTE 4 LEASES

The Park District, acting as lessor, leases a horse barn and pasture in a portion of the Baker Park Reserve to a non-profit organization under a non-cancelable lease agreement. The lease expires May 31, 2027 and contains a discount rate of 2.28%. During the year ended December 31, 2022, the Pak District recognized \$4,455 and \$479 in lease revenue and interest revenue, respectively, pursuant to this contract.

Total future minimum lease payments to be received under the lease agreement are as follows:

Year	Governmental Activities	
	Principal	Interest
2023	\$ 4,626	\$ 374
2024	4,732	268
2025	4,841	159
2026	4,929	47
	\$ 19,128	\$ 848

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM DEBT

The Park District has two types of bonded debt outstanding at December 31, 2022: general obligation bonds and general obligation revenue bonds. The first type is payable from general property taxes and the second type is payable primarily from enterprise revenue with any deficiencies to be provided for by general property taxes. The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

As of December 31, 2022, the long-term bonded debt of the Park District consisted of the following:

	Maturities	Rates	Original Issuance Amount	Balance December 31, 2022
Governmental-type activities:				
2013 General Obligation Bonds	2015-2032	2.00%-4.25%	\$ 8,105,000	\$ 175,000
2013 General Obligation Refunding Bonds	2016-2023	3.00%-5.00%	7,965,000	1,170,000
2014 General Obligation Bonds	2016-2030	2.00%-3.00%	7,870,000	4,550,000
2015 General Obligation Bonds	2017-2031	3.00%-3.25%	7,965,000	5,190,000
2016 General Obligation Bonds	2018-2030	2.10%-3.00%	8,425,000	5,435,000
2017 General Obligation Bonds	2019-2031	2.50%-3.00%	8,030,000	5,655,000
2018 General Obligation Bonds	2020-2029	3.00%-5.00%	5,730,000	4,230,000
2019 General Obligation Bonds	2021-2033	2.13%-5.00%	7,800,000	6,915,000
2020 General Obligation Bonds	2022-2030	4.00%-5.00%	5,655,000	5,145,000
2021 General Obligation Bonds	2023-2034	1.10%-5.00%	7,445,000	7,445,000
2022 General Obligation Bonds	2024-2037	3.00%-5.00%	7,955,000	7,955,000
Total governmental-type activities:			<u>\$ 82,945,000</u>	<u>\$ 53,865,000</u>
Business-type activities:				
2015 General Obligation Revenue Bonds	2016-2040	3.00%-3.375%	<u>\$ 6,465,000</u>	<u>\$ 5,110,000</u>

Annual debt service requirements to maturity for the Park District's bonds are as follows:

Year	Governmental-Type Activities General Obligation Bonds		Business-Type Activities General Obligation Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 6,195,000	\$ 1,868,911	\$ 220,000	\$ 159,600
2024	5,300,000	1,628,052	225,000	153,000
2025	5,505,000	1,414,571	230,000	146,250
2026	5,045,000	1,209,496	240,000	139,950
2027	5,220,000	1,013,384	245,000	132,150
2028-2032	21,355,000	2,224,046	1,055,000	546,150
2033-2037	5,245,000	351,562	1,835,000	328,850
2038-2040	-	-	1,060,000	71,969
	<u>\$ 53,865,000</u>	<u>\$ 9,710,022</u>	<u>\$ 5,110,000</u>	<u>\$ 1,677,919</u>

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM DEBT (CONTINUED)

Changes in long-term liabilities for the year ended December 31, 2022 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental-type activities:					
Bonds payable:					
General obligation bonds	\$ 52,890,000	\$ 7,955,000	\$ (6,980,000)	\$ 53,865,000	\$ 7,395,000
Plus unamortized bond premiums	4,365,958	517,369	(1,233,921)	3,649,406	-
Total bonds payable	57,255,958	8,472,369	(8,213,921)	57,514,406	7,395,000
Leases payable	122,634	96,706	(66,056)	153,284	70,704
Compensated absences	4,278,216	2,033,966	(2,137,040)	4,175,142	1,538,591
Total governmental-type activities payable	<u>\$ 79,031,277</u>	<u>\$ 10,603,041</u>	<u>\$ (10,417,017)</u>	<u>\$ 61,842,832</u>	<u>\$ 9,004,295</u>
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 5,660,000	-	\$ (550,000)	\$ 5,110,000	\$ 220,000
Plus unamortized bond premiums	98,440	-	(25,501)	72,939	-
Total bonds payable	5,758,440	-	(575,501)	5,182,939	220,000
Leases payable	235,944	-	(80,830)	155,114	76,486
Compensated absences	424,308	159,943	(183,974)	400,277	111,390
Total business-type activities payable	<u>\$ 6,347,483</u>	<u>\$ 159,943</u>	<u>\$ (840,305)</u>	<u>\$ 5,738,330</u>	<u>\$ 407,876</u>

General Obligation bonds issued for the acquisition and development of large parks, trails, and facilities, as well as fund the computer equipment replacement plan, are backed by the full faith credit and taxing power of the Park District and are financed through the Debt Service Fund.

General Obligation Revenue bonds issued to finance the construction of the ski chalet and related improvements at the Hyland Lake Park Reserve, are backed by the full faith credit and taxing power of the Park District and are supported by the Hyland Hills Ski Area Enterprise Fund and are carried as debt of this fund.

The compensated absences balances represent the accumulated vacation and severance pay amounts owed to employees as of year-end. Actual payments upon termination are made from the fund to which the employee is assigned at the time employment ceases. In addition to the General Fund, the following funds are involved in paying compensated absences upon termination: Scott County Special Revenue Fund, Glen Lake Special Revenue Fund, Baker National Golf Course Fund, Hyland Hills Ski Area Fund, Eagle Lake Golf Course Fund and the Equipment Internal Service Fund.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 5 LONG-TERM DEBT (CONTINUED)

The Park District leases certain equipment and facilities space for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2027 and contain discount rates ranging from 2.72% to 3.53%.

Total future minimum lease payments under the lease agreements are as follows:

Year	Governmental-Type Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 70,704	\$ 4,045	\$ 76,486	\$ 4,343
2024	71,368	2,086	78,628	2,202
2025	5,752	294	-	-
2026	4,050	139	-	-
2027	1,410	15	-	-
	<u>\$ 153,284</u>	<u>\$ 6,579</u>	<u>\$ 155,114</u>	<u>\$ 6,545</u>

Revenue Pledged

Future revenue pledged for the payment of long-term debt is as follows:

Bonds Issue	Use of Proceeds	Type	Revenue Pledged		Remaining Principal and Interest	Current Year	
			Percentage of Total Debt Service	Term of Pledge		Principal and Interest Paid	Pledge Revenue Received
2015 G.O. Revenue Bonds	Construction of Hyland Hills Ski Area Chalet	Net operating revenues of Hyland Hills Ski Area and taxes levied for Debt Service	100%	2020-2040	\$ 6,787,919	\$ 375,900	\$ 7,723,761
Governmental G.O. Bonds and Notes	Park District Improvements	Ad valorem taxes of the Debt Service Fund	100%	2020-2033	\$ 63,575,023	\$ 8,663,749	\$ 7,151,874

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE

A. Plan Description

The Park District participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code (IRC).

1. General Employees Retirement Plan

All full-time and certain part-time employees of the Park District are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

2. Public Employees Police and Fire Plan

The Police and Fire Plan, originally established for police officers and firefighters not covered by a local relief association, now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, the Police and Fire Plan also covers police officers and firefighters belonging to local relief associations that elected to merge with and transfer assets and administration to PERA.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

1. General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

B. Benefits Provided (Continued)

1. General Employees Plan Benefits (Continued)

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

2. Police and Fire Plan Benefits

Benefits for Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after ten years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis from 50% after ten years up to 100% after twenty years of credited service. The annuity accrual rate is 3% of average salary for each year of service. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1%. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

C. Contributions

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

1. General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2022 and the Park District was required to contribute 7.50% for Coordinated Plan members. The Park District's contributions to the General Employees Fund for the year ended December 31, 2022, were \$2,011,269. The Park District's contributions were equal to the required contributions as set by state statute.

2. Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2022 and the Park District was required to contribute 17.70% for Police and Fire Plan members. The Park District's contributions to the Police and Fire Fund for the year ended December 31, 2022, were \$200,897. The Park District's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

1. General Employees Fund Pension Costs

At December 31, 2022, the Park District reported a liability of \$27,775,556 for its proportionate share of the General Employees Fund's net pension liability. The Park District's net pension liability reflected a reduction due to the state of Minnesota's contribution of \$16 million. The state of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The state of Minnesota's proportionate share of the net pension liability associated with the Park District totaled \$814,338.

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Park District's proportionate share of the net pension liability was based on the Park District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The Park District's proportionate share was 0.3507% at the end of the measurement period and 0.3503% for the beginning of the period.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

D. Pension Costs (Continued)

1. General Employees Fund Pension Costs (Continued)

Park District's proportionate share of the net pension liability	\$	27,775,556
State of Minnesota's proportionate share of the net pension liability associated with the Park District		814,338
Total	\$	<u><u>28,589,894</u></u>

For the year ended December 31, 2022, the Park District recognized pension expense of \$3,990,123 for its proportionate share of the General Employees Plan's pension expense.

At December 31, 2022, the Park District reported its proportionate share of the General Employees Plan's 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 economic experience	\$ 232,004	\$ 296,709
Changes in actuarial assumptions	6,286,113	112,968
Difference between projected and actual investment earnings	481,781	-
Changes in proportionate share	557,240	-
Contributions paid to PERA subsequent to the measurement date	1,087,607	-
Total	<u><u>\$ 8,644,745</u></u>	<u><u>\$ 409,677</u></u>

The \$1,087,607 reported as deferred outflows of resources related to pensions resulting from Park District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	Pension expense
2022	\$ 2,779,110
2023	2,736,051
2024	(879,585)
2025	2,511,885
2026	-
Thereafter	-
	<u><u>7,147,461</u></u>

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

D. Pension Costs (Continued)

2. Police and Fire Fund Pension Costs

At December 31, 2022, the Park District reported a liability of \$3,994,773 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Park District's proportionate share of the net pension liability was based on the Park District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021 through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The Park District's proportionate share was 0.0918% at the end of the measurement period and 0.0959% for the beginning of the period.

The state of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2022. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2021. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. Strong asset returns for the fiscal year ended 2021 will accelerate the phasing out of these state contributions, although we do not anticipate them to be phased out during the fiscal year ending 2022.

The state of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the state of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended June 30, 2022, the Park District recognized pension expense of \$183,095 for its proportionate share of the Police and Fire Plan's pension expense. The Park District recognized \$33,848 as grant revenue for its proportionate share of the state of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

D. Pension Costs (Continued)

2. Police and Fire Plan Pension Costs (Continued)

The state of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The Park District recognized \$174,495 for the year ended December 31, 2022 as revenue and an offsetting reduction of net pension liability for its proportionate share of the state of Minnesota's on-behalf contributions to the Police and Fire Fund.

Park District's proportionate share of the net pension liability	\$	3,994,773
State of Minnesota's proportionate share of the net pension liability associated with the Park District		174,495
Total	\$	<u>4,169,268</u>

At December 31, 2022, the Park District reported its proportionate share of the Police and Fire Plan's 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 economic experience	\$ 243,994	\$ -
Changes in actuarial assumptions	2,351,540	24,015
Difference between projected and actual investment earnings	53,543	-
Changes in proportion	-	186,492
Contributions paid to PERA subsequent to the measurement date	108,653	-
Total	<u>\$ 2,757,730</u>	<u>\$ 210,507</u>

The \$108,653 reported as deferred outflows of resources related to pensions resulting from Park District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	Pension expense
2022	\$ 429,966
2023	445,969
2024	429,431
2025	810,317
2026	322,887
Thereafter	-
	<u>\$ 2,438,570</u>

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

E. Long-Term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
Total	100%	

F. Actuarial Assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan and 2.25 percent for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan. The Police and Fire Plan benefit increase is fixed at 1 percent per year and that increase was used in the valuation.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.0 percent after 24 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

F. Actuarial Assumptions (Continued)

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation. The most recent four-year experience studies for the Police and Fire Plan were completed in 2020 and were adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2022:

General Employees Fund

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

Police and Fire Fund

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.40%.

G. Discount Rate

The discount rate used to measure the total pension liability in 2022 was 6.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

In the Police and Fire Fund, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2060. Beginning in fiscal year ended June 30, 2061 for the Police and Fire Fund, projected benefit payments exceed the funds' projected fiduciary net position. Benefit payments projected after were discounted at the municipal bond rate of 3.69 percent (based on the weekly rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The resulting equivalent single discount rate of 5.40 percent was determined to give approximately the same present value of projected benefits when applied to all years of projected benefits as the present value of projected benefits using 6.5 percent applied to all years of projected benefits through the point of asset depletion and 3.69 percent thereafter.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

H. Pension Liability Sensitivity

The following presents the Park District’s proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Park District’s proportionate share of the net pension liability would be if it were calculated using a discount rate 1.0 percentage point lower or 1.0 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate (5.5%)</u>	<u>Discount Rate (6.5%)</u>	<u>1% Increase in Discount Rate (7.5%)</u>
Park District's Proportionate share of the GERP net pension liability	\$ 43,872,945	\$ 27,775,556	\$ 14,573,212
	<u>1% Decrease in Discount Rate (4.4%)</u>	<u>Discount Rate (5.4%)</u>	<u>1% Increase in Discount Rate (6.4%)</u>
Park District's Proportionate share of the PEPFF net pension liability	\$ 6,045,577	\$ 3,994,773	\$ 2,336,821

I. Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the PERA website at www.mnpera.org.

J. Public Employees Defined Contribution Plan (DCP)

Two commissioners of the Park District are covered by the DCP, a multiemployer deferred compensation plan administered by PERA. The DCP is a tax qualified plan under Section 401(a) of the IRC and all contributions by or on behalf of employees are tax deferred until time of withdrawal. Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes 5.0% of salary which is matched by the elected official’s employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 6 DEFINED BENEFIT PENSION PLANS – STATEWIDE (CONTINUED)

J. Public Employees Defined Contribution Plan (DCP) (Continued)

Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2.0% of employer contributions and twenty-five hundredths of 1.0% (0.0025) of the assets in each member’s account annually.

Total contributions made by the Park District during fiscal year 2022 were:

Contribution Amount		Percentage of Covered Payroll		Required
Employee	Employer (Pension Expense)	Employee	Employer	Rate
\$2,430	\$2,430	5%	5%	5%

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN

A. Plan Description

The Park District provides postemployment health care benefits, as defined in paragraph B, through its group health insurance plan (the plan). The plan is a single-employer defined benefit OPEB plan administered by the Park District. The authority to provide these benefits is established in Minnesota Statutes Sections 471.61 Subd. 2a and 299A.465. The benefits, benefit levels, employee contributions and employer contributions are governed by the Park District and can be amended by the Park District through its personnel manual and collective bargaining agreements with employee groups. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

B. Benefits Provided

At retirement, employees of The Park District receiving a retirement or disability benefit, or eligible to receive a benefit, from a Minnesota public pensions plan (other than a volunteer firefighter plan) may continue to participate in the Park District group health insurance plan that the employee was a participant of immediately prior to retirement. Employees may obtain dependent coverage at retirement only if the employee was receiving dependent coverage immediately prior to retirement.

Retirees and spouses are eligible to remain in the Park District group health insurance plan until they attain age 65, provided the applicable premiums are paid. Retirees and spouses that elect not to continue health coverage, at any time, are not eligible to re-enroll in a Park District group health insurance plan.

Retirees that initially obtained spouse coverage may drop spouse coverage and maintain coverage for themselves; retirees may not drop coverage for themselves and maintain spouse coverage. Upon attaining age 65, retirees have the option to continue coverage in a Medicare Supplemental Plan.

Retirees, other than Officers disabled in the line-of-duty, are required to pay the entire premium (group blended) for the Park District group health insurance plan of which they are a participant until age 65, unless otherwise provided for in a collective bargaining agreement or personnel policy.

For Officers disabled in the line-of-duty, Minnesota Statute 299A.465 requires the Officer's employer to continue payment of the employer's contribution toward health coverage for the Officer and their spouse, if the spouse was covered at the time of disability, until age 65.

During 2022, benefits were provided to 2 officers disabled in the line of duty. Retirees who are eligible for Medicare are allowed to continue coverage in one of the Medicare Supplemental Plans and are required to contribute the entire premium.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

C. Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the Park District. The Park District's current year required pay-as-you-go contributions to finance the benefits described in the previous section totaled \$84,586. Total OPEB liability will be paid by the general fund and enterprise funds.

D. Membership

Membership in the plan consisted of the following as of the latest actuarial valuation:

Active plan members	346
Inactive employees or beneficiaries	
currently receiving benefits	8
Total	<u>354</u>

E. Changes in the Total OPEB Liability

Changes in the total OPEB liability are as follows:

Balance - beginning of year	\$ 1,962,213
Changes for the year:	
Service cost	166,684
Interest cost	44,236
Changes of benefit terms	-
Difference between expected and actual experience	273,011
Changes in assumptions	(681,561)
Benefit payments	(84,586)
Net changes	<u>(282,216)</u>
Balance - end of year	<u>\$ 1,679,997</u>

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

F. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Payroll growth rate	NA
Discount rate	2.06% (municipal bond rate)
Healthcare cost trend rates	6.2% in 2022 grading to 5.2% over 3 years to an ultimate rate of 3.9% in 2075
Retirees' share of benefit-related costs	100%

Since the plan is funded on a pay-as-you-go basis, both the discount rate and the investment rate of return were based on published rate information for 20-year high quality, tax exempt, general obligation municipal bonds as of the measurement date.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

The actuarial assumptions (retirement withdrawal) used in the December 31, 2022 valuation are similar to those used to value pension liabilities for Minnesota public employees. The state pension plans base their assumptions on periodic experience studies.

Changes in actuarial assumptions and methods since the last valuation are as follows:

- Medical trend was updated based on recently published trend model and trend surveys to better reflect future anticipated experience.
- Medical per capita claims tables were updated based on recent experience and demographics.
- The discount rate was updated from 2.12% to 2.06% based on recent muni bond index rates.
- Withdrawal, retirement, mortality, disability and salary scale assumptions were updated to those included in the recently published PERA actuarial valuations.
- Future retiree participation rates were updated from 55% to 40% based on analysis of past plan experience.
- Future retiree spouse participation rates were updated from 40% for PERA Coordinated and 60% for PERA Police and Fire to 40% for all participants based on analysis of past plan experience.
- Future retiree medical plan blending was updated based on an analysis of medical plan election rates as of the valuation date.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

G. Total OPEB Liability Sensitivity to Discount and Health Care Cost Trend Rate Changes

The following presents the total OPEB liability of the Park District, as well as what the Park District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease <u>1.06%</u>	Discount Rate <u>2.06%</u>	1% Increase <u>3.06%</u>
Total OPEB Liability	\$1,824,694	\$1,679,997	\$1,544,526

The following presents the total OPEB liability of the Park District, as well as what the Park District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease <u>5.20%</u>	Healthcare Cost Trend Rate <u>6.20%</u>	1% Increase <u>7.20%</u>
Total OPEB Liability	\$1,467,200	\$1,679,997	\$1,934,843

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

H. OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the current year ended, the Park District recognized OPEB expense of \$95,041. As of year-end, the Park District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences Between Expected and Actual Experience	\$ 244,572	\$ 554,621
Changes in Actuarial Assumptions	281,346	684,632
	\$ 525,918	\$ 1,239,253

Amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

Year Ending December 31,	Total
2023	\$ (95,559)
2024	(95,559)
2025	(95,559)
2026	(95,559)
2027	(98,222)
Thereafter	(232,877)
	\$ (713,335)

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 8 INTERFUND RECEIVABLES AND PAYABLES

Interfund borrowing is utilized for cash flow purposes. Interfund receivables and payables at December 31, 2022 are as follows:

	Due From Other Funds	Due to Other Funds
Major Governmental Funds:		
General Fund	\$ 26,836	\$ -
Metro-Three Rivers C.I.P.	-	1,021,651
Land Acquisition Development & Betterment	1,021,651	-
Other Governmental Funds:		
Hyland Greens Golf Course	-	26,836
Total Governmental Funds	\$ 1,048,487	\$ 1,048,487

The Park District has internal advances to Hyland Hills Ski Area Fund for the purchase of snow grooming equipment, to be repaid with interest. In 2019 the Rehabilitation and Maintenance Fund made an advance in the amount of \$263,900. At December 31, 2022, the balance of the advance is \$87,967 reflected in the Rehabilitation and Maintenance fund and the Hyland Hills Ski Area Enterprise Fund.

	Advances to Other Funds	Advances From Other Funds
Major Governmental Funds:		
Rehabilitation Fund	\$ 87,967	\$ -
Enterprise Funds:		
Hyland Ski and Snowboard Area	-	87,967
	\$ 87,967	\$ 87,967

NOTE 9 INTERFUND TRANSFERS

Interfund transfers include a number of transfers and administrative charges in accordance with the Financial Management Plan, Capital Improvement Plan, Joint Powers Agreements, and Trust Agreements. Most of these transfers are designed to allocate financial resources between funds when one fund is responsible for costs incurred by another fund. In addition, the transfers from the G.O. Bond C.I.P. Fund to the Rehabilitation and Maintenance Fund and the G.O. Bond Equipment Fund are to allocate bond proceeds to these funds to help them fund their capital programs. Finally, the transfers between the Noerenberg Trust Fund and the General Fund are to reimburse the General Fund for the cost of operating Noerenberg Gardens in accordance with the donor's wishes.

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 9 INTERFUND TRANSFERS (CONTINUED)

Transfers occurring during the year ended December 31, 2022 are as follows:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 65,420	\$ 30,412
Scott County	288	-
G.O. Bond C.I.P. Fund	-	2,789,660
Other Governmental Funds:		
Rehabilitation and Maintenance Fund	1,689,660	-
General Donations	-	14,838
G.O. Bond Equipment	1,100,000	-
Noerenberg Trust Fund	30,411	43,769
Risk Management	-	7,100
	<u>\$ 2,885,779</u>	<u>\$ 2,885,779</u>

In addition to the above cash transfer the governmental activities transferred \$222,768 of capital assets to the Equipment Internal Service Fund.

NOTE 10 RISK MANAGEMENT

There are several lawsuits in which the Park District is involved. Although the outcome of these lawsuits is not presently determinable, the Park District's officials estimate that the potential claims not covered by insurance resulting from such litigation would not materially affect the financial statements of the Park District. No loss has been recorded on the Park District's financial statements relating to these claims.

Claims have not exceeded insurance coverage for each of the past three years. There were no significant decreases in insurance coverage during 2022.

NOTE 11 STEWARDSHIP AND ACCOUNTABILITY

In 2022, the Hyland Greens Golf Course had a fund balance deficit of (\$31,783). The deficit fund balance in this fund will be eliminated through future operating revenues.

NOTE 12 PRIOR PERIOD RESTATEMENT

Beginning balances of certain fund balances and net position were restated to correct unearned revenue and allocate the Park District's net pension liability and related deferred inflows and outflows. Effects of these restatements is as follows:

Restatement to Correct Unearned Revenue:

	<u>General Fund</u>	<u>Scott County Fund</u>
Fund Balances, January 1	\$ 16,986,191	\$ 1,137,325
Prior Period Restatement to Correct for Prior Year Unearned Revenues	(1,418,226)	(37,468)
Fund Balances, January 1, as Restated	<u>\$ 15,567,965</u>	<u>\$ 1,099,857</u>

**THREE RIVERS PARK DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 12 PRIOR PERIOD RESTATEMENT (CONTINUED)

Restatement to Allocate Net Pension Liability and Rfrelated Deferred Inflows and Outflows:

	Baker National Golf Course	Hyland Hills Ski Area	Eagle Lake Golf Course	Equipment Fund
Net Position, January 1	\$ 4,350,092	\$ 14,189,358	\$ 1,896,543	\$ 7,317,893
Prior Period Restatement to Correct for Prior Year Unearned Revenues	-	(1,690,276)	-	-
Prior Period Restatement to Allocate the Net Pension Liability and Related Deferred Inflows and Outflows to the Respective Funds	(368,827)	(838,936)	(213,410)	(557,724)
Net Position - January 1, as Restated	<u>\$ 3,981,265</u>	<u>\$ 11,660,146</u>	<u>\$ 1,683,133</u>	<u>\$ 6,760,169</u>

	Governmental Activities	Business-Type Activities
Net Position, January 1	\$ 212,888,229	\$ 20,069,678
Prior Period Restatement to Correct for Prior Year Unearned Revenues	(1,455,694)	(1,690,276)
Prior Period Restatement to Allocate the Net Pension Liability and Related Deferred Inflows and Outflows to the Respective Funds	(557,724)	(1,421,173)
Net Position - January 1, as Restated	<u>\$ 210,874,811</u>	<u>\$ 16,958,229</u>

**REQUIRED SUPPLEMENTARY
INFORMATION**



Three Rivers
PARK DISTRICT

**THREE RIVERS PARK DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS PLAN
SCHEDULE OF CHANGES IN THE TOTAL
OPEB LIABILITY AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2022**

	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Total OPEB liability:					
Service cost	\$ 166,684	\$ 143,222	\$ 113,806	\$ 158,995	\$ 145,190
Interest cost	44,236	50,017	91,007	76,768	75,779
Changes in benefit terms	-	-	-	-	-
Differences between expected and actual experience	273,011	(11,431)	(786,194)	-	-
Changes in assumptions	(681,561)	127,481	215,111	(126,973)	63,903
Benefit payments	(84,586)	(58,559)	(67,094)	(73,134)	(70,470)
Net change in total OPEB liability	(282,216)	250,730	(433,364)	35,656	214,402
Total OPEB liability - beginning	1,962,213	1,711,483	2,144,847	2,109,191	1,894,789
Total OPEB liability - ending	<u>\$ 1,679,997</u>	<u>\$ 1,962,213</u>	<u>\$ 1,711,483</u>	<u>\$ 2,144,847</u>	<u>\$ 2,109,191</u>
Covered-employee payroll	\$ 25,700,000	\$ 25,000,000	\$ 24,200,000	\$ 23,500,000	\$ 22,700,000
Total OPEB liability as a percentage of covered-employee payroll	6.54%	7.85%	7.07%	9.13%	9.29%

Notes: The Park District implemented GASB Statement No. 75 in fiscal 2018. This schedule is intended to present 10-year trend information. Additional years will be added as they become available. No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**THREE RIVERS PARK DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
GERF SCHEDULE OF PARK DISTRICT'S AND NONEMPLOYER PROPORTIONATE SHARE OF
NET PENSION LIABILITY AND SCHEDULE OF PARK DISTRICT CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2022**

Schedule of Park District's and Nonemployer Proportionate Share of Net Pension Liability

Park District Fiscal Year End Date	Measurement Date	Park District's Proportion of the Net Pension Liability	Park District's Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liability Associated with the Park District	Total Net Pension Liability Associated with the Park District	Park District's Covered Payroll	Park District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	6/30/2015	0.3348%	\$ 17,351,074	\$ -	\$ 17,351,074	\$ 19,680,584	113.43%	78.20%
12/31/2016	6/30/2016	0.3280%	26,631,973	347,840	26,979,813	20,337,483	75.38%	68.91%
12/31/2017	6/30/2017	0.3292%	21,015,911	264,265	21,280,176	21,130,005	99.29%	75.90%
12/31/2018	6/30/2018	0.3292%	18,262,666	599,051	18,861,717	21,662,335	114.85%	79.53%
12/31/2019	6/30/2019	0.3280%	18,134,385	563,642	18,698,027	23,116,271	123.63%	80.00%
12/31/2020	6/30/2020	0.3375%	20,234,667	623,952	20,858,619	24,082,877	115.46%	79.06%
12/31/2021	6/30/2021	0.3503%	14,959,379	456,832	15,416,211	25,211,143	163.54%	87.00%
12/31/2022	6/30/2022	0.3507%	27,775,556	814,338	28,589,894	26,282,790	91.93%	76.70%

Schedule of Park District Contributions

Park District Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 1,500,386	\$ 1,500,386	\$ -	\$ 20,005,147	7.50%
12/31/2016	1,549,583	1,549,583	-	20,661,107	7.50%
12/31/2017	1,612,500	1,612,500	-	21,500,000	7.50%
12/31/2018	1,699,601	1,699,601	-	22,661,347	7.50%
12/31/2019	1,761,530	1,761,530	-	23,487,067	7.50%
12/31/2020	1,922,793	1,922,793	-	25,637,240	7.50%
12/31/2021	1,931,125	1,931,125	-	25,748,333	7.50%
12/31/2022	2,011,269	2,011,269	-	26,816,920	7.50%

Note: The Park District implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

**THREE RIVERS PARK DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
PEPFF SCHEDULE OF PARK DISTRICT'S PROPORTIONATE SHARE OF NET PENSION
LIABILITY AND SHEDULE OF PARK DISTRICT CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2022**

Schedule of Park District's and Nonemployer Proportionate Share of Net Pension Liability

Park District Fiscal Year End Date	Measurement Date	Park District's Proportion of the Net Pension Liability	Park District's Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liability Associated with the Park District	Total Net Pension Liability Associated with the Park District	Park District's Covered Payroll	Park District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2015	6/30/2015	0.1460%	\$ 1,658,902	\$ 1,343,298	\$ 3,002,200	\$ 1,343,298	44.74%	78.20%
12/31/2016	6/30/2016	0.1340%	5,377,653	1,287,578	6,665,231	1,287,578	19.32%	68.91%
12/31/2017	6/30/2017	0.1190%	1,606,642	1,216,980	2,823,622	1,216,980	43.10%	75.90%
12/31/2018	6/30/2018	0.1137%	1,211,925	1,198,776	2,410,701	1,198,776	49.73%	79.53%
12/31/2019	6/30/2019	0.1017%	1,082,699	1,073,302	2,156,001	1,073,302	49.78%	80.00%
12/31/2020	6/30/2020	0.0972%	1,281,200	1,095,430	2,376,630	1,095,430	46.09%	79.06%
12/31/2021	6/30/2021	0.0959%	740,246	1,133,161	1,873,407	1,133,161	60.49%	87.00%
12/31/2022	6/30/2022	0.0918%	3,994,773	174,495	4,169,268	1,118,860	26.84%	76.70%

Schedule of Park District Contributions

Park District Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 207,461	\$ 207,461	\$ -	\$ 1,280,623	16.20%
12/31/2016	206,682	206,682	-	1,275,815	16.20%
12/31/2017	194,047	194,047	-	1,197,821	16.20%
12/31/2018	182,114	182,114	-	1,124,160	16.20%
12/31/2019	183,695	183,695	-	1,083,746	16.95%
12/31/2020	204,780	204,780	-	1,156,949	17.70%
12/31/2021	197,291	197,291	-	1,114,638	17.70%
12/31/2022	200,898	200,898	-	1,135,017	17.70%

Note: The Park District implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2015 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

**THREE RIVERS PARK DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 PENSION INFORMATION

General Employees Retirement Fund

2022 Changes

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 Changes

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years two through five and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

**THREE RIVERS PARK DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 PENSION INFORMATION (CONTINUED)

General Employees Retirement Fund (Continued)

2020 Changes (Continued)

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes

Changes in Actuarial Assumptions

- The morality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 Changes

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00% per year through 2044 and 2.50% per year thereafter to 1.25% per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00% to 3.00% , beginning July 1, 2018.
- Deferred augmentation was changed to 0.00% , effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00% per year with a provision to increase to 2.50% upon attainment of 90.00% funding ratio to 50.00% of the Social Security Cost of Living Adjustment, not less than 1.00% and not more than 1.50%, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

**THREE RIVERS PARK DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 PENSION INFORMATION (CONTINUED)

General Employees Retirement Fund (Continued)

2017 Changes

Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.8% for active members and 60% for vested and nonvested deferred members. The revised CSA loads are now 0.0% for active member liability, 15.0% for vested deferred member liability, and 3.0% for nonvested deferred member liability.
- The assumed postretirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 Changes

Changes in Actuarial Assumptions:

- The assumed postretirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.5% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions:

- The assumed postretirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% per year thereafter.

Changes in Plan Provisions:

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

**THREE RIVERS PARK DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 PENSION INFORMATION (CONTINUED)

Public Employees Police and Fire Fund

2022 Changes

Change in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.
- The single discount rate changed from 6.50% to 5.40%.

2021 Changes

Changes in Actuarial Assumptions:

- The investment return and single discount rates were changed from 7.50% to 6.50%, for financial reporting purposes.
- The inflation assumption was changed from 2.50% to 2.25%.
- The payroll growth assumption was changed from 3.25% to 3.00%.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020.
- The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020).
- Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates.
- Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities.
- Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

2020 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2018 to MP-2019.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

**THREE RIVERS PARK DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 PENSION INFORMATION (CONTINUED)

Public Employees Police and Fire Fund (Continued)

2018 Changes

Changes in Actuarial Assumptions:

- The mortality projection scale was changed from MP-2016 to MP-2017.

Changes in Plan Provisions

- Postretirement benefit increases were changed to 1.00% for all years, with no trigger.
- An end date of July 1, 2048 was added to the existing \$9.0 million state contribution
- New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9.0 million thereafter until the plan reaches 100% funding, or July 1, 2048, if earlier.
- Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019 and 11.80% of pay, effective January 1, 2020.
- Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019 and 17.70% of pay, effective January 1, 2020.
- Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- Assumed rates of retirement were changed, resulting in fewer retirements.
- The Combined Service Annuity (CSA) load was 30% for vested and nonvested deferred members. The CSA has been changed to 33% for vested members and 2% for nonvested members.
- The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees.

**THREE RIVERS PARK DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

NOTE 1 PENSION INFORMATION (CONTINUED)

Public Employees Police and Fire Fund (Continued)

2017 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- Assumed termination rates were decreased to 3.0% for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall.
- Assumed percentage of married female members was decreased from 65% to 60%.
- Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females.
- The assumed percentage of female members electing Joint and Survivor annuities was increased.
- The assumed postretirement benefit increase rate was changed from 1.0% for all years to 1.0% per year through 2064 and 2.5% thereafter.
- The single discount rate changed from 5.6% to 7.5% per annum.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2016 Changes

Changes in Actuarial Assumptions:

- The assumed postretirement benefit increase rate was changed from 1.05% per year through 2037 and 2.5% thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%.
- The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.5% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Plan Provisions:

- The postretirement benefit increase to be paid after attainment of the 90% funding threshold was changed, from inflation up to 2.5%, to a fixed rate of 2.5%.

Changes in Actuarial Assumptions:

- The assumed postretirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2037 and 2.5% per year thereafter.

**THREE RIVERS PARK DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022**

NOTE 2 OTHER POSTEMPLOYMENT BENEFITS INFORMATION

Other Postemployment Benefits Plan

2022 Changes

Changes in Actuarial Assumptions:

- Medical trend was updated based on recently published trend model and trend surveys to better reflect future anticipated experience.
- Medical per capita claims tables were updated based on recent experience and demographics.
- The discount rate was updated from 2.12% to 2.06% based on recent muni bond index rates.
- Withdrawal, retirement, mortality, disability and salary scale assumptions were updated to those included in the recently published PERA actuarial valuations.
- Future retiree participation rates were updated from 55% to 40% based on analysis of past plan experience.
- Future retiree spouse participation rates were updated from 40% for PERA Coordinated and 60% for PERA Police and Fire to 40% for all participants based on analysis of past plan experience.
- Future retiree medical plan blending was updated based on an analysis of medical plan election rates as of the valuation date.

Changes in Plan Provisions: None

2021 Changes

Changes in Actuarial Assumptions: None

Changes in Plan Provisions: None

2020 Changes

Changes in Actuarial Assumptions:

- Medical trend was updated based on recently published trend model and trend surveys to better reflect future anticipated experience
- The discount rate was changed from 2.74% to 2.12%.
- Withdrawal, retirement, mortality, disability and salary scale assumptions were updated to those included in the PERA actuarial valuations.
- Per capita medical and prescription drug claims and administration costs were updated based on claims experience, fees and administrative costs for 2018 and 2019.

Changes in Plan Provisions: None

2019 Changes

Changes in Actuarial Assumptions: None

Changes in Plan Provisions: None

**COMBINING AND INDIVIDUAL
NONMAJOR FUND
FINANCIAL STATEMENTS**



ThreeRivers
PARK DISTRICT

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

A Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes. The following are nonmajor special revenue funds:

Rehabilitation and Maintenance

A fund established to account for the revenues and expenditures associated with funding from the State of Minnesota and the Metropolitan Council for operations and maintenance from state funds in lieu of lottery proceeds.

Glen Lake Golf Course

This fund is used to account for activity related to operating Hennepin County's golf facility.

Parkers' Lake Golf Course

This fund is used to account for activity related to operating Hennepin County's golf facility.

Hyland Greens Golf Course

This fund is used to account for activity related to operating the City of Bloomington's golf facility.

General Donations

This fund was established to account for the receipt and expenditure of general donations from individuals and organizations.

Capital Projects Funds

Capital projects funds account for the financial resources that are restricted, committed, or assigned to expenditures for the acquisition, development and betterment of Park District facilities other than those facilities financed by proprietary funds.

Scott-Three Rivers CIP

A fund established to account for monies contributed by Scott County and the Park District to fund capital projects for Park District facilities in Scott County.

Coon Rapids Dam (CRD) Rehabilitation

This fund was established to account for funds for the purpose of maintaining, repairing and/or operating the Coon Rapids Dam and Walkway.

General Obligation Bond Equipment

A fund established to account for the revenue from General Obligation Bond sales. These monies will be used to fund the Technology Plan.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

C.E. French Endowment

This fund accounts for the original donations to honor the Park District's first Park Superintendent. At Mr. French's request, the funds are to be used for staff development and training. Mr. French's desire was that the funds remain in perpetuity.

Noerenberg Trust

This fund was established to account for a substantial bequest to provide ongoing revenue for annual operation of and capital improvements to the Noerenberg Memorial Gardens property, which was also part of the bequest.

Eastman Library Trust

This fund was established to account for the specific donations of which the investment earnings are used to provide additional resource materials for the library at the Eastman Nature Center in the Elm Creek Park Reserve.



Three Rivers
PARK DISTRICT

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**THREE RIVERS PARK DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	Special Revenue					Total Special Revenue
	Rehabilitation & Maintenance	Glen Lake Golf Course	Parkers Lake Golf Center	Hyland Greens Golf Course	General Donations	
ASSETS						
Cash, cash equivalents, and investments	\$ 3,102,689	\$ 504,541	\$ 35,212	\$ -	\$ 1,022,326	\$ 4,664,768
Other receivables	-	-	249	498	-	747
Due from other governmental units	168,640	-	-	-	-	168,640
Advance to other funds	87,967	-	-	-	-	87,967
Prepaid items	225	-	-	-	-	225
Inventory	-	10,148	-	1,441	-	11,589
Total Assets	\$ 3,359,521	\$ 514,689	\$ 35,461	\$ 1,939	\$ 1,022,326	\$ 4,933,936
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 60,985	\$ 61,793	\$ 3,726	\$ 1,943	\$ 1,901	\$ 130,348
Accrued liabilities	-	8,868	249	3,181	-	12,298
Due to other funds	-	-	-	26,836	-	26,836
Due to other government units	610	926	285	1,762	-	3,583
Total Liabilities	61,595	71,587	4,260	33,722	1,901	173,065
Fund balances:						
Nonspendable:						
Prepaid items	225	-	-	-	-	225
Inventory	-	10,148	-	1,441	-	11,589
C.E. French Endowment - non-expendable	-	-	-	-	-	-
Noerenberg Trust - non-expendable	-	-	-	-	-	-
Eastman Library - non-expendable	-	-	-	-	-	-
Restricted:						
Capital improvement projects	-	-	-	-	-	-
Maintain and rehabilitate existing facilities	2,058,133	-	-	-	-	2,058,133
C.E. French Endowment	-	-	-	-	-	-
Eastman Library	-	-	-	-	-	-
Committed:						
Maintain and rehabilitate existing facilities	1,239,568	432,954	31,201	-	-	1,703,723
Betterment of and access to facilities & programs	-	-	-	-	1,020,425	1,020,425
Assigned						
Capital improvement projects	-	-	-	-	-	-
Unassigned:						
	-	-	-	(33,224)	-	(33,224)
Total Fund Balances	3,297,926	443,102	31,201	(31,783)	1,020,425	4,760,871
Total Liabilities and Fund Balances	\$ 3,359,521	\$ 514,689	\$ 35,461	\$ 1,939	\$ 1,022,326	\$ 4,933,936

**THREE RIVERS PARK DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

Capital Project				Permanent				
Scott- Three Rivers C.I.P.	CRD Rehabilitation	G.O. Bond Equipment	Total Capital Project	C.E. French Endowment	Noerenberg Trust	Eastman Library	Total Permanent	Total Nonmajor Governmental
\$ 183,522	\$ 424,120	\$ 207,603	\$ 815,245	\$ 47,486	\$ 1,200,000	\$ 10,314	\$ 1,257,800	\$ 6,737,813
-	-	-	-	-	-	-	-	747
36,731	-	-	36,731	-	-	-	-	205,371
-	-	-	-	-	-	-	-	87,967
-	-	38,007	38,007	-	-	-	-	38,232
-	-	-	-	-	-	-	-	11,589
<u>\$ 220,253</u>	<u>\$ 424,120</u>	<u>\$ 245,610</u>	<u>\$ 889,983</u>	<u>\$ 47,486</u>	<u>\$ 1,200,000</u>	<u>\$ 10,314</u>	<u>\$ 1,257,800</u>	<u>\$ 7,081,719</u>
\$ 118,099	\$ -	\$ 3,999	\$ 122,098	\$ -	\$ -	\$ 180	\$ 180	\$ 252,626
-	-	-	-	-	-	-	-	12,298
-	-	-	-	-	-	-	-	26,836
-	-	31	31	-	-	-	-	3,614
<u>118,099</u>	<u>-</u>	<u>4,030</u>	<u>122,129</u>	<u>-</u>	<u>-</u>	<u>180</u>	<u>180</u>	<u>295,374</u>
-	-	38,007	38,007	-	-	-	-	38,232
-	-	-	-	-	-	-	-	11,589
-	-	-	-	28,519	-	-	28,519	28,519
-	-	-	-	-	1,200,000	-	1,200,000	1,200,000
-	-	-	-	-	-	5,025	5,025	5,025
-	-	203,573	203,573	-	-	-	-	203,573
102,154	-	-	102,154	-	-	-	-	2,160,287
-	-	-	-	18,967	-	-	18,967	18,967
-	-	-	-	-	-	5,109	5,109	5,109
-	-	-	-	-	-	-	-	1,703,723
-	-	-	-	-	-	-	-	1,020,425
-	424,120	-	424,120	-	-	-	-	424,120
-	-	-	-	-	-	-	-	(33,224)
<u>102,154</u>	<u>424,120</u>	<u>241,580</u>	<u>767,854</u>	<u>47,486</u>	<u>1,200,000</u>	<u>10,134</u>	<u>1,257,620</u>	<u>6,786,345</u>
<u>\$ 220,253</u>	<u>\$ 424,120</u>	<u>\$ 245,610</u>	<u>\$ 889,983</u>	<u>\$ 47,486</u>	<u>\$ 1,200,000</u>	<u>\$ 10,314</u>	<u>\$ 1,257,800</u>	<u>\$ 7,081,719</u>

**THREE RIVERS PARK DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Special Revenue					
	Rehabilitation & Maintenance	Glen Lake Golf Course	Parkers Lake Golf Center	Hyland Greens Golf Course	General Donations	Total Special Revenue
Revenues:						
Intergovernmental	\$ 1,542,870	\$ 20,668	\$ -	\$ -	\$ -	\$ 1,563,538
Charges for park use	-	6,644	-	700	-	7,344
Golf charges for services	-	793,040	151,731	458,453	-	1,403,224
Concession charges for services	-	57,278	1,717	25,918	-	84,913
Rental charges for services	-	157,476	-	65,555	-	223,031
Merchandise charges for services	-	22,932	1,454	8,700	-	33,086
Lesson and league charges for service	-	143,973	30,894	57,838	-	232,705
Investment earnings (charges)	(96,376)	(20,685)	(1,290)	(346)	(43,365)	(162,062)
Other	-	1,493	1	3,269	303,627	308,390
Total revenues	<u>1,446,494</u>	<u>1,182,819</u>	<u>184,507</u>	<u>620,087</u>	<u>260,262</u>	<u>3,694,169</u>
Expenditures:						
Current:						
Park and Trail Operations	2,681,169	393,990	80,295	339,434	34,058	3,528,946
Recreation, Education, and Natural Resources	-	466,125	70,087	239,098	144,697	920,007
Planning, Design, and Technology	-	-	-	-	-	-
General Government	-	90,367	-	-	-	90,367
Debt Service:						
Principal	21,600	24,568	1,843	-	-	48,011
Capital outlay	123,402	-	-	-	-	123,402
Total expenditures	<u>2,826,171</u>	<u>975,050</u>	<u>152,225</u>	<u>578,532</u>	<u>178,755</u>	<u>4,710,733</u>
Excess of revenues over (under) expenditures	<u>(1,379,677)</u>	<u>207,769</u>	<u>32,282</u>	<u>41,555</u>	<u>81,507</u>	<u>(1,016,564)</u>
Other financing sources (uses):						
Transfer in	1,689,660	-	-	-	160,000	1,849,660
Transfer (out)	-	-	-	-	(174,838)	(174,838)
Issuance of Long-Term Leases	77,473	-	-	-	-	77,473
Total other financing sources (uses)	<u>1,767,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,838)</u>	<u>1,752,295</u>
Net Change in Fund Balances	<u>387,456</u>	<u>207,769</u>	<u>32,282</u>	<u>41,555</u>	<u>66,669</u>	<u>735,731</u>
Fund balances, January 1	<u>2,910,470</u>	<u>235,333</u>	<u>(1,081)</u>	<u>(73,338)</u>	<u>953,756</u>	<u>4,025,140</u>
Fund balance, December 31	<u>\$ 3,297,926</u>	<u>\$ 443,102</u>	<u>\$ 31,201</u>	<u>\$ (31,783)</u>	<u>\$ 1,020,425</u>	<u>\$ 4,760,871</u>

**THREE RIVERS PARK DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

Capital Projects				Permanent				Total Nonmajor Governmental
Scott- Three Rivers C.I.P.	CRD Rehabilitation	G.O. Bond Equipment	Total Capital Projects	C.E. French Endowment	Noerenberg Trust	Eastman Library	Total Permanent	
\$ 123,360	\$ -	\$ -	\$ 123,360	\$ -	\$ -	\$ -	\$ -	\$ 1,686,898
-	-	-	-	-	-	-	-	7,344
-	-	-	-	-	-	-	-	1,403,224
-	-	-	-	-	-	-	-	84,913
-	-	-	-	-	-	-	-	223,031
-	-	-	-	-	-	-	-	33,086
-	-	-	-	-	-	-	-	232,705
(8,893)	(19,228)	1,433	(26,688)	(2,363)	13,358	(490)	10,505	(178,245)
-	-	-	-	-	-	-	-	308,390
<u>114,467</u>	<u>(19,228)</u>	<u>1,433</u>	<u>96,672</u>	<u>(2,363)</u>	<u>13,358</u>	<u>(490)</u>	<u>10,505</u>	<u>3,801,346</u>
279,451	28,765	-	308,216	-	-	-	-	3,837,162
-	-	-	-	5,725	-	493	6,218	926,225
-	-	1,185,887	1,185,887	-	-	-	-	1,185,887
-	-	4,442	4,442	-	-	-	-	94,809
-	-	-	-	-	-	-	-	48,011
-	-	-	-	-	-	-	-	123,402
<u>279,451</u>	<u>28,765</u>	<u>1,190,329</u>	<u>1,498,545</u>	<u>5,725</u>	<u>-</u>	<u>493</u>	<u>6,218</u>	<u>6,215,496</u>
<u>(164,984)</u>	<u>(47,993)</u>	<u>(1,188,896)</u>	<u>(1,401,873)</u>	<u>(8,088)</u>	<u>13,358</u>	<u>(983)</u>	<u>4,287</u>	<u>(2,414,150)</u>
-	-	1,100,000	1,100,000	-	30,411	-	30,411	2,980,071
-	-	-	-	-	(43,769)	-	(43,769)	(218,607)
-	-	-	-	-	-	-	-	77,473
-	-	1,100,000	1,100,000	-	(13,358)	-	(13,358)	2,838,937
<u>(164,984)</u>	<u>(47,993)</u>	<u>(88,896)</u>	<u>(301,873)</u>	<u>(8,088)</u>	<u>-</u>	<u>(983)</u>	<u>(9,071)</u>	<u>424,787</u>
<u>267,138</u>	<u>472,113</u>	<u>330,476</u>	<u>1,069,727</u>	<u>55,574</u>	<u>1,200,000</u>	<u>11,117</u>	<u>1,266,691</u>	<u>6,361,558</u>
<u>\$ 102,154</u>	<u>\$ 424,120</u>	<u>\$ 241,580</u>	<u>\$ 767,854</u>	<u>\$ 47,486</u>	<u>\$ 1,200,000</u>	<u>\$ 10,134</u>	<u>\$ 1,257,620</u>	<u>\$ 6,786,345</u>

**THREE RIVERS PARK DISTRICT
GLEN LAKE GOLF COURSE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original Budget	Budget as Amended	Actual	Variance Over/(Under) Amended Budget
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 20,668	\$ 20,668
Charges for park use	20,500	20,500	6,644	(13,856)
Golf charges for services	671,078	671,078	793,040	121,962
Concession charges for services	56,000	56,000	57,278	1,278
Rental charges for services	112,341	112,341	157,476	45,135
Merchandise charges for services	21,273	21,273	22,932	1,659
Lesson and league charges for services	126,250	126,250	143,973	17,723
Investment earnings	-	-	(20,685)	(20,685)
Other	5,000	5,000	1,493	(3,507)
Total revenues	<u>1,012,442</u>	<u>1,012,442</u>	<u>1,182,819</u>	<u>170,377</u>
EXPENDITURES:				
Park and Trail Operations	411,956	411,956	393,990	(17,966)
Recreation, Education, and Natural Resources	464,779	464,779	466,125	1,346
General Government	145,707	145,707	90,367	(55,340)
Total expenditures	<u>1,022,442</u>	<u>1,022,442</u>	<u>950,482</u>	<u>(71,960)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10,000)	(10,000)	232,337	242,337
OTHER FINANCING SOURCES:				
Transfer in	10,000	10,000	-	(10,000)
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	232,337	<u>\$ 232,337</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>235,333</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 467,670</u>	

**THREE RIVERS PARK DISTRICT
PARKERS LAKE GOLF COURSE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original Budget	Budget as Amended	Actual	Variance Over/(Under) Amended Budget
REVENUES:				
Golf charges for services	\$ 142,000	\$ 142,000	\$ 151,731	\$ 9,731
Concession charges for services	2,000	2,000	1,717	(283)
Merchandise charges for services	2,000	2,000	1,454	(546)
Lesson and league charges for services	27,000	27,000	30,894	3,894
Investment earnings	-	-	(1,290)	(1,290)
Other	-	-	1	1
Total revenues	<u>173,000</u>	<u>173,000</u>	<u>184,507</u>	<u>11,507</u>
EXPENDITURES:				
Park and Trail Operations	78,247	78,247	80,295	2,048
Recreation, Education, and Natural Resources	92,798	92,798	70,087	(22,711)
General Government	1,955	1,955	-	(1,955)
Total expenditures	<u>173,000</u>	<u>173,000</u>	<u>150,382</u>	<u>(22,618)</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	34,125	<u>\$ 34,125</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>(1,081)</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 33,044</u>	

**THREE RIVERS PARK DISTRICT
HYLAND GREENS GOLF COURSE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022**

	Original Budget	Budget as Amended	Actual	Variance Over/(Under) Amended Budget
REVENUES:				
Charges for park use	\$ -	\$ -	\$ 700	\$ 700
Golf charges for services	506,000	506,000	458,453	(47,547)
Concession charges for services	40,000	40,000	25,918	(14,082)
Rental charges for services	66,000	66,000	65,555	(445)
Merchandise charges for services	14,618	14,618	8,700	(5,918)
Lesson and league charges for services	50,000	50,000	57,838	7,838
Investment earnings	-	-	(346)	(346)
Other	-	-	3,269	3,269
Total revenues	<u>676,618</u>	<u>676,618</u>	<u>620,087</u>	<u>(56,531)</u>
EXPENDITURES:				
Park and Trail Operations	369,931	369,931	339,434	(30,497)
Recreation, Education, and Natural Resources	306,687	306,687	239,098	(67,589)
Total expenditures	<u>676,618</u>	<u>676,618</u>	<u>578,532</u>	<u>(98,086)</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	41,555	<u>\$ 41,555</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>(73,338)</u>	
FUND BALANCE AT END OF YEAR			<u>\$ (31,783)</u>	

Internal Service Funds

Internal service funds are used by the Park District to account for the financing of goods or services, provided by one department to other departments of the Park District on a cost reimbursement basis.

Equipment Internal Service Fund

This fund is used to account for the rental of vehicles and other equipment to other departments and related costs.

Risk Management Internal Service Fund

This fund is used to account for all insurance premiums, recoveries, self-funded losses, legal costs and other expenses associated with risk management activities of the Park District.



Three Rivers
PARK DISTRICT

**THREE RIVERS PARK DISTRICT
COMBINING STATEMENT OF NET POSITION – INTERNAL SERVICE FUNDS
AS OF DECEMBER 31, 2022**

	Equipment	Risk Management	Total
ASSETS:			
Current Assets:			
Cash and cash equivalents	\$ 1,479,137	\$ 1,575,037	\$ 3,054,174
Prepaid items	2,676	-	2,676
Inventories	399,664	-	399,664
Total current assets	<u>1,881,477</u>	<u>1,575,037</u>	<u>3,456,514</u>
Noncurrent Assets:			
Capital assets:			
Depreciable	19,019,384	-	19,019,384
Accumulated depreciation	<u>(12,854,463)</u>	<u>-</u>	<u>(12,854,463)</u>
Total capital assets	<u>6,164,921</u>	<u>-</u>	<u>6,164,921</u>
Total assets	<u>8,046,398</u>	<u>1,575,037</u>	<u>9,621,435</u>
Deferred Outflows of Resources Related to Pensions	<u>279,260</u>	<u>-</u>	<u>279,260</u>
LIABILITIES:			
Current Liabilities:			
Accounts payable	150,472	40,410	190,882
Accrued liabilities	28,303	-	28,303
Due to other government units	2,552	-	2,552
Current portion of compensated absences	58,964	-	58,964
Total current liabilities	<u>240,291</u>	<u>40,410</u>	<u>280,701</u>
Noncurrent Liabilities:			
Accrued liabilities	-	235,304	235,304
Compensated absences	113,993	-	113,993
Net pension liability	897,264	-	897,264
Total noncurrent liabilities	<u>1,011,257</u>	<u>235,304</u>	<u>1,246,561</u>
Total liabilities	<u>1,251,548</u>	<u>275,714</u>	<u>1,527,262</u>
Deferred Inflows of Resources Related to Pensions	<u>13,234</u>	<u>-</u>	<u>13,234</u>
NET POSITION:			
Net investment in capital assets	6,164,921	-	6,164,921
Unrestricted	895,955	1,299,323	2,195,278
Total net position	<u>\$ 7,060,876</u>	<u>\$ 1,299,323</u>	<u>\$ 8,360,199</u>

**THREE RIVERS PARK DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION –
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Equipment	Risk Management	Total
OPERATING REVENUES:			
Interfund services used	\$ 3,740,017	\$ 682,000	\$ 4,422,017
Miscellaneous charges	3,634	391,369	395,003
Total operating revenues	<u>3,743,651</u>	<u>1,073,369</u>	<u>4,817,020</u>
OPERATING EXPENSES:			
Salaries and wages	886,122	-	886,122
Retirement contributions	200,078	-	200,078
Insurance contributions and other benefits	169,977	424,971	594,948
Supplies and commodities	1,102,557	-	1,102,557
Professional service fees	-	294,148	294,148
Repair and maintenance service fees	110,000	120,336	230,336
Utilities	49,048	-	49,048
Equipment rental	1,243	-	1,243
Claims settlements	-	2,500	2,500
Insurances premiums	-	676,539	676,539
Other services and charges	57,975	-	57,975
Depreciation	1,195,198	-	1,195,198
Total operating expenses	<u>3,772,198</u>	<u>1,518,494</u>	<u>5,290,692</u>
OPERATING LOSS	(28,547)	(445,125)	(473,672)
NONOPERATING REVENUES (EXPENSES):			
Investment earnings	(68,565)	(56,310)	(124,875)
Gain on disposal of assets	175,051	-	175,051
Total nonoperating revenues (expenses)	<u>106,486</u>	<u>(56,310)</u>	<u>50,176</u>
Income (loss) before contributions and transfers	77,939	(501,435)	(423,496)
Capital contributions	222,768	-	222,768
Transfers:			
Transfer out	-	(7,100)	(7,100)
Change in position	300,707	(508,535)	(207,828)
Net Position - Beginning	7,317,893	1,807,858	9,125,751
Prior period adjustment - see Note 13	(557,724)	-	(557,724)
Net Position - Beginning balance, as restated	<u>6,760,169</u>	<u>1,807,858</u>	<u>8,568,027</u>
Net Position - Ending	<u>\$ 7,060,876</u>	<u>\$ 1,299,323</u>	<u>\$ 8,360,199</u>

**THREE RIVERS PARK DISTRICT
COMBINING STATEMENT OF CASH FLOWS – INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Equipment	Risk Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interfund services	\$ 3,740,017	\$ 682,000	\$ 4,422,017
Charges for services	-	717,401	717,401
Payments to suppliers	(1,356,392)	(417,116)	(1,773,508)
Payments to employees for services	(1,168,305)	(424,971)	(1,593,276)
Premiums and claims paid	-	(662,739)	(662,739)
Other operating revenues	3,634	-	3,634
Net cash provided (used) by operating activities	<u>1,218,954</u>	<u>(105,425)</u>	<u>1,113,529</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of property and equipment	(1,396,330)	-	(1,396,330)
Sale of property	174,737	-	174,737
Transfers to other funds	-	(7,100)	(7,100)
Net cash used by capital and related financing activities:	<u>(1,221,593)</u>	<u>(7,100)</u>	<u>(1,228,693)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on investments	(68,565)	(56,310)	(124,875)
DECREASE IN CASH AND CASH EQUIVALENTS	(71,204)	(168,835)	(240,039)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,550,341	1,743,872	3,294,213
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,479,137</u>	<u>\$ 1,575,037</u>	<u>\$ 3,054,174</u>
RECONCILIATIONS OF OPERATING (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating (loss)	\$ (28,547)	\$ (445,125)	\$ (473,672)
Adjustments to reconcile operating (loss) to net cash provided (used) by operating activities:			
Depreciation	1,195,198	-	1,195,198
(Increase) decrease in:			
Receivables	-	326,032	326,032
Prepaid items	2,873	-	2,873
Inventory	(19,177)	-	(19,177)
Deferred outflows of resources - pensions	(279,260)	-	(279,260)
Increase (decrease) in:			
Accounts payable	(19,079)	(2,227)	(21,306)
Other accrued liabilities	7,769	16,300	24,069
Due to other government units	(186)	(405)	(591)
Compensated absences	4,971	-	4,971
Net pension liability	341,158	-	341,158
Deferred inflows of resources - pensions	13,234	-	13,234
Net cash provided (used) by operating activities	<u>\$ 1,218,954</u>	<u>\$ (105,425)</u>	<u>\$ 759,137</u>
NONCASH ACTIVITIES:			
Disposal of assets	<u>\$ 1,304</u>	<u>\$ -</u>	<u>\$ 1,304</u>
Property contributed by other funds	<u>\$ 222,768</u>	<u>\$ -</u>	<u>\$ 222,768</u>
Share of state pension annual costs	<u>\$ 75,132</u>	<u>\$ -</u>	<u>\$ 75,132</u>

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**STATISTICAL SECTION
(UNAUDITED)**



Three Rivers
PARK DISTRICT

STATISTICAL SECTION (UNAUDITED)

This part of the Park District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Park District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the Park District's financial performance and well-being have changed over time.</i>	130
Revenue Capacity <i>These schedules contain information to help the reader assess the Park District's most significant local revenue source, the property tax.</i>	139
Debt Capacity <i>These schedules contain information to help the reader assess the affordability of the Park District's current levels of outstanding debt and the Park District's ability to issue additional debt in the future.</i>	144
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Park District's financial activities take place.</i>	150
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Park District's financial report relates to the services the Park District provides and the activities it performs.</i>	152

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



Three Rivers
PARK DISTRICT

**THREE RIVERS PARK DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 152,550,764	\$ 155,537,813	\$ 161,381,872	\$ 175,870,459	\$ 187,122,540	\$ 186,859,465	\$ 197,759,700	\$ 200,724,828	\$ 200,578,305	\$ 198,406,468
Restricted	13,670,996	15,761,541	16,662,454	17,025,262	18,093,256	18,971,111	14,337,273	11,085,422	9,901,174	9,544,787
Unrestricted	25,696,582	26,190,237	6,070,047	822,083	(2,723,382)	(2,453,021)	(2,466,192)	(1,028,235)	2,408,750	1,580,182
Total governmental activities net position	\$ 191,918,342	\$ 197,489,591	\$ 184,114,373	\$ 193,717,804	\$ 202,492,414	\$ 203,377,555	\$ 209,630,781	\$ 210,782,015	\$ 212,888,229	\$ 209,531,437
Business-type activities										
Net investment in capital assets	\$ 8,263,254	\$ 8,279,050	\$ 12,923,861	\$ 14,015,457	\$ 12,942,219	\$ 12,761,412	\$ 12,325,433	\$ 13,549,058	\$ 13,789,537	\$ 15,615,236
Unrestricted	4,092,654	3,597,171	3,109,217	1,307,593	1,489,684	1,989,788	2,608,772	3,606,716	6,280,141	2,893,186
Total business-type activities net position	\$ 12,355,908	\$ 11,876,221	\$ 16,033,078	\$ 15,323,050	\$ 14,431,903	\$ 14,751,200	\$ 14,934,205	\$ 17,155,774	\$ 20,069,678	\$ 18,508,422
Primary government										
Net investment in capital assets	\$ 160,814,018	\$ 163,816,863	\$ 174,305,733	\$ 189,885,916	\$ 200,064,759	\$ 199,620,877	\$ 210,085,133	\$ 214,273,886	\$ 214,367,842	\$ 214,021,704
Restricted	13,670,996	15,761,541	16,662,454	17,025,262	18,093,256	18,971,111	14,337,273	11,085,422	9,901,174	9,544,787
Unrestricted	29,789,236	29,787,408	9,179,264	2,129,676	(1,233,698)	(463,233)	142,580	2,578,481	8,688,891	4,473,368
Total primary government net position	\$ 204,274,250	\$ 209,365,812	\$ 200,147,451	\$ 209,040,854	\$ 216,924,317	\$ 218,128,755	\$ 224,564,986	\$ 227,937,789	\$ 232,957,907	\$ 228,039,859

Note: GASB 68 was implemented in 2015. Net position was restated for 2015 to reflect the reporting of the net pension liability and pension related deferred outflows and inflows of resources. Net position for years prior to 2015 was not restated.

**THREE RIVERS PARK DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities										
Park and Trail Operations	\$ 23,666,083	\$ 22,511,571	\$ 24,945,695	\$ 25,463,526	\$ 24,526,248	\$ 24,232,190	\$ 24,350,141	\$ 24,438,720	\$ 26,712,482	\$ 28,450,791
Recreation, Education and Natural Resources	16,485,328	17,457,800	19,223,417	20,659,023	21,017,720	20,923,909	21,217,304	20,095,802	21,603,769	23,306,045
Planning, Design and Technology	5,418,354	6,044,002	5,521,856	5,437,672	5,286,835	5,520,771	5,955,103	5,913,693	6,045,707	6,473,901
General Government	5,781,642	5,673,433	6,098,431	6,645,439	7,117,892	7,923,130	8,536,435	9,560,342	8,550,770	8,906,058
Interest and fiscal charges on debt	2,434,257	1,327,742	1,359,205	1,319,733	1,270,612	1,293,583	1,297,175	1,049,596	948,472	783,096
Total governmental activities expenses	53,785,664	53,014,548	57,148,606	59,525,393	59,219,307	59,893,583	61,356,158	61,058,153	63,861,200	67,919,891
Business-type activities										
Baker National Golf Course	1,971,196	1,988,031	2,061,784	2,267,792	2,212,912	2,159,958	2,155,798	2,215,997	2,414,304	2,737,882
Hyland Hills Ski Area	3,671,669	4,425,321	4,555,789	4,766,622	7,329,914	5,260,436	5,404,807	5,314,417	5,677,290	6,538,352
Eagle Lake Golf Course	1,093,505	1,086,136	1,138,618	1,176,877	1,130,541	1,142,942	1,119,347	1,027,563	1,066,805	1,197,675
Total business-type activities expenses	6,736,370	7,499,488	7,756,191	8,211,291	10,673,367	8,563,336	8,679,952	8,557,977	9,158,399	10,473,909
Total primary government expenses	\$ 60,522,034	\$ 60,514,036	\$ 64,904,797	\$ 67,736,684	\$ 69,892,674	\$ 68,456,919	\$ 70,036,110	\$ 69,616,130	\$ 73,019,599	\$ 78,393,800
Program revenues										
Government activities										
Charges for services										
Recreation, Education and Natural Resources	\$ 6,657,928	\$ 7,904,923	\$ 8,265,086	\$ 8,949,308	\$ 8,228,426	\$ 8,952,937	\$ 8,691,754	\$ 6,704,708	\$ 9,815,710	\$ 10,428,342
Other Activities	869,798	62,203	58,226	61,784	14,760	143,113	175,088	36,182	211,318	135,561
Operating grants and contributions	4,708,391	4,833,395	4,695,897	5,353,495	5,692,725	5,520,624	4,948,312	6,055,356	7,777,853	5,408,167
Capital grants and contributions	7,201,422	4,246,443	12,146,763	13,568,013	12,437,952	4,125,322	11,110,140	5,790,087	4,585,422	6,132,841
Total governmental activities program revenues	19,437,539	17,046,964	25,165,972	27,832,600	26,373,863	18,741,996	24,925,894	18,586,333	22,390,303	22,104,911
Business-type activities										
Charges for services										
Baker National Golf Course	1,581,156	1,780,357	2,086,768	2,131,978	2,137,766	2,023,537	1,876,463	2,846,768	3,302,880	3,297,692
Hyland Hills Ski Area	3,956,225	3,891,579	2,471,827	3,943,245	6,424,694	5,572,721	5,702,781	6,407,677	7,164,176	7,723,761
Eagle Lake Golf Course	685,396	720,603	863,148	880,598	817,096	788,543	793,018	1,096,366	1,247,356	1,183,223
Operating grants and contributions	-	-	-	-	-	-	-	-	-	4,632
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	6,222,777	6,392,539	7,523,435	7,041,423	9,379,556	8,384,801	8,372,262	10,350,811	11,714,412	12,209,308
Total primary government program revenues	\$ 25,660,316	\$ 23,439,503	\$ 32,689,407	\$ 34,874,023	\$ 35,753,419	\$ 27,126,797	\$ 33,298,156	\$ 28,937,144	\$ 34,104,715	\$ 34,314,219

**THREE RIVERS PARK DISTRICT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCURAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (expense)/revenue										
Governmental activities	\$ (34,348,125)	\$ (35,967,584)	\$ (31,982,634)	\$ (31,592,793)	\$ (32,845,444)	\$ (41,151,587)	\$ (36,430,264)	\$ (42,471,820)	\$ (41,470,897)	\$ (45,814,980)
Business-type activities	(513,593)	(1,106,949)	(232,756)	(1,169,868)	(1,293,811)	(178,535)	(307,690)	1,792,834	2,556,013	1,735,399
Total primary government net expense	\$ (34,861,718)	\$ (37,074,533)	\$ (32,215,390)	\$ (32,762,661)	\$ (34,139,255)	\$ (41,330,122)	\$ (36,737,954)	\$ (40,678,986)	\$ (38,914,884)	\$ (44,079,581)
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 39,486,366	\$ 40,688,099	\$ 40,471,485	\$ 40,703,288	\$ 40,607,986	\$ 40,765,471	\$ 40,791,907	\$ 42,128,102	\$ 43,154,822	\$ 45,025,150
Unrestricted investment earnings	(230,246)	577,189	384,063	213,842	584,691	730,074	1,243,316	429,851	(174,396)	(940,500)
Gain on the sale of capital assets	103,365	109,011	270,235	118,023	175,588	148,991	149,154	170,988	247,048	175,051
Other	140,514	197,307	223,200	178,319	270,458	449,603	518,113	888,512	338,935	211,905
Transfers	(358,287)	(32,773)	(4,043,801)	(17,248)	(18,669)	(57,411)	(19,000)	5,621	10,702	-
Total governmental activities	\$ 39,141,712	\$ 41,538,833	\$ 37,305,202	\$ 41,193,224	\$ 41,620,054	\$ 42,038,728	\$ 42,683,490	\$ 43,623,054	\$ 43,577,111	\$ 44,471,606
Business-type activities										
Property taxes	\$ 337,785	\$ 342,510	\$ 341,827	\$ 341,040	\$ 345,345	\$ 349,440	\$ 348,128	\$ 357,105	\$ 360,570	\$ -
Unrestricted investment earnings	47,991	42,484	(11,032)	26,210	10,255	26,957	87,575	38,682	(40,216)	(350,981)
Net unrealized gain (loss) on investments	(20,926)	2,748	(2,460)	(10,863)	-	-	-	-	-	-
Gain on the sale of capital assets	-	-	-	-	-	-	-	-	-	-
Other	46,355	16,260	17,477	86,205	28,395	64,024	35,992	38,569	48,239	165,775
Transfers	167,800	223,260	4,043,801	17,248	18,669	57,411	19,000	(5,621)	(10,702)	-
Total business-type activities	\$ 579,005	\$ 627,262	\$ 4,389,613	\$ 459,940	\$ 402,664	\$ 497,832	\$ 490,695	\$ 428,795	\$ 357,891	\$ (185,206)
Total primary government	\$ 39,720,717	\$ 42,166,095	\$ 41,694,815	\$ 41,653,164	\$ 42,022,718	\$ 42,534,560	\$ 43,174,185	\$ 44,051,789	\$ 43,935,002	\$ 44,286,400
Change in net position										
Governmental activities	\$ 4,793,587	\$ 5,571,249	\$ 5,322,568	\$ 9,603,431	\$ 8,774,610	\$ 885,141	\$ 6,253,226	\$ 1,151,234	\$ 2,106,214	\$ (1,343,374)
Business-type activities	65,412	(479,687)	4,156,857	(710,028)	(891,147)	319,297	183,005	2,221,569	2,913,904	1,550,193
Total primary government	\$ 4,858,999	\$ 5,091,562	\$ 9,479,425	\$ 8,893,403	\$ 7,883,463	\$ 1,204,438	\$ 6,436,231	\$ 3,372,803	\$ 5,020,118	\$ 206,819

Note: GASB 88 was implemented in 2015. Pension expense for years prior to 2015 was not restated.

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**THREE RIVERS PARK DISTRICT
GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year	Property Tax		
	General Purpose	Debt Service	Total
2013	\$ 27,691,010	\$ 11,795,356	\$ 39,486,366
2014	27,248,887	13,439,212	40,688,099
2015	27,411,838	13,059,647	40,471,485
2016	27,802,929	12,900,359	40,703,288
2017	28,472,627	12,135,359	40,607,986
2018	31,218,281	9,547,190	40,765,471
2019	30,973,131	9,818,776	40,791,907
2020	34,620,957	8,009,182	42,630,139
2021	34,864,341	7,290,481	42,154,822
2022	37,912,636	7,112,514	45,025,150

**THREE RIVERS PARK DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Fund				
Nonspendable	\$ 489,193	\$ 381,231	\$ 358,156	\$ 256,987
Committed	2,554,597	2,800,297	2,988,308	3,051,206
Assigned	4,522,930	1,785,813	1,930,217	2,114,063
Unassigned	<u>9,750,656</u>	<u>13,085,373</u>	<u>13,549,802</u>	<u>10,926,853</u>
Total General Fund	<u>\$ 17,317,376</u>	<u>\$ 18,052,714</u>	<u>\$ 18,826,483</u>	<u>\$ 16,349,109</u>
All other governmental funds				
Nonspendable	\$ 1,286,192	\$ 1,826,051	\$ 1,807,017	\$ 2,020,288
Restricted	22,669,534	24,457,702	25,026,660	29,767,619
Committed	6,588,298	6,557,166	5,205,912	4,692,258
Assigned	1,203,497	683,492	554,551	435,723
Unassigned	<u>(122,739)</u>	<u>(107,220)</u>	<u>(43,512)</u>	<u>(16,020)</u>
Total all other governmental funds	<u>\$ 31,624,782</u>	<u>\$ 33,417,191</u>	<u>\$ 32,550,628</u>	<u>\$ 36,899,868</u>

Note: The Park District implemented GASB 54 in fiscal year 2011, resulting in significant reclassification of the components of fund balance. Years prior to 2011 have not been restated.

**THREE RIVERS PARK DISTRICT
 FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

2017	2018	2019	2020	2021	2022
\$ 299,740	\$ 144,560	\$ 138,881	\$ 248,180	\$ 255,866	\$ 268,339
2,975,291	3,134,239	3,206,848	4,021,555	4,110,230	4,002,184
1,742,335	1,670,703	1,657,527	1,676,803	1,685,834	1,689,953
7,947,300	8,749,243	9,360,588	9,318,300	10,934,261	10,944,184
<u>\$ 12,964,666</u>	<u>\$ 13,698,745</u>	<u>\$ 14,363,844</u>	<u>\$ 15,264,838</u>	<u>\$ 16,986,191</u>	<u>\$ 16,904,660</u>
\$ 1,479,279	\$ 1,601,447	\$ 1,305,467	\$ 1,364,095	\$ 1,345,805	\$ 1,308,979
30,466,414	30,695,793	27,756,445	20,211,878	20,120,988	19,107,097
5,910,734	5,284,805	5,837,516	6,013,332	6,167,498	6,346,282
944,635	1,115,679	939,604	568,996	472,113	424,120
(34,347)	(97,456)	(189,769)	(117,815)	1,851	(33,224)
<u>\$ 38,766,715</u>	<u>\$ 38,600,268</u>	<u>\$ 35,649,263</u>	<u>\$ 28,040,486</u>	<u>\$ 28,108,255</u>	<u>\$ 27,153,254</u>

**THREE RIVERS PARK DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues				
Property Taxes	\$ 39,687,213	\$ 40,429,303	\$ 40,519,924	\$ 40,733,605
Intergovernmental	11,792,002	8,844,666	15,778,174	18,474,346
Charges for park use	7,509,863	7,952,577	8,305,559	8,996,708
Investment earnings (charges)	(220,527)	518,051	346,585	198,155
Fines and forfeitures	49,617	45,042	42,324	26,063
Other	328,696	515,986	671,133	457,802
Total Revenues	<u>59,146,864</u>	<u>58,305,625</u>	<u>65,663,699</u>	<u>68,886,679</u>
Expenditures				
Park and Trail Operations	18,939,500	17,825,422	20,321,364	19,507,443
Recreation, Education and Natural Resources	13,400,871	14,394,451	15,899,489	16,811,870
Planning, Design and Technology	4,971,686	5,463,962	4,966,409	4,974,879
General Government	6,744,187	6,372,439	6,400,253	6,794,998
Capital outlay	14,658,286	8,772,778	12,426,187	16,026,319
Debt Service				
Principal	9,660,000	10,030,000	9,660,000	10,675,000
Interest	2,347,723	1,878,141	1,944,652	1,881,634
Bond Defeasance	-	-	-	-
Bond Issuance Costs	194,805	132,827	106,220	145,174
Total Expenditures	<u>70,917,058</u>	<u>64,870,020</u>	<u>71,724,574</u>	<u>76,817,317</u>
Excess of revenues over (under) expenditures	(11,770,194)	(6,564,395)	(6,060,875)	(7,930,638)
Other financing sources (uses)				
Transfer in	1,430,432	2,586,601	2,793,981	4,214,780
Transfer (out)	(1,430,432)	(2,610,101)	(6,069,981)	(4,172,437)
Payment on refunding bonds	(22,695,000)	-	-	-
Payment to refunded bond escrow agent	(9,246,134)	-	-	-
Refunding bonds issued	7,965,000	-	-	-
Issuance of debt	8,530,000	8,845,000	8,675,000	9,290,000
Premium (discount)	1,436,892	268,682	416,232	453,802
Sale of capital assets	10,316	1,960	152,849	16,359
Total other financing sources (uses)	<u>(13,998,926)</u>	<u>9,092,142</u>	<u>5,968,081</u>	<u>9,802,504</u>
Net change in fund balance	<u>\$ (25,769,120)</u>	<u>\$ 2,527,747</u>	<u>\$ (92,794)</u>	<u>\$ 1,871,866</u>
Debt service as a percentage of noncapital expenditures	21.3%	21.2%	19.6%	20.7%

**THREE RIVERS PARK DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

2017	2018	2019	2020	2021	2022
\$ 40,680,324	\$ 40,699,642	\$ 40,759,789	\$ 42,083,343	\$ 43,206,976	\$ 45,188,385
17,787,759	9,300,350	14,911,074	11,576,089	10,025,802	11,138,888
8,243,186	9,096,049	8,867,442	6,740,890	10,027,028	10,436,592
541,359	676,685	1,147,776	400,610	(153,666)	(815,625)
54,353	50,496	32,715	26,687	53,947	30,960
559,023	744,704	842,309	658,841	636,838	614,589
<u>67,866,004</u>	<u>60,567,926</u>	<u>66,561,105</u>	<u>61,486,460</u>	<u>63,796,925</u>	<u>66,593,789</u>
18,896,550	18,979,855	18,906,117	19,784,756	22,009,153	22,747,270
16,763,108	17,353,487	17,691,988	17,370,133	19,118,227	20,419,780
4,875,378	5,285,268	5,668,483	5,807,869	6,012,263	6,309,849
7,539,439	8,277,773	8,373,709	8,915,728	8,756,125	8,902,237
18,110,376	7,773,869	12,321,486	13,362,471	5,917,968	7,534,084
9,595,000	7,205,000	7,395,000	7,650,000	6,885,000	7,046,056
1,845,189	1,823,391	1,824,012	1,630,529	1,726,925	1,683,749
-	-	5,418,022	-	-	-
126,939	101,088	111,310	75,341	116,308	107,777
<u>77,751,979</u>	<u>66,799,731</u>	<u>77,710,127</u>	<u>74,596,827</u>	<u>70,541,969</u>	<u>74,750,802</u>
(9,885,975)	(6,231,805)	(11,149,022)	(13,110,367)	(6,745,044)	(8,157,013)
4,002,217	3,890,938	3,938,724	3,312,828	2,649,865	3,045,779
(3,978,221)	(3,876,938)	(3,974,201)	(3,718,450)	(2,649,865)	(3,038,679)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
8,030,000	5,730,000	7,800,000	5,655,000	7,445,000	8,051,706
314,109	542,175	1,097,328	1,153,206	1,085,925	517,369
274	513,262	1,265	-	3,241	-
<u>8,368,379</u>	<u>6,799,437</u>	<u>8,863,116</u>	<u>6,402,584</u>	<u>8,534,166</u>	<u>8,576,175</u>
<u>\$ (1,517,596)</u>	<u>\$ 567,632</u>	<u>\$ (2,285,906)</u>	<u>\$ (6,707,783)</u>	<u>\$ 1,789,122</u>	<u>\$ 419,162</u>
19.2%	15.3%	14.1%	15.2%	13.3%	12.9%

**THREE RIVERS PARK DISTRICT
TAX CAPACITY VALUE AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year	Real Property		Personal Property	Less TIF and Fiscal Disparity Contribution	Total Tax Capacity	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property						
2013	\$ 636,198	\$ 361,265	\$ 69,218	\$ 20,507	\$ 996,253	4.054%	\$ 87,086,742	1.14%
2014	633,794	364,799	72,191	21,072	993,330	4.169%	87,321,591	1.14%
2015	689,053	381,513	79,045	22,259	1,101,626	3.789%	94,514,474	1.17%
2016	728,224	410,410	89,161	23,402	1,147,839	3.601%	100,627,634	1.14%
2017	767,776	430,779	103,791	25,091	1,225,472	3.365%	106,688,711	1.15%
2018	822,382	446,773	116,084	25,655	1,304,690	3.161%	113,730,371	1.15%
2019	882,934	462,071	128,277	28,673	1,392,586	2.961%	121,532,445	1.15%
2020	942,922	486,331	144,419	30,408	1,487,544	2.859%	129,895,715	1.15%
2021	984,329	515,094	162,456	31,991	1,563,968	2.793%	136,857,876	1.14%
2022	1,047,357	512,260	174,067	21,731	1,631,381	2.787%	143,141,565	1.14%

Source: Hennepin County Taxpayer Services Division

**THREE RIVERS PARK DISTRICT
DIRECT AND OVERLAPPING TAX CAPACITY RATES
LAST TEN FISCAL YEARS**

Fiscal Year	Three Rivers Park District				Hennepin County				Overlapping Rates				Total Direct and Overlapping Rates
	Operating		Debt Service		Total		Total		Metropolitan Transit Commission		Special Districts		
	Operating	Debt Service	Operating	Debt Service	Operating	Debt Service	Operating	Debt Service	Metropolitan Council	Metropolitan Mosquito Control	Metropolitan Council	Metropolitan Mosquito Control	
2013	2.820	1.234	43.051	5.975	49.026	1.689	0.997	0.556	56.322				
2014	2.769	1.400	43.486	5.975	49.461	1.703	1.069	0.563	56.965				
2015	2.545	1.244	40.843	5.555	46.398	1.523	0.976	0.507	53.193				
2016	2.439	1.162	39.931	5.425	45.356	1.491	0.925	0.483	51.856				
2017	2.339	1.026	39.031	5.056	44.087	1.463	0.883	0.475	50.273				
2018	2.399	0.762	42.500	0.308	42.808	1.383	0.844	0.456	48.652				
2019	2.229	0.732	41.608	0.253	41.861	1.456	0.659	0.427	47.364				
2020	2.322	0.537	40.890	0.194	41.084	1.433	0.616	0.412	46.404				
2021	2.304	0.489	38.105	0.105	38.210	1.256	0.631	0.381	43.271				
2022	2.346	0.441	38.419	0.116	38.535	1.204	0.659	0.377	43.562				

Note: The Park District's taxing jurisdiction includes 45 cities and a number of school districts with the authority to levy taxes against the Park District's constituency. Most taxpayers are subject to taxation by one city and one school district in addition to the taxes shown above. Due to the number of combinations of city and school district taxes, it is not practical to show the tax rates from these "underlying" entities.

Source: Hennepin County Taxpayer Services Division

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**THREE RIVERS PARK DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

	2021			2011		
	Tax Capacity	Rank	Percentage of Total (1)	Tax Capacity	Rank	Percentage Of Total Tax Capacity
MOAC Mall Holding LLC	\$ 13,859,250	1	0.85%	\$ 10,856,810	1	1.00%
Galleria Shopping Center	2,390,690	2	0.15%	-		
Best Buy Co., Inc.	2,369,250	3	0.15%	2,369,250	2	0.22%
Towers at West End	2,297,330	4	0.14%			
Southdale Center LLC	2,129,250	5	0.13%	2,145,950	5	0.20%
Target Corporation	1,848,776	6	0.11%	924,250	15	0.09%
Ridgedale Center LLC	1,724,970	7	0.11%			
Allianz Life Insurance Co., America	1,721,650	8	0.11%	1,449,910	7	0.13%
ML-AI Normandale LLC (Normandale Lake Office Park Four)	1,675,790	9	0.10%			
Normandale Holdings LLC	1,675,720	10	0.10%			
General Mills, Inc.	1,647,250	11	0.10%	1,359,250	9	0.13%
HSRE MN Edina SMC LLC	1,495,926	12	0.09%			
Prisa Arbor Lakes LLC	1,477,082	13	0.09%			
EP Campus I LLC	1,410,066	14	0.09%			
ARC Wemps LLC	1,397,350	15	0.09%			
Ridgedale Joint Venture				2,299,250	3	0.21%
Eden Prairie Mall LCC				2,239,250	4	0.21%
Cousins Properties Inc.				1,634,702	6	0.15%
United Properties				1,369,250	8	0.13%
Duke Realty Corporation				1,232,466	10	0.11%
Duke Realty Corporation				1,177,650	11	0.11%
Galleria Shopping Center LLC				1,133,450	12	0.10%
United Properties				1,094,580	13	0.10%
Delta Airlines Inc.				1,062,550	14	0.10%
	<u>\$ 39,120,350</u>		<u>2.41%</u>	<u>\$ 32,348,568</u>		<u>2.99%</u>

(1) Based on the adjusted net tax capacity value of \$1,631,381,661

Source: Hennepin County Taxpayer Services Division

**THREE RIVERS PARK DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Total Tax Levied	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years (1)	Total Collections to Date	
		Amount	Percentage		Amount	Percentage
2013	\$ 40,280,048	\$ 39,951,725	99.18%	\$ (77,306)	\$ 39,874,419	98.99%
2014	41,309,658	40,974,891	99.19%	(17,393)	40,957,498	99.15%
2015	41,207,270	40,923,435	99.31%	(26,643)	40,896,792	99.25%
2016	41,478,898	41,152,776	99.21%	(54,691)	41,098,085	99.08%
2017	41,440,519	41,102,563	99.18%	(106,375)	40,996,188	98.93%
2018	41,426,884	41,112,847	99.24%	(8,867)	41,103,980	99.22%
2019	41,425,521	41,122,373	99.27%	84,685	41,207,058	99.47%
2020	42,630,139	42,312,702	99.26%	41,104	42,353,806	99.35%
2021	43,740,957	43,484,217	99.41%	46,069	43,530,286	99.52%
2022	45,472,174	45,153,855	99.30%	-	45,153,855	99.30%

(1) Negative amounts in the "Collection in Subsequent Years" column reflect reductions of assessed property values.

**THREE RIVERS PARK DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities		Business Type Activities		Park District Total	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Long-Term Leases	General Obligation Bonds	Long-Term Leases			
2013	\$ 70,323,464	\$ -	\$ 2,804,972	\$ -	\$ 73,128,436	0.151%	\$ 92
2014	68,760,819	-	2,524,125	-	71,284,944	0.139%	89.02
2015	67,531,138	-	8,828,078	-	76,359,216	0.144%	94.20
2016	65,915,088	-	8,527,004	-	74,442,092	0.136%	91.62
2017	63,972,387	-	7,865,929	-	71,838,316	0.122%	86.76
2018	62,395,898	-	7,359,854	-	69,755,752	0.112%	83.95
2019	57,948,273	-	6,838,780	-	64,787,053	0.102%	78.06
2020	56,354,871	-	6,307,706	-	62,662,577	0.095%	74.97
2021	57,255,959	-	5,758,439	-	63,014,398	0.088%	75.64
2022	57,514,406	153,284	5,182,939	155,114	63,005,743	*	*

Note: Information on the Park District's outstanding debt can be found in the notes to the financial statements.

(1) - Personal Income information can be found on table 15 - Demographic and Economic Statistics.

(2) - Population information can be found on table 15 - Demographic and Economic Statistics.

* - Information not available.

**THREE RIVERS PARK DISTRICT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Fund	Total	Percentage of Estimated Taxable Value of Property (1)	Per Capita (2)
2013	\$ 73,128,436	\$ 9,228,684	\$ 63,899,752	0.0734%	\$ 80
2014	71,284,944	11,370,727	59,914,217	0.0686%	74.82
2015	76,359,216	12,793,148	63,566,068	0.0673%	78.42
2016	74,442,092	13,181,248	61,260,844	0.0609%	75.40
2017	71,838,316	14,161,151	57,677,165	0.0541%	69.66
2018	69,755,752	14,828,082	54,927,670	0.0483%	66.10
2019	64,787,053	10,427,504	54,359,549	0.0447%	65.50
2020	62,662,577	8,044,281	54,618,296	0.0420%	65.34
2021	63,014,398	6,794,752	56,219,646	0.0411%	67.48
2022	63,005,743	5,911,758	57,093,985	0.0399%	*

Note: Information on the Park District's outstanding debt can be found in the notes to the financial statements.

(1) - Estimated taxable value of property information can be found on table 6 - Tax Capacity and Estimated Value of Taxable Property.

(2) - Population information can be found on table 15 - Demographic and Economic Statistics.

**THREE RIVERS PARK DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2022**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to Park District</u>	<u>Estimated Share of Overlapping Debt</u>
Direct Debt:			
Three Rivers Park District	\$ 58,748,328	100%	<u>\$ 58,748,328</u>
Total Direct Debt			<u>58,748,328</u>
Overlapping Debt (1)			
Hennepin County	1,439,270,000	69.57%	1,001,300,139
Metropolitan Council	1,717,186,171	33.58%	576,631,116
Metropolitan Airport Commission	1,583,965,000	0.00%	-
Underlying Debt (2)			
School Districts	2,793,132,000	69.57%	1,943,181,932
Municipalities	2,064,785,821	69.38%	<u>1,432,548,403</u>
			Total Overlapping and Underlying Debt
			4,953,661,590
			Total Direct, Overlapping and Underlying Debt
			<u>\$ 5,012,409,918</u>

(1) - Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Park District's taxing jurisdiction (suburban Hennepin County). The percentage associated with each overlapping government represents the portion of taxable property for that government that is located in suburban Hennepin County.

(2) - Underlying Debt is the debt of governmental entities that are wholly or partially located in suburban Hennepin County. These entities comprise a portion of the Park District's taxing jurisdiction. Since portions of these entities are located outside suburban Hennepin County, only a portion of their net debt is applicable to the Park District. The percentage associated with each underlying government represents the portion of taxable property that is located in suburban Hennepin County.

**THREE RIVERS PARK DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt limit	\$ 435,433,714	\$ 436,607,955	\$ 472,572,371	\$ 503,138,170
Total net debt applicable to limit	<u>63,899,752</u>	<u>59,914,217</u>	<u>63,566,068</u>	<u>61,260,844</u>
Legal debt margin	<u>\$ 371,533,962</u>	<u>\$ 376,693,738</u>	<u>\$ 409,006,303</u>	<u>\$ 441,877,326</u>
Total net debt applicable to the limit as a percentage of the debt limit	14.67%	13.72%	13.45%	12.18%

Note: Under Minnesota law, the Park District may issue general obligation bonds provided such bonds do not cause the net debt of the Park District to exceed five-tenths of one percent (0.5%) of the taxable value of the District. In addition, no bonds shall be issued in an amount that would cause the net debt to exceed one-tenth of one percent (0.1%) of the taxable value without first obtaining the approval of the majority of the electors voting on the question at an election.

**THREE RIVERS PARK DISTRICT
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS**

2017	2018	2019	2020	2021	2022
\$ 533,443,553	\$ 568,651,854	\$ 607,662,226	\$ 649,478,575	\$ 684,289,378	\$ 715,707,823
<u>57,677,165</u>	<u>54,927,670</u>	<u>54,359,549</u>	<u>54,618,296</u>	<u>56,219,646</u>	<u>58,045,009</u>
<u>\$ 475,766,388</u>	<u>\$ 513,724,184</u>	<u>\$ 553,302,677</u>	<u>\$ 594,860,279</u>	<u>\$ 628,069,732</u>	<u>\$ 657,662,814</u>
10.81%	9.66%	8.95%	8.41%	8.22%	8.11%

Legal Debt Margin Calculation for Fiscal Year 2020

Taxable Value	\$ 143,141,564,535
Debt Limit (.5% of Taxable Value)	715,707,823
Debt applicable to limit	
General Obligation Bonds	58,748,328
General Obligation Revenue Bonds	5,208,439
Less: Amount set aside for repayment of general obligation debt	<u>5,911,758</u>
Total net debt applicable to limit	<u>58,045,009</u>
Legal Debt Margin	<u>\$ 657,662,814</u>

**THREE RIVERS PARK DISTRICT
PLEGDED REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Golf Revenue Bonds						Coverage
	Golf Fees and other revenue	Less: Operating Expenses	Net Available Revenue	Debt Service			
				Principal	Interest		
2013	\$ 1,024,627	\$ 752,965	\$ 271,662	\$ -	\$ 34,453	-	
2014	1,064,473	777,781	286,692	270,000	51,700	0.89	
2015	1,207,225	835,585	371,640	280,000	46,200	1.14	
2016	1,224,723	869,226	355,497	285,000	40,550	1.09	
2017	1,167,010	851,417	315,593	290,000	34,800	0.97	
2018	1,142,204	888,760	253,444	300,000	28,900	0.77	
2019	1,147,230	937,202	210,028	310,000	22,797	0.63	
2020	1,454,757	950,327	504,430	315,000	16,549	1.52	
2021	1,604,342	970,118	634,224	330,000	10,100	1.86	
2022	1,151,617	1,001,638	149,979	340,000	3,400	0.44	

Note: Information on the Park District's outstanding debt can be found in the notes to the financial statements.
Operating expenses do not include interest or depreciation.

**THREE RIVERS PARK DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands) (2)	Per Capita Personal Income (2)	Median Age (1)	School Enrollment (3)	Unemployment Rate (4)
2013	\$ 797,840	\$ 48,349,902	\$ 60,601	35.9	162,827	4.7%
2014	800,791	51,171,346	63,901	35.9	164,151	3.9%
2015	810,632	52,878,336	65,231	35.9	166,106	3.1%
2016	812,531	54,786,528	67,427	35.9	168,629	3.5%
2017	828,034	58,845,892	71,067	36.5	170,683	2.9%
2018	830,945	62,069,930	74,698	36.5	177,653	2.4%
2019	829,958	63,534,945	76,552	36.8	178,657	2.9%
2020	835,887	66,188,040	79,183	36.8	173,481	4.2%
2021	833,070	71,231,650	85,505	*	171,453	4.8%
2022	*	*	*	*	*	1.4%

Data Sources

(1) - Bureau of the Census/Metropolitan Council

(2) - U.S. Department of Commerce, Bureau of Economic Analysis. Amounts shown are for Hennepin County.

(3) - Minnesota Department of Education - Fall registration

(4) - Minnesota Department of Employment and Economic Development. Percentage is for Hennepin County.

* - Information not available.

**THREE RIVERS PARK DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employers	2021			2012		
	Employees	Rank	Percent of Total State Employment	Employees	Rank	Percent of Total State Employment
Mayo Foundation	48,000	1	1.59%	33,000	3	1.11%
State of Minnesota	41,000	2	1.36%	40,000	1	1.35%
United States Federal Government	35,000	3	1.16%	34,000	2	1.15%
Target Corporation	31,000	4	1.02%	31,000	4	1.04%
Fairview Health Services	30,000	5	0.99%	*	*	*
Allina Health	*	*	*	23,000	5	0.77%
	185,000		6.12%	161,000		5.42%

Source: Hennepin County Annual Comprehensive Financial Report 2021
Statewide information from the US Department of Labor (acinet.org). Data specific to the County is no longer available, so available statewide information is shown.

* - Data not available

**THREE RIVERS PARK DISTRICT
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2013	2014 (2)	2015	2016	2017	2018	2019	2020	2021	2022
Park and Facility Maintenance	96.78	103.38	103.43	105.58	107.28	110.00	108.55	111.00	111.00	116.00
Wildlife Management	4.80	4.80	4.80	4.80	5.00	5.00	5.00	5.00	6.00	6.00
Forestry and Horticulture	16.52	17.00	17.00	16.50	17.00	17.00	17.00	17.00	17.00	16.00
Water Resources	6.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Carpentry and Vehicle Maintenance	17.70	18.00	18.00	18.00	18.00	18.00	19.00	18.00	18.00	18.00
Visitor Center and Park Operations	35.10	58.04	60.04	63.38	72.97	70.49	69.99	69.28	67.97	72.37
Nature Center Education and Operations	62.92	74.33	75.29	75.89	74.13	76.95	77.78	79.75	79.30	81.20
Administration	20.00	19.47	20.47	19.47	20.17	21.50	22.50	22.50	22.50	22.50
Finance	12.00	10.80	10.80	10.80	10.80	11.80	11.80	11.00	11.00	11.00
Public Safety	41.25	21.00	18.00	18.00	16.00	15.00	14.00	14.00	13.75	14.95
Planning and Engineering	14.50	19.00	19.00	18.00	19.00	19.00	18.50	18.50	17.50	15.50
Marketing and Communications	11.00	11.80	11.80	13.40	17.04	17.70	18.00	20.00	19.00	20.70
Guest and Community Services	12.05	12.90	12.90	11.50	9.00	9.10	9.25	9.25	11.05	9.30
Superintendent's Office	7.20	5.50	5.20	4.70	4.75	4.70	4.50	4.00	4.00	4.00
	<u>357.82</u>	<u>381.02</u>	<u>381.73</u>	<u>385.02</u>	<u>396.14</u>	<u>401.24</u>	<u>400.87</u>	<u>404.28</u>	<u>403.07</u>	<u>412.52</u>

Notes:

(1) - Full-time Equivalent Employees are defined as full-time and part-time employees only. Seasonal or temporary employees are not included. Information for Park District employees provided in Three Rivers Park District Adopted Budget Book.

(2) - Full-time and Part-time staff increased after passage of the Health Care Reform Act of 2015. Seasonal employee hours decreased in order to avoid substantial increases in health care insurance expense.

**THREE RIVERS PARK DISTRICT
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Parks and Recreation										
Park Visitors	9,716,000	10,097,000	10,199,000	10,375,000	12,343,000	12,456,500	13,101,700	*	13,717,200	*
Picnic Site Reservations (1)	3,465	3,243	2,852	2,294	1,933	2,007	1,819	1,292	2,110	2,152
Golf										
Rounds of Golf (2)										
Baker Championship Course	27,600	30,359	34,513	35,568	34,620	32,336	30,517	49,521	44,025	42,886
Baker Evergreen Course	12,350	13,743	17,046	16,384	16,251	13,982	14,971	33,484	27,665	27,015
Eagle Lake Eagle Course	21,706	25,970	28,807	27,192	26,478	21,250	21,011	36,530	37,875	36,822
Eagle Lake Birdie Course	7,376	7,963	7,246	6,914	6,205	6,267	6,510	10,972	8,968	8,040
Cleary Lake Golf Course	15,110	14,388	15,633	15,988	15,689	14,501	15,150	22,728	22,650	22,158
Glen Lake Golf Course	24,887	26,452	32,857	33,080	31,675	27,400	27,625	34,798	40,538	35,387
Hyland Greens	*	*	*	*	*	*	*	*	20,764	23,918
Total Golf Rounds	109,029	118,875	136,102	135,126	130,918	115,736	115,784	188,033	202,485	196,226
Alpine Ski and Snowboard (2)										
Skier Visits	165,113	157,152	127,638	150,712	156,954	180,325	177,478	187,370	187,370	196,503
Days Open	115	111	103	101	100	121	123	119	119	113
Public Safety										
Number of Citations (3)	729	628	541	435	635	515	302	281	402	372

(1) - Picnic Site Reservations provided by Finance Revenue system.

(2) - Information for Park District operations provided in Three Rivers Park District Adopted Budget Book.

(3) - Number of Citations tracked by Public Safety Law Enforcement Technology Group.

* - Data not available

**THREE RIVERS PARK DISTRICT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Parks and Recreation										
Acreage	27,635	27,714	27,714	27,716	27,729	27,827	27,897	27,918	27,946	28,487
Regional Parks	10	10	10	10	10	10	10	10	10	10
Park Reserves	7	7	7	7	7	7	7	7	7	7
Special Recreation Features	5	6	6	6	6	6	6	6	6	6
Chlorinated Swim Ponds	2	2	2	2	2	2	2	2	2	2
Creative Play Areas	9	9	9	9	9	9	9	9	9	9
Visitor Centers	10	10	10	10	10	10	10	10	10	10
Nature Centers	3	3	3	3	3	3	3	3	3	3
Swimming Beaches	6	6	6	6	6	6	6	6	6	6
Dams	1	1	1	1	1	1	1	1	1	1
Golf										
Golf Facilities Owned	3	3	3	3	3	3	3	3	3	3
Golf Holes	54	54	54	54	54	54	54	54	54	54
Driving Ranges	4	3	3	3	3	3	3	3	3	3
Disc Golf Course	3	3	3	3	3	3	3	3	3	3
Mini Golf Course	1	1	1	1	1	1	1	1	1	1
Alpine Ski and Snowboard										
Ski Chalets	2	2	2	2	2	2	2	2	2	2
Ski Runs	18	18	18	18	18	18	18	18	18	18
Terrain Parks	3	3	3	3	3	3	3	3	3	3
Chair Lifts	3	3	3	3	3	3	3	3	3	3
Conveyor Lifts	5	5	5	5	5	5	5	5	5	5
Other Vertical Lift Systems	5	5	5	5	5	5	5	5	5	5
Tubing Lanes	20	20	12	12	12	12	12	12	12	12

(1) - Information for Park District operations provided in Three Rivers Park District Adopted Budget Book.



Monarch Singletrack at Carver Park Reserve