COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021

CERTIFIED PUBLIC ACCOUNTANTS

PAULY ROGERS AND CO PC

12700 SW 72nd Ave.
Tigard, OR 97223

COLUMBIA RIVER FIRE & RESCUE

COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

BOARD OF DIRECTORS	TERM EXPIRES
Hans Feige, President	June 30, 2023
Kelly Niles, Vice President	June 30, 2021
Gary Hudson, Secretary- Treasurer	June 30, 2021
Mark Kreutzer	June 30, 2023
Kim McLane	June 30, 2023

All directors receive their mail at the address listed below.

REGISTERED AGENT AND FINANCE DIRECTOR

Eric Smythe, Interim Fire Chief
Marit Nelson, Finance Director

270 Columbia Blvd.
St. Helens, Oregon 97051

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

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COLUMBIA COUNTY, OREGON

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PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

March 23, 2022

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Columbia River Fire & Rescue
Columbia County, Oregon

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the remaining fund information of Columbia River Fire & Rescue (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the remaining fund information of Columbia River Fire & Rescue, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the Schedules of changes in total OPEB liability and related ratios for health insurance, or the Schedules of net OPEB liability/asset and contributions for RHIA, or the Schedules of net pension liability and contributions for PERS, or the management's discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

The budgetary comparison schedule presented as required supplementary information, as listed in the table of contents, 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 records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The listing of board members, containing their term expiration dates, as located before the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Reports on Legal and Other Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated March 23, 2022 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Roy R Rogers

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

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Columbia River Fire & Rescue
ADMINISTRATIVE OFFICES
270 Columbia Boulevard * St. Helens, Oregon 97051-2022
Phone: (503) 397-2990 * www.CRFR.com * Fax: (503) 397-3198

COLUMBIA RIVER FIRE & RESCUE
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

This section of the Columbia River Fire & Rescue annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2021. Please read it in conjunction with the District's financial statements and notes, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position was $118,369 at June 30, 2021.
- The combined fund ending fund balances were $4,964,976 at year-end.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts: management's discussion and analysis (this section), the basic financial statements, required supplementary information and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements. The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.

The basic financial statements also include notes that explain some of the information in the basic financial statements and provide more detailed data. The statements are followed by a section of supplementary information that further explains and supports the information in the basic financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position may be an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the District, one needs to consider additional non-financial factors such as changes in the District's taxing ability.

The government-wide financial statements of the District include only governmental activities. The District's basic services are included here. Property taxes and fees for services finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds-not the District as a whole. Funds are accounting devices that the District uses to keep track of sources of funding and spending for particular purposes.

The District only has governmental funds. The District's basic services are included in its governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

	2021	2020
ASSETS:		
Current and Other Assets	$ 6,448,452	$ 6,699,131
Capital Assets	6,550,916	5,167,299
Pension and Other Deferrals of Outflows	3,650,343	3,762,121
Total Assets	16,649,711	$ 15,628,551
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:		
Liabilities	15,541,070	13,679,126
Deferred Inflows of Resources		
Net Pension Related Deferrals	1,052,368	755,298
NET POSITION:		
Net Investment in Capital Assets	3,943,623	2,372,464
Restricted	94,858	103,863
Unrestricted	(3,982,208)	(1,282,200)
Total Net Position	$ 56,273	$ 1,194,127

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Changes in net position:

	For the Year Ended June 30,	
	2021	2020
REVENUES:		
General Revenues		
Property Taxes	$ 7,776,987	$ 7,442,606
Charges for Services	2,455,581	2,028,187
Interest	44,471	112,266
Grant and Contributions	424,584	323,493
Miscellaneous	373,143	247,122
Total Revenue	11,074,766	10,153,674
EXPENSES:		
Fire Services	12,013,906	10,493,443
Retired Senior Volunteer Program	97,239	94,752
Interest on Long-Term Debt	101,475	96,310
Total Expenses	12,212,620	10,684,505
Change in Net Postion	(1,137,854)	(530,831)
Beginning Net Position	1,194,127	1,724,958
Ending Net Position	$ 56,273	$ 1,194,127

The District's total revenues were $ 11,074,766. Net Position decreased by $1,137,854 in 2021.

The net position for the year ended June 30, 2021 has been affected by the implementation and continued updating of GASB 68 which required local governments to report pension assets and liabilities administered through trusts (Oregon PERS). The District is required to recognize the long-term obligation for pension benefits as a liability and to more comprehensively and comparably measure the annual costs of pension benefits. These values are calculated off the Actuary and PERS information for each employer.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled $11,091,539 in 2021. Governmental fund balances total $4,448,323 at June 30, 2021. A summary of changes in governmental fund balances follows:

	For the Year Ended June 30,		
	2021	2020	Change
General Fund	$ 4,331,569	$ 4,959,533	$ (627,964)
Real Property Building and Equipment	851,899	1,063,395	(211,496)
Debt Service Fund (TANS)	(359,270)	(359,284)	14
Capital Project - Training Ground Reserve	(2,316)	(2,316)	-
RSVP Fund	13,103	18,535	(5,432)
Foster Grant Parent Fund	4,440	4,440	-
SAFER Grants	34,545	(123,264)	157,809
Maintenance Enterprise Fund	91,006	107,751	(16,745)
Total	$ 4,964,976	$ 5,668,790	$ (703,814)

CAPITAL ASSETS

On June 30, 2021, the District had $6,550,916 invested in capital assets, net of depreciation and related debt. More detailed information about the District's capital assets is presented in the notes to the basic financial statements.

LONG TERM LIABILITIES

On June 30, 2021 the District had $2,607,293 in long term liabilities. These liabilities consisted of general obligation bonds and capital leases. More detailed information can be found beginning in the Notes to the Basic Financial Statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our taxpayers, ratepayers, and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please contact the Columbia River Fire & Rescue. Our address is: 270 Columbia Blvd, St. Helens, Oregon, 97051.

JMedina

Joel Medina
Fire Chief

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2021

ASSETS:		
Cash and Investments	$	4,986,803
Receivables:		
Property Taxes		346,138
Accounts, Net		670,867
Deposits		10,100
Prepaid Expenses		110,197
Supply Inventories		247,032
Total OPEB-RHIA Asset		77,315
Capital Assets:		
Land		223,500
Other Capital Assets, net of depreciation		6,327,416
Total Assets		12,999,368
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferrals - PERS		3,168,442
OPEB Related Deferrals - RHIA		12,802
OPEB Related Deferrals - Health Insurance		382,883
Deferred Amount on Refunding		86,216
Total Deferred Outflows of Resources		3,650,343
Total Assets and Deferred Outflows		16,649,711
LIABILITIES		
Accounts Payable		516,894
Accrued Payroll		332,597
Accrued Compensated Absences		409,487
Due within one year - Long Term Obligations		200,572
Non-Current Liabilities		
OPEB Liability - Health Insurance		1,433,810
Interest Payable		5,054
Net Pension Liability - PERS		10,235,935
Due in more than one year - Long Term Obligations		2,406,721
Total Liabilities		15,541,070
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferrals - PERS		906,909
OPEB Related Deferrals - RHIA		12,080
OPEB Related Deferrals - Health Insurance		133,379
Total Deferred Inflows of Resources		1,052,368
Total Liabilities and Deferred Inflows		16,593,438
NET POSITION		
Net Investment in Capital Assets		3,943,623
Restricted for		
Program Projects		17,543
OPEB-RHIA Asset		77,315
Unrestricted		(3,982,208)
Total Net Position	$	56,273

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

FUNCTIONS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENDITURES) REVENUES AND CHANGES IN NET POSITION
Fire Services	$ 12,013,906	$ 2,455,581	$ 354,630	$ (9,203,695)
RSV Program	97,239	-	69,954	(27,285)
Interest	101,475	-	-	(101,475)
Total Governmental Activities	$ 12,212,620	$ 2,455,581	$ 424,584	(9,332,455)
GENERAL REVENUES:				
Taxes				7,776,987
Interest				44,471
Gain on Sale of Equipment				22,687
Miscellaneous				350,456
Total General Revenues				8,194,601
Change in Net Position				(1,137,854)
Beginning Net Position				1,194,127
Ending Net Position				$ 56,273

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2021

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
ASSETS:				
Cash and Investments	$ 4,129,259	$ 6,667	$ 850,877	$ 4,986,803
Receivables:				
Taxes	346,138	-	-	346,138
Accounts, net	608,478	61,889	500	670,867
Interfund Receivable	292,985	105,082	1,022	399,089
Deposits	10,100	-	-	10,100
Prepaid Items	110,197	-	-	110,197
Total Assets	$ 5,497,157	$ 173,638	$ 852,399	$ 6,523,194
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ 516,894	$ -	$ -	$ 516,894
Interfund Payable	6,459	389,814	2,816	399,089
Payroll Liabilities	332,597	-	-	332,597
Total Liabilities	855,950	389,814	2,816	1,248,580
Deferred Inflows of Resources:				
Unearned Revenue - Taxes	309,638	-	-	309,638
Total Deferred Inflows of Resources	309,638	-	-	309,638
Fund Balance, (Deficit):				
Nonspendable	110,197	-	-	110,197
Restricted:				
Retired Senior Volunteer Program	-	13,103	-	13,103
Foster Grandparents Program	-	4,440	-	4,440
Assigned				
Compensated Absences	404,741	-	-	404,741
Health Insurance	111,912	-	-	111,912
Debt Service	-	(359,270)	-	(359,270)
Building & Equipment	-	91,006	851,899	942,905
Unassigned	3,704,719	34,545	(2,316)	3,736,948
Total Fund Balance	4,331,569	(216,176)	849,583	4,964,976
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 5,497,157	$ 173,638	$ 852,399	$ 6,523,194

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

RECONCILIATION OF BALANCE SHEET TO STATEMENT OF NET POSITION
June 30, 2021

Total Fund Balances - Governmental Funds		$	4,964,976
The net pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries. - PERS			(10,235,935)
Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning,			
Deferred Outflows - PERS	$ 3,168,442		
Deferred Inflows -PERS	(906,909)		
Deferred Outflows - OPEB for RHIA	12,802		
Deferred Inflows - OPEB for RHIA	(12,080)		
Deferred Outflows - OPEB for Health Insurance	382,883		
Deferred Inflows - OPEB for Health Insurance	(133,379)		2,511,759
OPEB Liability for Health Insurance			(1,433,810)
OPEB Asset for RHIA			77,315
The cost of capital assets (land & land improvements, buildings & improvements , and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole.			6,550,916
The cost of supply inventories purchased is reported as an expenditure in the governmental funds. The Statement of Net Position includes inventory among the assets of the District as a whole.			247,032
A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.			309,638
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statements of Net Position.			
Long-term Liabilities:			
Capital Leases Payable	(382,857)		
Interest Payable	(5,054)		
Accrued Vacation Payable	(409,487)		
Bonds Payable	(2,020,000)		
Bonds Premium	(204,436)		(3,021,834)
Deferred outflows of resources for debt refunding charges are not reported in the governmental funds.			86,216
Net Position		$	56,273

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	GENERAL	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
REVENUES:				
Taxes	$ 7,817,621	$ -	$ -	$ 7,817,621
Earnings On Investments	35,113	14	8,170	43,297
Fire-Med	57,490	-	-	57,490
Public Education, Donations	100	-	-	100
Miscellaneous	25,570	324,886	-	350,456
Ambulance Service	1,875,275	-	-	1,875,275
Address Sign Sales	1,300	-	-	1,300
Special Training	3,600	-	-	3,600
Maintenance Shop Revenue	-	34,422	-	34,422
Third Party Contract Billing	37,175	-	-	37,175
Conflagration Revenue	340,723	-	-	340,723
Contract Fire Protection	7,181	-	-	7,181
Land Sales, Royalties, Rights	98,415	-	-	98,415
Donations and Grants	30,100	394,384	-	424,484
Total Revenues	10,329,663	753,706	8,170	11,091,539
EXPENDITURES:				
Personal Services	8,747,157	350,973	-	9,098,130
Materials and Services	1,049,886	103,861	-	1,153,747
Capital Outlay	745,782	27,968	553,462	1,327,212
Debt Service	218,537	-	51,462	269,999
Total Expenditures	10,761,362	482,802	604,924	11,849,088
Excess of Revenues Over, (Under Expenditures)	(431,699)	270,904	(596,754)	(757,549)
Other Financing Sources, (Uses):				
Sale of Equipment	53,735	-	-	53,735
Transfers In	125,000	-	385,258	510,258
Transfers Out	(375,000)	(135,258)	-	(510,258)
Total Other Financing Sources (Uses)	(196,265)	(135,258)	385,258	53,735
Net Change in Fund Balance	(627,964)	135,646	(211,496)	(703,814)
Beginning Fund Balance, (Deficit)	4,959,533	(351,822)	1,061,079	5,668,790
Ending Fund Balance, (Deficit)	$ 4,331,569	$ (216,176)	$ 849,583	$ 4,964,976

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

Net Changes in Fund Balances - Governmental Funds			$ (703,814)
The PERS pension expense represents the changes in net pension asset (liability) from year to year due to changes in total PERS pension liability and the fair value of pension plan net position available to pay pension benefits.			(1,810,389)
Change in Net OPEB Liability for Health Insurance			(100,626)
Change in Net OPEB Asset for RHIA			13,039
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Additions to bond principal and capital leases is a revenue in the governmental funds but the addition increases long-term liabiltiies in the Statement of Net Position.			
Payment on Bonds Payable	$	85,000	
Capital Lease Payable		88,913	173,913
Governmental funds expend the costs of debt refunding. These costs are reported as deferred outflow of resources that are amortized in the Statement of Activities:			(5,389)
Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences:			
Amortization of premium/(discount)			13,629
The cost of supply inventories purchased is reported as an expenditure in the governmental funds. In the Statement of Activities the change in inventory from prior year is expensed. This amount represents the change in inventory from the prior year to the current year.			(28,669)
Compensated absences are recognized as expenditures in the governmental funds when they are paid. In the Statement of Activities these liabilities are recognized as an expense when incurred. This amount represents the change in compensated absences from the prior year to the current year.			(33,705)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.			1,174
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation:			
Capital Asset Additions	$	1,743,935	
Depreciation Expense		(329,270)	
Proceeds from Sale of Assets		(53,735)	
Gain on Sale of Assets		22,687	1,383,617
Difference between prior and current year unearned revenue related to property taxes			(40,634)
Change in Net Position of Governmental Activities			$ (1,137,854)

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

Columbia River Fire & Rescue (the District) was organized under provisions of Oregon Statutes Chapter 478 for the purpose of providing fire protection and other emergency services and is a municipal corporation governed by an elected board. As required by accounting principles generally accepted in the United States of America, these financial statements present the primary governmental activities and any component units. Component units, as established by GASB Statement 61, are separate organizations that are included in the District's reporting because of the significance of their operational or financial relationships with the District. There are no component units.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions."

The government-wide statements report information irrespective of fund activity. There are only "governmental activities". Additionally, each of the eight funds is considered a major fund in accordance with GASB 34, or is considered by management to be a major fund. There are also two Special Revenue funds which are rolled into the General Fund, in accordance with GASB 54, due to revenue sources which are mainly transfers from the General Fund; these funds are the Retirement/Sick Leave Reserve Fund and the Health Insurance Fund.

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

GOVERNMENTAL FUND TYPES

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, which is 60 days. 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, pension costs, OPEB costs, and claims and judgments, are recorded only when payment is made.

C. DESCRIPTION OF FUNDS

There are the following major funds:

GENERAL FUND

This fund accounts for all financial resources and expenditures except those required to be accounted for in another fund. The principal source of revenue is property taxes.

SPECIAL REVENUE FUNDS

The special revenue funds account for revenue and expenditures that have been restricted for projects or programs. Funds included in the special revenue funds category are:

Retired Senior Volunteer Program Fund - This fund accounts for the transactions of the Retired Senior Volunteer Program (RSVP), for which the District is the sponsor.

Foster Grandparent Program (FGP) Fund - This fund accounts for the transactions of the Foster Grandparent program (FGP) for which the District is the sponsor.

SAFER Grants - This fund was established to improve and restore fire department staffing. Revenue comes through grants originating from FEMA. The fund was known as the Seismic Upgrade Fund prior to the 2013-14 fiscal year.

Maintenance Enterprise - This fund accounts for funds generated and expended as a part of the District's vehicle maintenance program, which provides vehicle maintenance services to other agencies.

Tax Anticipation Note Fund - This fund accounts for the sale and repayment of tax anticipation notes and the related interest expense. Revenues are the proceeds from the sale of the notes and interest earned on those proceeds that are not needed to finance current operations.

CAPITAL PROJECTS FUNDS

Real Property, Building and Equipment Reserve Fund - This is a capital projects fund utilized to accumulate funds for the purpose of buying equipment, facilities and property.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. DESCRIPTION OF FUNDS (CONTINUED)

Capital Project Training Ground Fund - This is a capital projects fund for the Lee Broadbent Training Center. The training center is funded by a $3.1 million bond issued in October 2006, these bonds were refunded in February 2016.

SPECIAL REVENUE FUNDS ROLLED INTO THE GENERAL FUND FOR GASB 54 PURPOSES

Financial statements must report as Special Revenue funds only those which have a substantial portion of revenue inflows from restricted or committed revenue sources. The following funds are combined into the General Fund because the primary revenue source is transfers from the General Fund or there is no revenue to report.

Retirement/Sick Leave Reserve Fund - This fund was established for the purpose of accumulating funds to pay sick leave benefits that have accrued to retiring employees. It is funded by transfers from the General Fund and interest earned on investments.

Health Insurance Fund - This fund was established for the purpose of accumulating funds to offset future potential increases to health care premiums.

D. BUDGET

A budget is prepared and legally adopted for each fund on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law. The budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for accrued compensated absences, pension costs, debt, and OPEB liabilities, which are recorded as an expense when paid, taxes which are recorded when received instead of when levied, and capital assets, inventory, and capital leases, which are expensed when purchased.

Another difference is that depreciation and amortization are not recorded. The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is adopted and appropriations are made no later than June 30th.

Expenditures are appropriated at the following levels for each fund: Personal Services, Materials and Services, Capital Outlay, Interfund Transfers, Debt Service, Special Payments and Operating Contingency.

Expenditures cannot legally exceed the above appropriations levels. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur if the Board approves them due to a need which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements reflect the original appropriations and a supplemental budget. Expenditures of the various funds were within authorized appropriation levels for the fiscal year ended June 30, 2021, except for the Retired Senior Volunteer Program Fund, in which Personnel Services was over-expended by $2,419, the Safer Grant Fund, in which the Material and Services was over-expended by $4,835 and the Maintenance Enterprise Fund, in which the Personnel Services was over-expended by $1,725.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. PROPERTY TAXES RECEIVABLE

In the Government-Wide Financial Statements uncollected property taxes are recorded in the Statement of Net Position. In the Fund Financial Statements property taxes that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as unavailable revenue because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary by management, as uncollectible taxes become a lien on the property. Property taxes are levied on all taxable property as of July 1, the beginning of the fiscal year, and become a lien on that date. Property taxes are payable on November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

F. CAPITAL ASSETS

Capital assets are recorded at the original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial cost of more than $10,000 and an estimated life in excess of one year. Interest incurred during construction, maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Buildings and improvements	39
Equipment	5 - 10

G. USE OF ESTIMATES

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

H. VESTED COMPENSATED ABSENCES

It is policy to permit employees to accumulate earned unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when employees separate from service. All unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

I. LONG TERM OBLIGATIONS

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. LONG TERM OBLIGATIONS (CONTINUED)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

J. NET POSITION

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

- Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The fund balances of the Retired Senior Volunteer Program (RSVP) and the Foster Grandparent Program (FGP) are restricted by outside donors for projects related to the programs.
- Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

K. DEFFERED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the basic financial statements 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 position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2021, there were deferred outflows representing PERS pension related deferrals, OPEB-Health Insurance related deferrals, OPEB-RHIA related deferrals, and deferrals on debt related refunding in the Statement of Net Position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items which qualify for reporting in this category. The governmental funds report unavailable revenues for property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. At June 30, 2021, there also were deferred inflows representing PERS pension related deferrals, OPEB-Health Insurance related deferrals and OPEB-RHIA related deferrals in the Statement of Net Position.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. FUND BALANCE

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, is followed. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications are nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.
- Restricted represents amounts that are legally restricted by outside parties for a particular purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned. There were no committed fund balances at year end.

M. PREPAID ITEMS

Payments made for goods and services that will benefit periods beyond June 30, 2021 are recorded as prepaid expenditures. Prepaids consist primarily of prepaid liability insurance, workers compensation insurance and software support and dues.

N. SUPPLY INVENTORIES

Supply inventories purchased are valued at cost (first-in, first-out method). Any donated inventories are valued at their estimated fair market value.

O. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access
Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)
Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

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

2. CASH AND INVESTMENTS

Cash management policies are governed by state statutes. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments. In addition, cash is separately held by some of the funds.

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2021 was $809,041 of which $427,146 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

CREDIT RISK – DEPOSITS

In the case of deposits, this is the risk that in the event of a bank failure, deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2021, none of the bank balances were exposed to custodial credit risk.

2. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at $1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at $1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx

If the link has expired please contact the Oregon Short Term Fund directly.

Cash and Investments at June 30, 2021 consisted of:

	2021
Deposits with Financial Institutions:	
Demand Deposits	$ 485,130
Money Market	25,873
Local Government Investment Pool	4,475,800
Total	$ 4,986,803

There are the following investments and maturities:

		Investment Maturities (in months)		
Investment Type	Fair Value	Less than 3	3-18	18-59
Money Market Accounts	$ 25,873	$ 25,873	$ -	$ -
State Treasurer's Investment Pool	4,475,800	4,475,800	-	-
	$ 4,501,673	$ 4,501,673	$ -	$ -

INTEREST RATE RISK - INVESTMENTS

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There were no investments that have a maturity date beyond three months.

2. CASH AND INVESTMENTS (CONTINUED)

CREDIT RISK - INVESTMENTS

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE.

CONCENTRATION OF CREDIT RISK

At June 30, 2021, investments were in the State Treasurer's Investment Pool and in money market accounts held at Bank of the West. State statutes do not limit the percentage of investments in either of these instruments. Oregon Revised Statutes require that no more than 25 percent of the moneys of a local government be invested in bankers' acceptances of any qualified financial institution. At June 30, 2021, there appeared to be compliance with all percentage restrictions.

3. ACCOUNTS RECEIVABLE

Accounts receivable primarily consist of uncollected billings for ambulance services. An allowance for doubtful accounts for ambulance services is based on an estimated collectability from the District's aging schedule. Per the District aging schedule, $289,288 in Accounts Receivable is over 90 days old at June 30, 2021.

The accounts receivable balance as of June 30, 2021 is as follows:

Ambulance Services Receivable (Gross)	$ 1,683,955
Allowance for Doubtful Accounts	(1,162,160)
Net Ambulance Services Receivable	521,795
Grants Receivable	61,889
Miscellaneous	87,183
Total Accounts Receivable, Net	$ 670,867

4. CAPITAL ASSETS

The changes in capital assets for the fiscal year ended June 30, 2021 are as follows:

	BALANCE 6/30/20	ADDITIONS	DELETIONS	BALANCE 6/30/21
Land & Improvements	$ 223,500	$ -	$ -	$ 223,500
Buildings & Improvements	5,455,783	170,132	-	5,625,915
Trucks and Equipment	5,037,891	1,573,803	(124,095)	6,487,599
Total Assets	10,717,174	1,743,935	(124,095)	12,337,014
Less Accumulated Depreciation:				
Buildings and Improvements	2,160,104	127,692	-	2,287,796
Trucks and Equipment	3,389,771	201,578	(93,047)	3,498,302
Total Accumulated Depreciation	5,549,875	329,270	(93,047)	5,786,098
Capital Assets, net	$ 5,167,299			$ 6,550,916

4. CAPITAL ASSETS – (CONTINUED)

All depreciation is charged to the fire services function in the statement of activities.

During the year ended June 30, 2021, equipment and vehicles with a net book value of ($31,048) were sold for $53,735, resulting in a gain of $22,687 reported in the Statement of Activities. The equipment and vehicles that were sold are being reported as deletions in the capital asset table above.

5. PROPERTY TAX LIMITATIONS

The voters of the State of Oregon imposed a constitutional limit on property taxes for schools and nonschool government operations. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for nonschool operations are limited to $10.00 for each $1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

The State voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

6. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:
https://www.oregon.gov/pers/Documents/Financials/CAFR/2020-CAFR.pdf
If the link is expired please contact Oregon PERS for this information.

a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
   i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
   A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

ii. **Death Benefits**. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
   - member was employed by PERS employer at the time of death,
   - member died within 120 days after termination of PERS covered employment,
   - member died as a result of injury sustained while employed in a PERS-covered job, or
   - member was on an official leave of absence from a PERS-covered job at the time of death.

iii. **Disability Benefits**. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

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

b. **OPSRP Pension Program (OPSRP DB)**. The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

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

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

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

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

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

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

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Effective January 1, 2020, Senate Bill 1049 requires employees to pay contributions on re-employed PERS retirees' salaries as if they were an active member, excluding IAP (6%) contributions. Employer contributions for the year ended June 30, 2021 were $448,221, excluding amounts to fund employer specific liabilities. In addition approximately $634,678 in employee contributions were paid or picked up by the District in fiscal 2020-21.

Pension Asset or Liability – At June 30, 2021, the District reported a net pension liability of $10,235,935 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2018. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2020 and 2019, the District's proportion was .047 percent and .051 percent, respectively. Pension expense for the year ended June 30, 2021 was $1,810,389.

The rates in effect for the year ended June 30, 2021 were:

(1) Tier 1/Tier 2 – 24.33%
(2) OPSRP general services – 16.87%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 450,505	$ -
Changes in assumptions	549,330	19,247
Net difference between projected and actual earnings on pension plan investments	1,203,613	-
Net changes in proportionate share	496,231	571,759
Differences between City contributions and proportionate share of contributions	20,542	315,903
Subtotal - Amortized Deferrals (below)	2,720,221	906,909
District contributions subsequent to measuring date	448,221	-
Deferred outflow (inflow) of resources	$ 3,168,442	$ 906,909

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2022.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Subtotal amounts related to pension as deferred outflows of resources, $2,720,221, and deferred inflows of resources, ($906,909), net to $1,813,312 and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2022	$ 403,047
2023	591,661
2024	564,609
2025	291,430
2026	(37,435)
Thereafter	-
Total	$ 1,813,312

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 12, 2021. Oregon PERS produces an independently audited CAFR which can be found at:

https://www.oregon.gov/pers/Documents/Financials/CAFR/2020-CAFR.pdf

Actuarial Valuations – The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Actuarial Methods and Assumptions:

Valuation date	December 31, 2018
Experience Study Report	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with *Moro* decision, blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	27.5%	37.5%	32.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Investments	7.5%	17.5%	15.0%
Opportunity Portfolio	0.0%	3.0%	0.0%
Risk Parity	0.0%	2.5%	2.5%
Total			100.0%

(Source: June 30, 2020 PERS CAFR; p. 102)

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in May 2019 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	9.60%	4.07%
Short-Term Bonds	9.60%	3.68%
Bank/Leveraged Loans	3.60%	5.19%
High Yield Bonds	1.20%	5.74%
Large/Mid Cap US Equities	16.17%	6.30%
Small Cap US Equities	1.35%	6.68%
Micro Cap US Equities	1.35%	6.79%
Developed Foreign Equities	13.48%	6.91%
Emerging Market Equities	4.24%	7.69%
Non-US Small Cap Equities	1.93%	7.25%
Private Equity	17.50%	8.33%
Real Estate (Property)	10.00%	5.55%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	1.50%	4.06%
Hedge Fund - Event-driven	0.38%	5.59%
Timber	1.13%	5.61%
Farmland	1.13%	6.12%
Infrastructure	2.25%	6.67%
Commodities	1.13%	3.79%
Assumed Inflation - Mean		*2.50%*

(Source: June 30, 2020 PERS CAFR; p. 74)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2020 and 2019 was 7.20 percent for both years for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate – the following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (6.20 percent) or one percent higher (8.20 percent) than the current rate.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

	Decrease (6.20%)	Rate (7.20%)	Increase (8.20%)
District's proportionate share of the net pension liability (asset)	$ 15,199,518	$ 10,235,935	$ 6,073,741

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available. There are no changes subsequent to the June 30, 2020 Measurement Date that meet this requirement.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:
Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:
Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

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

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Contributions:
Employees of the District pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSERP members earning $2,500 or more per month will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSERP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2021.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

http://www.oregon.gov/pers/EMP/Pages/GASB.aspx

7. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA)

Plan Description:
As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:
Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to $60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of $60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The District's contributions to RHIA are included in PERS contributions (see note 6) for all reporting years and equaled the required contributions each year.

7. OTHER POST-EMPLOYMENT BENEFIT PLAN - (CONTINUED)

At June 30, 2021, the District reported a net OPEB liability/(asset) of ($77,315) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2020, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2018. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2020 and 2019, the District's proportion was .038 percent and .042 percent, respectively. OPEB income for the year ended June 30, 2021 was $13,039.

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	$	(12,435)
Net amortization of employer-specific deferred amounts from:		
- Changes in proportionate share (per paragraph 64 of GASB 75)		1,809
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)		-
Employer's Total OPEB Expense/(Income)	$	(10,626)

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources		Deferred Inflow of Resources	
Difference between expected and actual experience	$	-	$	7,904
Changes in assumptions		-		4,110
Net difference between projected and actual earnings on pension plan investments		8,598		66
Net changes in proportionate share		4,204		-
Differences between City contributions and proportionate share of contributions		-		-
Subtotal - Amortized Deferrals (below)		12,802		12,080
District contributions subsequent to measuring date		-		-
Deferred outflow (inflow) of resources	$	12,802	$	12,080

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2022.

Subtotal amounts related to OPEB as deferred outflows of resources, $12,802, and deferred inflows of resources, ($12,080), net to $722 and will be recognized in OPEB expense as follows:

Year ending June 30,	Amount	
2022	$	(5,482)
2023		314
2024		3,178
2025		2,712
2026		-
Thereafter		-
Total	$	722

7. OTHER POST-EMPLOYMENT BENEFIT PLAN - (CONTINUED)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2020. That independently audited report was dated March 12, 2021 and can be found at:

https://www.oregon.gov/pers/EMP/Documents/GASB/2020/GASB_75_FYE_6.30.2020.pdf

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2018
Experience Study Report	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Retiree healthcare participation	Healthy retirees: 32%; Disabled retirees: 20%
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement dates of June 30, 2020 and 2019 was 7.20 and 7.20 percent, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

7. OTHER POST-EMPLOYMENT BENEFIT PLAN - (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in May 2019 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	9.60%	4.07%
Short-Term Bonds	9.60%	3.68%
Bank/Leveraged Loans	3.60%	5.19%
High Yield Bonds	1.20%	5.74%
Large/Mid Cap US Equities	16.17%	6.30%
Small Cap US Equities	1.35%	6.68%
Micro Cap US Equities	1.35%	6.79%
Developed Foreign Equities	13.48%	6.91%
Emerging Market Equities	4.24%	7.69%
Non-US Small Cap Equities	1.93%	7.25%
Private Equity	17.50%	8.33%
Real Estate (Property)	10.00%	5.55%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	1.50%	4.06%
Hedge Fund - Event-driven	38.00%	5.59%
Timber	1.13%	5.61%
Farmland	1.13%	6.12%
Infrastructure	2.25%	6.67%
Commodities	1.13%	3.79%
Assumed Inflation - Mean		*2.50%*

(Source: June 30, 2020 PERS CAFR; p. 74)

Sensitivity of the District's proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (6.20 percent) or one percent higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net OPEB liability (asset)	$ (62,419)	$ (77,315)	$ (90,052)

7. OTHER POST-EMPLOYMENT BENEFIT PLAN - (CONTINUED)

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2020 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

8. RISK MANAGEMENT

There is exposure to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. Commercial insurance is purchased to minimize exposure to these risks. Settled claims did not exceed this commercial coverage for the last three fiscal years.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE

Post-Employment Health Insurance Subsidy

Plan Description - The District, as a result of collective bargaining agreements, offers post-employment health care benefits under a single-employer, defined benefit plan for all employees who have completed a specified number of years of continuous service, are eligible for full OPERS benefits, elect early retirement and were hired prior to July 1, 2006.

For eligible licensed employees the District will provide medical coverage for the lesser of seven years or until eligible for Medicare (age 65). For administrators, managers, supervisor and confidential employees, coverage is until Medicare eligibility date regardless of retirement age, assuming full OPERS coverage. For eligible classified employees with 15 years of service, coverage is provided up to the lesser of five years or until eligible for Medicare (age 65).

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. The plan is currently unfunded in accordance with GASB statement 75. In accordance with the terms of the plan, benefit payments are recognized when due and payable in the governmental statements. The activities of the plan are reported in the General Fund.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE (CONTINUED)

Annual OPEB Cost and Total OPEB Liability – The annual other postemployment benefit (OPEB) cost is calculated based on the Total OPEB Liability, an amount actuarially determined in accordance with the parameters of GASB Statement 75. For detailed information and a table showing the components of the District's annual OPEB costs and liabilities, see page 34.

Actuarial Methods and Assumptions – The Total OPEB Liability for the current year was determined as part of the June 30, 2021 actuarial valuation using the entry age normal method. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality, claim cost and the healthcare cost trend. The actuarial assumptions included; (a) a rate of return on investment of present and future assets of 2.21% compounded annually; (b) no future increase in benefit payable from this program; (c) a general inflation rate of 2.5% per year, and (d) no post-retirement benefit increases and a payroll increase of 2.5%. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Under this method, the expected accrued benefit of each participant at benefit commencement (reflecting future expected increases in salaries and medical premiums) is allocated in equal proportion over the participant's years of service from hire to expected retirement. The normal cost is the present value of benefits expected to accrue in the current year. The present value of benefits accrued as of the valuation date is called the accrued liability.

Funding Status and Funding Progress – As of June 30, 2021, the plan was 0% funded. The actuarial accrued liability for benefits was $1,433,810, and the actuarial value of assets was $0. Estimated covered payroll was $4,087,166.

Participant Count	**Total**
Number of Active Participants	51
Number of Inactive Participants	4
Total Number of Participants	55

Total OPEB Liability
The District's total OPEB liability of $1,433,810 was measured as of June 30, 2021, and was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions and Other Inputs
The District's total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE (CONTINUED)

Actuarial assumptions

Valuation Date	June 30, 2020
Actuarial Cost method	Entry Age Normal
Investment return assumption (interest discount)	The 2.21% investment return assumption is the June 30, 2020 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer.
Health Care Cost Trend Rate	8% annual increase for the 2021-2022 policy year, decreasing to an ultimate annual increase of 5%.
Plan participation	100% assumed will elect coverage at retirement if eligible for District paid insurance; 55% assumed if only eligible for self-pay insurance.
Inflation rate	2.5% for all future years.
Annual salary rate increases	2.5% for all future years.
Health care premium	
Beginning in 2018, a 40% excise tax will be imposed under the Affordable Care Act on employers if the aggregate value of medical coverage exceeds a threshold limit. This excise tax is not included in the calculations because it is believed to be immaterial in regards to the OPEB plan.	

Changes in Total OPEB Liability

Changes of assumptions: Interest Discount, the investment return assumption was decreased from 3.90% to 2.21%. Persistence, the drop rate for retirees self-paying for coverage remained at 7% based on district experience.

Total OPEB Liability Balance 6/30/20	$	1,359,121
Changes for the year:		
Benefit Payment		(34,786)
Service Cost		79,823
Interest		29,652
Change in Benefit Terms		-
Change in Assumptions		-
Experience (Gain)/Loss		-
Total OPEB Liability Balance 6/30/20	$	1,433,810

Sensitivity of the total OPEB Liability to changes in discount rate – the following presents the total OPEB liability of the District, as well as what the District's total OPEB Liability would be if it were calculated using a discount rate 1 percentage point higher and lower than the current rate.

	1% Decrease (1.21%)	Rate (2.21%)	1% Increase (3.21%)
Total OPEB Liability on June 30, 2021	$ 1,576,388	$ 1,433,810	$ 1,034,124

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE (CONTINUED)

Sensitivity of the total OPEB Liability to changes in the healthcare cost trend rates – the following presents the total OPEB liability of the District, as well as what the District's total OPEB Liability would be if it were calculated using health care cost trend rates that are 1 percentage point higher and lower than the current healthcare cost trend rates.

	1% Decrease	Current Health Care Trend Rates	1% Increase
Total OPEB Liability on June 30, 2021	$ 1,251,517	$ 1,433,810	$ 1,650,831

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized OPEB expense of $100,626 in the government wide Statement of Activities. At June 30, 2021, the District reported deferred inflows and outflows of resources relating to the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 133,379
Changes in assumptions	382,883	-
Subtotal - Amortized Deferrals (below)	382,883	133,379
District contributions subsequent to measuring date	-	-
Deferred outflow (inflow) of resources	$ 382,883	$ 133,379

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability in the fiscal year ended June 30, 2022.

Subtotal amounts reported as deferred outflows of resources, $382,883, and deferred inflows of resources, ($133,379), net to $249,504 and will be recognized in OPEB expense as follows.

Fiscal Year Ending	Amount
2022	$ 25,937
2023	25,937
2024	25,937
2025	25,937
2026	25,937
All Subsequent Years	119,819
Total	$ 249,504

10. DEFERRED COMPENSATION

Deferred Compensation Plan -A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement; unforeseeable emergency; or by requesting a de minimis distribution from inactive accounts valued less than $5,000. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

11. ACCRUED COMPENSATED ABSENCES

The change in compensated absences for the year is as follows:

	Vested Compensated Absences
Balance, June 30, 2020	$ 375,782
Additions	33,705
Balance, June 30, 2021	$ 409,487

12. LONG- TERM OBLIGATIONS

General Obligation Bonds

In 2016, Full Faith and Credit Obligation refunding bonds were issued to defease the 2006 Full Faith and Credit Obligation issued to provide funds for the construction of a training center. The bonds have interest rates of 2% - 4% with semi-annual interest payments and annual principal payments and resulted in defeasance of $2,555,000 of debt. There are no items considered to be significant default/remedies noted in the agreement.

In November 2019, a Capital lease was entered into in the amount of $471,770 for two fire trucks. The lease has an interest rate of 2.97% with annual interest and principal payments of $102,925 through January 2025.

The following table shows changes in Long Term Obligations for the fiscal year ended June 30, 2021:

	Original Issue	Outstanding 7/1/20	Issued	Matured and Redeemed	Outstanding 6/30/21	Due Within One Year
Bonds Payable						
February 9, 2016	2,375,000	$ 2,105,000	$ -	$ 85,000	$ 2,020,000	$ 90,000
Capital Lease						
November 12, 2019	471,770	471,770	-	88,913	382,857	91,554
Bond Premium						
Unamortized Premium		218,065	-	13,629	204,436	19,018
		$ 2,794,835	$ -	$ 187,542	$ 2,607,293	200,572

12. LONG- TERM OBLIGATIONS – (CONTINUED)

Future Maturities of Bonds are as follows:

Future Maturities are as follows:

Fiscal Year Ending June 30	Principal (FF&C Bonds)	Interest (FF&C Bonds)
2022	$ 90,000	$ 80,800
2023	95,000	77,200
2024	100,000	73,400
2025	105,000	69,400
2026	110,000	65200
2027-2031	605,000	257,600
2032-2036	750,000	125,400
2036-2037	165,000	6,600
Total	$ 2,020,000	$ 755,600

Future Maturities of Leases are as follows:

Fiscal Year Ending June 30	Principal (Capital Leases)	Interest (Capital Leases)
2022	$ 91,554	$ 11,371
2023	94,273	8,652
2024	97,073	5,852
2025	99,957	2,969
Total	$ 382,857	$ 28,844

13. INTERFUND TRANSFERS & INTERFUND RECEIVABLE/PAYABLE

Transfers and Interfund Payables and Receivables, which are made to finance operations between funds, are as follows:

	Transfers Out	Transfers In	Interfund Receivable	Interfund Payable
General Fund	$ 375,000	$ 125,000	$ 292,985	$ 6,459
Special Revenue Fund	135,258	-	105,082	389,814
Capital Projects Fund	-	385,258	1,022	2,816
	$ 510,258	$ 510,258	$ 399,089	$ 399,089

14. FUND DEFICITS

The Tax Anticipation Note Fund had a deficit balance of $359,270 and the Capital Project Training Ground Fund had a deficit balance of $2,316. These deficit balances are expected to be eliminated next year with transfers from the General Fund.

15. TAX ABATEMENTS

As of June 30, 2021, the District had tax abatements through the Enterprise Zone program that impacted their levied taxes.

Enterprise Zone (ORS 285C.175):

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

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

For the fiscal year ended June 30, 2021, the District had $59,401 of property taxes abated under this program.

16. COMMITMENTS AND CONTINGENCIES

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. The ultimate impact on the District's finances is not determinable.

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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SCHEDULES OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS
OTHER POST EMPLOYMENT BENEFITS
June 30, 2021

(OPEB): (Health Insurance)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Differences Between Expected and Actual	Experience Gain/(Loss)	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2021	$ 1,359,121	$ 79,823	$ 29,652	$ -	$ -	$ -	$ -	$ (34,786)	$ 1,433,810	$ 4,087,166	35.08%
2020	1,094,259	77,876	23,874	-	202,039	-	(10,981)	(27,946)	1,359,121	3,987,479	34.08%
2019	1,042,350	45,923	39,989	-	-	-	-	(34,003)	1,094,259	3,925,967	27.87%
2018	867,240	44,803	33,137	-	318,358	-	(186,018)	(35,170)	1,042,350	3,830,212	27.20%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June, 30	(a) Actuarially Determined Contribution	(b) Contributions During Year	(b)-(a) Difference	(c) Covered Payroll	(b/c) Contributions as a Percentage of Payroll
2021	N/A	N/A	N/A	$ 4,087,166	N/A
2020	N/A	N/A	N/A	$ 3,987,479	N/A
2019	N/A	N/A	N/A	$ 3,925,967	N/A
2018	N/A	N/A	N/A	$ 3,830,212	N/A

The above tables present the most recent actuarial valuations for the District's post-retirement benefit.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2021	0.05 %	$ 10,235,935	$ 4,685,581	218.5 %	75.8 %
2020	0.05	8,819,680	4,539,549	194.3	80.2
2019	0.04	6,687,374	4,596,533	145.5	82.1
2018	0.05	6,084,661	4,114,956	147.9	83.1
2017	0.05	7,084,126	4,147,768	170.8	80.5
2016	0.05	2,811,449	3,994,153	70.4	91.9
2015	0.05	(1,029,567)	3,771,870	(27.3)	103.6
2014	0.05	2,317,905	3,825,130	60.6	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2021	$ 448,221	$ 448,221	$ -	$ 2,724,679	16.5 %
2020	873,212	873,212	-	4,685,581	18.6
2019	682,821	682,821	-	4,539,549	15.0
2018	705,356	705,356	-	4,596,533	15.3
2017	455,688	455,688	-	4,114,956	11.1
2016	495,473	495,473	-	4,147,768	11.9
2015	460,446	460,446	-	3,994,153	11.5
2014	431,081	431,081	-	3,771,870	11.4

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

OPEB - RHIA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET/(LIABILITY) FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset/ (liability) (NOA/(L))	(b) Employer's proportionate share of the net OPEB asset/ (liability) (NOA/(L))	(c) Employer's covered payroll	(b/c) NOA/(L) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2021	0.03794 %	$ 77,315	$ 4,685,581	1.65 %	150.1 %
2020	0.04186	80,888	4,539,549	1.78	144.4
2019	0.04260	47,549	4,596,533	1.03	124.0
2018	0.03929	16,396	4,114,956	0.40	108.9
2017	0.04435	(12,044)	4,147,768	(0.29)	90.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Amounts for covered payroll (c) use the prior year's data to match the measurement data used by the OPEB plan for each year.

SCHEDULE OF CONTRIBUTIONS FOR RHIA

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2021	$ N/A	$ N/A	$ N/A	$ 2,724,679	N/A %
2020	N/A	N/A	N/A	4,685,581	N/A
2019	N/A	N/A	N/A	4,539,549	N/A
2018	N/A	N/A	N/A	4,596,533	N/A
2017	N/A	N/A	N/A	4,114,956	N/A

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

All statutorily required contributions were made and are included within PERS contributions (see p. 35).

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:					
Taxes	$ 7,542,000	$ 7,542,000		$ 7,817,621	$ 275,621
Earnings On Investments	95,000	95,000		31,399	(63,601)
Fire-Med	54,000	54,000		57,490	3,490
Public Education Donations	4,500	4,500		100	(4,400)
Donations and Grants	-	-		30,100	30,100
Miscellaneous	1,000	1,000		25,570	24,570
Ambulance Service	1,500,000	1,500,000		1,875,275	375,275
Address Sign Sales	400	400		1,300	900
Lifeflight Members	42,000	42,000		-	(42,000)
Special Training	5,000	5,000		3,600	(1,400)
Conflagration Revenue	200,000	200,000		340,723	140,723
Third Party Contract Billing	40,000	40,000		37,175	(2,825)
Fire Service Agreements	6,500	6,500		7,181	681
Royalties & Rights	15,000	15,000		98,415	83,415
Total Revenue	9,505,400	9,505,400		10,325,949	820,549
EXPENDITURES:					
Personal Services	8,885,580	8,885,580	(1)	8,686,372	199,208
Materials and Services	1,292,520	1,292,520	(1)	1,049,886	242,634
Capital Outlay	837,300	837,300	(1)	745,782	91,518
Debt Service	270,000	270,000	(1)	218,537	51,463
Operating Contingency	375,000	375,000	(1)	-	375,000
Total Expenditures	11,660,400	11,660,400		10,700,577	959,823
Excess of Revenues Over (Under) Expenditures	(2,155,000)	(2,155,000)		(374,628)	(139,274)
OTHER FINANCING SOURCES, (USES):					
Sale of Equipment	40,000	40,000		53,735	13,735
Transfers In	40,000	40,000		-	(40,000)
Transfers Out	(375,000)	(375,000)	(1)	(375,000)	-
Total Other Financing Sources (Uses)	(295,000)	(295,000)		(321,265)	(26,265)
Net Change in Fund Balance	(2,450,000)	(2,450,000)		(695,893)	1,754,107
Beginning Fund Balance	2,450,000	2,450,000		4,510,809	2,060,809
Ending Fund Balance	$ -	$ -		3,814,916	$ 3,814,916

(1) Appropriation Level

Reconciliation to Governmental Fund Balance as required by GASB #54
Ending Fund Balance:

Retirement/Sick Leave Reserve Fund	404,741
Health Insurance Fund	111,912
	$ 4,331,569

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING BALANCE SHEET - SPECIAL REVENUE FUND
June 30, 2021

	TAX ANTICIPATION NOTES FUND	RSVP FUND	FGP FUND
ASSETS:			
Cash and Investments	$ 3,200	$ 3,467	$ -
Receivables:			
Accounts, net	-	-	-
Interfund Receivable	-	9,636	4,440
Total Assets	$ 3,200	$ 13,103	$ 4,440
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities:			
Accounts Payable	$ -	$ -	$ -
Interfund Payable	362,470	-	-
Total Liabilities	362,470	-	-
Fund Balance, (Deficit):			
Restricted:			
Retired Senior Volunteer Program	-	13,103	-
Foster Grandparents Program	-	-	4,440
Assigned			
Debt Service	(359,270)	-	-
Building & Equipment	-	-	-
Unassigned	-	-	-
Total Fund Balance	(359,270)	13,103	4,440
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 3,200	$ 13,103	$ 4,440

Continued on next page

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING BALANCE SHEET - SPECIAL REVENUE FUND
June 30, 2021

	SAFER GRANTS FUND	MAINTENANCE ENTERPRISE FUND	TOTAL
ASSETS:			
Cash and Investments	$ -	$ -	$ 6,667
Receivables:			
Accounts, net	61,889	-	61,889
Interfund Receivable	-	91,006	105,082
Total Assets	$ 61,889	$ 91,006	$ 173,638
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities:			
Accounts Payable	$ -	$ -	$ -
Interfund Payable	27,344	-	389,814
Total Liabilities	27,344	-	389,814
Fund Balance, (Deficit):			
Restricted:			
Retired Senior Volunteer Program	-	-	13,103
Foster Grandparents Program	-		4,440
Assigned			
Debt Service	-	-	(359,270)
Building & Equipment	-	91,006	91,006
Unassigned	34,545	-	34,545
Total Fund Balance	34,545	91,006	(216,176)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 61,889	$ 91,006	$ 173,638

Continued from previous page

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
For the Year Ended June 30, 2021

	TAX ANTICIPATION NOTES FUND	RSVP FUND	FGP FUND
REVENUES:			
Earnings On Investments	$ 14	$ -	$ -
Miscellaneous	-	6,951	-
Maintenance Shop Revenue	-	-	-
Donations and Grants	-	69,954	-
Total Revenues	14	76,905	-
EXPENDITURES:			
Personal Services	-	67,703	-
Materials and Services	-	14,634	-
Capital Outlay	-	-	-
Total Expenditures	-	82,337	-
Excess of Revenues Over, (Under Expenditures)	14	(5,432)	-
Other Financing Sources, (Uses):			
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	14	(5,432)	-
Beginning Fund Balance, (Deficit)	(359,284)	18,535	4,440
Ending Fund Balance, (Deficit)	$ (359,270)	$ 13,103	$ 4,440

Continued on next page

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
For the Year Ended June 30, 2021

	SAFER GRANTS FUND	MAINTENANCE ENTERPRISE FUND	TOTAL
REVENUES:			
Earnings On Investments	$ -	$ -	$ 14
Miscellaneous	317,935	-	324,886
Maintenance Shop Revenue	-	34,422	34,422
Donations and Grants	324,430	-	394,384
Total Revenues	642,365	34,422	753,706
EXPENDITURES:			
Personal Services	251,095	32,175	350,973
Materials and Services	70,235	18,992	103,861
Capital Outlay	27,968	-	27,968
Total Expenditures	349,298	51,167	482,802
Excess of Revenues Over, (Under Expenditures)	293,067	(16,745)	270,904
Other Financing Sources, (Uses):			
Transfers Out	(135,258)	-	(135,258)
Total Other Financing Sources (Uses)	(135,258)	-	(135,258)
Net Change in Fund Balance	157,809	(16,745)	135,646
Beginning Fund Balance, (Deficit)	(123,264)	107,751	(351,822)
Ending Fund Balance, (Deficit)	$ 34,545	$ 91,006	$ (216,176)

Continued from previous page

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

TAX ANTICIPATION NOTE FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:					
Earnings on Investments	$ 75	$ 75		$ 14	$ (61)
Total Revenues	75	75		14	(61)
EXPENDITURES:					
Materials & Services	75	75	(1)	-	75
Total Expenditures	75	75		-	75
Excess of Revenues Over (Under) Expenditures	-	-		14	14
Beginning Fund Balance	-	-		(359,284)	(359,284)
Ending Fund Balance	$ -	$ -		$ (359,270)	$ (359,270)

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

RETIRED SENIOR VOLUNTEER PROGRAM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Federal Grant	$ 75,034	$ 80,034	$ 69,954	$ (10,080)
Miscellaneous	3,000	3,000	6,951	3,951
Total Revenues	78,034	83,034	76,905	(6,129)
EXPENDITURES:				
Personal Services	65,284	65,284 (1)	67,703	(2,419)
Materials and Services	15,850	20,850 (1)	14,634	6,216
Total Expenditures	81,134	86,134	82,337	3,797
Net Change in Fund Balance	(3,100)	(3,100)	(5,432)	(2,332)
Beginning Fund Balance	3,100	3,100	18,535	15,435
Ending Fund Balance	$ -	$ -	$ 13,103	$ 13,103

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

FGP FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
Beginning Fund Balance	$ -	$ -	$ 4,440	$ 4,440
Ending Fund Balance	$ -	$ -	$ 4,440	$ 4,440

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

SAFER GRANTS

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES					
Donations & Grants	$ 1,127,830	$ 1,127,830		$ 324,430	$ (803,400)
Miscellaneous	170,000	170,000		317,935	147,935
Total Revenues	1,297,830	1,297,830		642,365	(655,465)
EXPENDITURES:					
Personal Services	1,044,330	1,044,330	(1)	251,095	793,235
Materials & Services	65,400	65,400	(1)	70,235	(4,835)
Capital Outlay	30,000	30,000	(1)	27,968	2,032
Total Expenditures	1,139,730	1,139,730		349,298	790,432
Excess of Revenues Over (Under) Expenditures	158,100	158,100		293,067	(1,445,897)
OTHER FINANCING SOURCES (USES):					
Transfers Out	(158,100)	(158,100)	(1)	(135,258)	22,842
Net Change in Fund Balance	-	-		157,809	(1,423,055)
Beginning Fund Balance	-	-		(123,264)	(123,264)
Ending Fund Balance	$ -	$ -		$ 34,545	$ 34,545

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

MAINTENANCE ENTERPRISE

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES					
Maintenance Revenue	$ 100,000	$ 100,000		$ 34,422	$ (65,578)
Total Revenues	100,000	100,000		34,422	(65,578)
EXPENDITURES:					
Personal Services	30,450	30,450	(1)	32,175	(1,725)
Materials & Services	59,550	59,550	(1)	18,992	40,558
Capital Outlay	10,000	10,000	(1)	-	10,000
Total Expenditures	100,000	100,000		51,167	48,833
Net Change in Fund Balance	-	-		(16,745)	(16,745)
Beginning Fund Balance	-	-		107,751	107,751
Ending Fund Balance	$ -	$ -		$ 91,006	$ 91,006

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING BALANCE SHEET - CAPITAL PROJECTS FUND
June 30, 2021

	REAL PROPERTY BUILDING & EQUIPMENT FUND	CAPITAL PROJECTS TRAINING GROUND FUND	TOTAL
ASSETS:			
Cash and Investments	$ 850,877	$ -	$ 850,877
Receivables:			
Accounts, net	-	500	500
Interfund Receivable	1,022	-	1,022
Total Assets	$ 851,899	$ 500	$ 852,399
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES:			
Interfund Payable	$ -	$ 2,816	$ 2,816
Total Liabilities	-	2,816	2,816
Fund Balance, (Deficit):			
Building & Equipment	851,899	-	851,899
Unassigned	-	(2,316)	(2,316)
Total Fund Balance	851,899	(2,316)	849,583
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 851,899	$ 500	$ 852,399

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND
For the Year Ended June 30, 2021

	REAL PROPERTY BUILDING & EQUIPMENT FUND	CAPITAL PROJECTS TRAINING GROUND FUND	TOTAL
REVENUES:			
Earnings On Investments	$ 8,170	$ -	$ 8,170
Total Revenues	8,170	-	8,170
EXPENDITURES:			
Capital Outlay	553,462	-	553,462
Debt Service	51,462	-	51,462
Total Expenditures	604,924	-	604,924
Excess of Revenues Over, (Under Expenditures)	(596,754)	-	(596,754)
Other Financing Sources, (Uses):			
Captial Lease Issuance	-	-	-
Transfers In	385,258	-	385,258
Total Other Financing Sources (Uses)	385,258	-	385,258
Net Change in Fund Balance	(211,496)	-	(211,496)
Beginning Fund Balance, (Deficit)	1,063,395	(2,316)	1,061,079
Ending Fund Balance, (Deficit)	$ 851,899	$ (2,316)	$ 849,583

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

REAL PROPERTY, BUILDING AND EQUIPMENT RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Earnings on Investments	$ 20,000	$ 20,000	$ 8,170	$ (11,830)
Total Revenues	20,000	20,000	8,170	11,830
EXPENDITURES:				
Debt Service	53,500	53,500 (1)	51,462	2,038
Capital Outlay	561,457	561,457 (1)	553,462	7,995
Total Expenditures	614,957	614,957	604,924	10,033
Excess of Revenues Over (Under) Expenditures	(594,957)	(594,957)	(596,754)	(1,797)
OTHER FINANCING SOURCES (USES):				
Transfer In	408,100	408,100	385,258	(22,842)
Total Other Financing Sources (Uses)	408,100	408,100	385,258	(22,842)
Net Change in Fund Balance	(186,857)	(186,857)	(211,496)	(24,639)
Beginning Fund Balance	1,205,000	1,205,000	1,063,395	(141,605)
Ending Fund Balance	$ 1,018,143	$ 1,018,143	$ 851,899	$ (166,244)

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

CAPITAL PROJECT TRAINING GROUND FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
Beginning Fund Balance	$ -	$ -	$ (2,316)	$ (2,316)
Ending Fund Balance	$ -	$ -	$ (2,316)	$ (2,316)

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

RETIREMENT/SICK LEAVE RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Earnings on Investments	$ 5,000	$ 5,000	$ 2,781	$ (2,219)
Total Revenues	5,000	5,000	2,781	(2,219)
EXPENDITURES:				
Personal Services	65,000	65,000 (1)	60,785	4,215
Total Expenditures	65,000	65,000	60,785	4,215
Excess of Revenues Over (Under) Expenditures	(60,000)	(60,000)	(58,004)	(6,434)
OTHER FINANCING SOURCES, (USES)				
Transfers In	125,000	125,000	125,000	-
Total Other Financing Sources (Uses)	125,000	125,000	125,000	-
Net Change in Fund Balance	65,000	65,000	66,996	1,996
Beginning Fund Balance	343,200	343,200	337,745	(5,455)
Ending Fund Balance	$ 408,200	$ 408,200	$ 404,741	$ (3,459)

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB #54 due to its financing resources being derived primarily from General Fund transfers.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2021

HEALTH INSURANCE RESERVE

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Interest on Investments	$ 2,800	$ 2,800	$ 933	$ (1,867)
Total Revenues	2,800	2,800	933	(1,867)
OTHER FINANCING SOURCES (USES):				
Transfers Out	(40,000)	(40,000) (1)	-	40,000
Total Other Financing Sources (Uses)	(40,000)	(40,000)	-	40,000
Net Change in Fund Balance	(37,200)	(37,200)	933	38,133
Beginning Fund Balance	111,200	111,200	110,979	(221)
Ending Fund Balance	$ 74,000	$ 74,000	$ 111,912	$ 37,912

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB #54 due to its financing resources being derived primarily from General Fund transfers.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the Year Ended June 30, 2021

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2020	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2021
GENERAL FUND:						
CURRENT:						
2020-2021	$ 7,999,780	$ 214,246	$ (11,020)	$ 2,776	$ 7,611,909	$ 165,381
PRIOR YEARS:						
2019-2020	190,554	-4	-1,583	5,095	101,535	92,535
2018-2019	100,714	-	(1,504)	5,794	49,295	55,709
2017-2018	55,651	-	(711)	7,692	44,182	18,450
2016-2017	17,157	-	(688)	3,171	15,622	4,018
2015-2016	4,335	-	(439)	617	991	3,522
Prior Years	10,936	-	(129)	1,784	6,067	6,524
Total Prior	379,347	(4)	(5,054)	24,153	217,692	180,758
Total General Fund	$ 8,379,127	$ 214,242	$ (16,074)	$ 26,929	$ 7,829,601	$ 346,138

RECONCILIATION OF REVENUE:

	GENERAL FUND
Cash Collections by County Treasurer Above	$ 7,829,601
Accrual of Receivables:	
June 30, 2020	(29,075)
June 30, 2021	36,500
Change in Deferred Revenue from prior year	(40,634)
Taxes in Lieu	(19,405)
Total Revenue	$ 7,776,987

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

March 23, 2022

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Columbia River Fire and Rescue as of and for the year ended June 30, 2021, and have issued our report thereon dated March 23, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

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

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

1. Expenditures were within authorized appropriations excepted as noted on page 9.

OAR 162-10-0230 Internal Control

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

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

Roy R Rogers

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020

CERTIFIED PUBLIC ACCOUNTANTS

PAULY ROGERS AND CO PC

12700 SW 72nd Ave.
Tigard, OR 97223

COLUMBIA RIVER FIRE & RESCUE

COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

BOARD OF DIRECTORS	TERM EXPIRES
Hans Feige, President	June 30, 2023
Kelly Niles, Vice President	June 30, 2021
Gary Hudson, Secretary- Treasurer	June 30, 2021
Mark Kreutzer	June 30, 2023
Kim McLane	June 30, 2023

All directors receive their mail at the address listed below.

REGISTERED AGENT AND FINANCE DIRECTOR

Eric Smythe, Interim Fire Chief
Marit Nelson, Finance Director

270 Columbia Blvd.
St. Helens, Oregon 97051

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

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PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

January 7, 2021

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Columbia River Fire & Rescue
Columbia County, Oregon

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the remaining fund information of Columbia River Fire & Rescue (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the remaining fund information of Columbia River Fire & Rescue, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the Schedules of changes in total OPEB liability and related ratios for health insurance, or the Schedules of net OPEB liability/asset and contributions for RHIA, or the Schedules of net pension liability and contributions for PERS, or the management's discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

The budgetary comparison schedule presented as required supplementary information, as listed in the table of contents, 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 records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The listing of board members, containing their term expiration dates, as located before the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Reports on Legal and Other Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated January 7, 2021 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Roy R Rogers

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

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Columbia River Fire & Rescue
ADMINISTRATIVE OFFICES
270 Columbia Boulevard * St. Helens, Oregon 97051-2022
Phone: (503) 397-2990 * www.CRFR.com * Fax: (503) 397-3198

COLUMBIA RIVER FIRE & RESCUE
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

This section of the Columbia River Fire & Rescue annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2020. Please read it in conjunction with the District's financial statements and notes, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position was $1,194,127 at June 30, 2020.
- The combined fund ending fund balances were $5,668,790 at year-end.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts: management's discussion and analysis (this section), the basic financial statements, required supplementary information and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements. The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.

The basic financial statements also include notes that explain some of the information in the basic financial statements and provide more detailed data. The statements are followed by a section of supplementary information that further explains and supports the information in the basic financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position may be an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the District, one needs to consider additional non-financial factors such as changes in the District's taxing ability.

The government-wide financial statements of the District include only governmental activities. The District's basic services are included here. Property taxes and fees for services finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds-not the District as a whole. Funds are accounting devices that the District uses to keep track of sources of funding and spending for particular purposes.

The District only has governmental funds. The District's basic services are included in its governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

	2020	2019
ASSETS:		
Current and Other Assets	$ 6,699,131	$ 5,759,711
Capital Assets	5,167,299	4,669,820
Pension and Other Deferrals of Outflows	3,762,121	2,894,134
Total Assets	15,628,551	13,323,665
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:		
Liabilities	13,679,126	10,899,515
Deferred Inflows of Resources		
Net Pension Related Deferrals	755,298	732,497
NET POSITION:		
Net Investment in Capital Assets	2,372,464	2,243,126
Restricted	103,863	24,300
Unrestricted	(1,282,200)	(575,773)
Total Net Position	$ 1,194,127	$ 1,691,653

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Changes in net position:

	For the Year Ended June 30, 2020	2019
REVENUES:		
General Revenues:		
Property Taxes	$ 7,442,606	$ 7,217,671
Charges for Services	2,028,187	2,291,941
Interest	112,266	116,577
Grants & Contributions	323,493	309,858
Miscellaneous	247,122	19,569
Total Revenues	10,153,674	9,955,616
EXPENSES:		
Fire Services	10,493,443	9,637,254
Retired Senior Volunteer Program	94,752	75,316
Interest on Long-Term Deb	96,310	137,001
Total Expenses	10,684,505	9,849,571
Change in Net Position	(530,831)	106,045
Beginning Net Position - Restated	1,724,958	1,585,608
Ending Net Position	$ 1,194,127	$ 1,691,653

The District's total revenues were $10,153,674. Net Position decreased by $530,831 in 2020.

The net position for the year ended June 30, 2020 has been affected by the implementation and continued updating of GASB 68 which requires local governments to report pension assets and liabilities administered through trusts (Oregon PERS). The District is required to recognize the long-term obligation for pension benefits as a liability and to more comprehensively and comparably measure the annual costs of pension benefits. These values are calculated off the Actuary and PERS information for each employer.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled $10,140,297 in 2020. Governmental fund balances totaled $5,668,790 at June 30, 2020. A summary of changes in governmental fund balances follows:

	For the Year Ended June 30, 2020	2019	Change
General Fund	$ 4,959,533	$ 4,547,629	$ 411,904
Real Property Bldg & Equipment	1,063,395	631,390	432,005
Debt Service Fund (TANS)	(359,284)	(359,347)	63
Capital Project - Training Ground Reserve	(2,316)	(2,316)	-
RSVP Fund	18,535	19,860	(1,325)
Foster Grant Parent Fund	4,440	4,440	-
SAFER Grants	(123,264)	(82,966)	(40,298)
Maintenance Enterprise Fund	107,751	102,350	5,401
Total	$ 5,668,790	$ 4,861,040	$ 807,750

GENERAL FUND BUDGETARY HIGHLIGHTS

The fund balance in the General Fund increased by $411,904. As discussed in the notes to basic financial statements, the Retirement/Sick Leave reserve fund and Health Insurance reserve fund are included in the General Fund balance for GASB 54 purposes.

CAPITAL ASSETS

At June 30, 2020 the District had $5,167,299 invested in capital assets, net of depreciation and related debt. More detailed information about the District's capital assets is presented in the notes to the basic financial statements.

LONG TERM LIABILITIES

At June 30, 2020 the District had $2,794,835 in long term liabilities. These liabilities consisted of general obligation bonds and capital leases. More detailed information can be found beginning in the Notes to the Basic Financial Statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our taxpayers, ratepayers, and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please contact the Columbia River Fire & Rescue. Our address is: 270 Columbia Blvd, St. Helens, Oregon, 97051.

Marit Nelson
Director of Finance & Human Resources

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2020

ASSETS:		
Cash and Investments	$	5,422,927
Receivables:		
Property Taxes		379,346
Accounts, Net		440,040
Deposits		10,100
Prepaid Expenses		90,129
Supply Inventories		275,701
Total OPEB-RHIA Asset		80,888
Capital Assets:		
Land		223,500
Other Capital Assets, net of depreciation		4,943,799
Total Assets		11,866,430
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferrals - PERS		3,244,958
OPEB Related Deferrals - RHIA		404
OPEB Related Deferrals - Health Insurance		425,154
Deferred Amount on Refunding		91,605
Total Deferred Outflows of Resources		3,762,121
Total Assets and Deferred Outflows		15,628,551
LIABILITIES		
Accounts Payable		217,232
Accrued Payroll		106,248
Accrued Compensated Absences		375,782
Due within one year - Long Term Obligations		173,913
Non-Current Liabilities		
OPEB Liability - Health Insurance		1,359,121
Interest Payable		6,228
Net Pension Liability - PERS		8,819,680
Due in more than one year - Long Term Obligations		2,620,922
Total Liabilities		13,679,126
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferrals - PERS		589,291
OPEB Related Deferrals - RHIA		16,294
OPEB Related Deferrals - Health Insurance		149,713
Total Deferred Inflows of Resources		755,298
Total Liabilities and Deferred Inflows		14,434,424
NET POSITION		
Net Investment in Capital Assets		2,372,464
Restricted for		
Program Projects		22,975
OPEB-RHIA Asset		80,888
Unrestricted		(1,282,200)
Total Net Position	$	1,194,127

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

FUNCTIONS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENDITURES) REVENUES AND CHANGES IN NET POSITION
Fire Services	$ 10,493,443	$ 2,028,187	$ 247,059	$ (8,218,197)
RSV Program	94,752	-	76,434	(18,318)
Interest	96,310	-	-	(96,310)
Total Governmental Activities	$ 10,684,505	$ 2,028,187	$ 323,493	(8,332,825)
GENERAL REVENUES:				
Taxes				7,442,606
Interest				112,266
Gain on Sale of Equipment				43,349
Miscellaneous				203,773
Total General Revenues				7,801,994
Change in Net Position				(530,831)
Beginning Net Position - As Restated				1,724,958
Ending Net Position				$ 1,194,127

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
ASSETS:				
Cash and Investments	$ 4,353,859	$ 6,695	$ 1,062,373	$ 5,422,927
Receivables:				
Taxes	379,346	-	-	379,346
Accounts, net	395,033	44,507	500	440,040
Interfund Receivable	409,079	123,237	1,022	533,338
Deposits	10,100	-	-	10,100
Prepaid Items	90,129	-	-	90,129
Total Assets	$ 5,637,546	$ 174,439	$ 1,063,895	$ 6,875,880
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ 215,034	$ 2,198	$ -	$ 217,232
Interfund Payable	6,459	524,063	2,816	533,338
Payroll Liabilities	106,248	-	-	106,248
Total Liabilities	327,741	526,261	2,816	856,818
Deferred Inflows of Resources:				
Unearned Revenue - Taxes	350,272	-	-	350,272
Total Deferred Inflows of Resources	350,272	-	-	350,272
Fund Balance, (Deficit):				
Nonspendable	90,129	-	-	90,129
Restricted:				
Retired Senior Volunteer Program	-	18,535	-	18,535
Foster Grandparents Program	-	4,440	-	4,440
Assigned				
Compensated Absences	337,745	-	-	337,745
Health Insurance	110,979	-	-	110,979
Debt Service	-	(359,284)	-	(359,284)
Building & Equipment	-	107,751	1,063,395	1,171,146
Unassigned	4,420,680	(123,264)	(2,316)	4,295,100
Total Fund Balance	4,959,533	(351,822)	1,061,079	5,668,790
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 5,637,546	$ 174,439	$ 1,063,895	$ 6,875,880

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

RECONCILIATION OF BALANCE SHEET TO STATEMENT OF NET POSITION
June 30, 2020

Total Fund Balances - Governmental Funds		$ 5,668,790
The net pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries. - PERS		(8,819,680)
Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning,		
Deferred Outflows - PERS	$ 3,244,958	
Deferred Inflows -PERS	(589,291)	
Deferred Outflows - OPEB for RHIA	404	
Deferred Inflows - OPEB for RHIA	(16,294)	
Deferred Outflows - OPEB for Health Insurance	425,154	
Deferred Inflows - OPEB for Health Insurance	(149,713)	2,915,218
OPEB Liability for Health Insurance		(1,359,121)
OPEB Asset for RHIA		80,888
The cost of capital assets (land & land improvements, buildings & improvements , and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole.		5,167,299
The cost of supply inventories purchased is reported as an expenditure in the governmental funds. The Statement of Net Position includes inventory among the assets of the District as a whole.		275,701
A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.		350,272
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statements of Net Position.		
Long-term Liabilities:		
Capital Leases Payable	(471,770)	
Interest Payable	(6,228)	
Accrued Vacation Payable	(375,782)	
Bonds Payable	(2,105,000)	
Bonds Premium	(218,065)	(3,176,845)
Deferred outflows of resources for debt refunding charges are not reported in the governmental funds.		91,605
Net Position		$ 1,194,127

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	GENERAL	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
REVENUES:				
Taxes	$ 7,472,578	$ -	$ -	$ 7,472,578
Earnings On Investments	97,303	63	14,900	112,266
Fire-Med	62,622	-	-	62,622
Public Education, Donations	4,565	-	-	4,565
Miscellaneous	24,966	178,807	-	203,773
Ambulance Service	1,625,845	-	-	1,625,845
Address Sign Sales	515	-	-	515
Lifeflight Members	45,470	-	-	45,470
Special Training	17,000	-	-	17,000
Maintenance Shop Revenue	-	82,084	-	82,084
Third Party Contract Billing	36,169	-	-	36,169
Conflagration Revenue	102,744	-	-	102,744
Contract Fire Protection	6,479	-	-	6,479
Land Sales, Royalties, Rights	49,259	-	-	49,259
Donations and Grants	200	318,728	-	318,928
Total Revenues	9,545,715	579,682	14,900	10,140,297
EXPENDITURES:				
Personal Services	7,433,555	276,561	-	7,710,116
Materials and Services	1,020,654	140,501	-	1,161,155
Capital Outlay	647,888	56,674	100,000	804,562
Debt Service	174,694	-	-	174,694
Total Expenditures	9,276,791	473,736	100,000	9,850,527
Excess of Revenues Over, (Under Expenditures)	268,924	105,946	(85,100)	289,770
Other Financing Sources, (Uses):				
Capital Lease Issuance	371,770	-	100,000	471,770
Sale of Equipment	46,210	-	-	46,210
Transfers In	100,000	-	417,105	517,105
Transfers Out	(375,000)	(142,105)	-	(517,105)
Total Other Financing Sources (Uses)	142,980	(142,105)	517,105	517,980
Net Change in Fund Balance	411,904	(36,159)	432,005	807,750
Beginning Fund Balance, (Deficit)	4,547,629	(315,663)	629,074	4,861,040
Ending Fund Balance, (Deficit)	$ 4,959,533	$ (351,822)	$ 1,061,079	$ 5,668,790

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

Net Changes in Fund Balances - Governmental Funds			$	807,750
The PERS pension expense represents the changes in net pension asset (liability) from year to year due to changes in total PERS pension liability and the fair value of pension plan net position available to pay pension benefits.				(1,430,963)
Change in Net OPEB Liability for Health Insurance				(99,741)
Change in Net OPEB Asset for RHIA				31,693
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Additions to bond principal and capital leases is a revenue in the governmental funds but the addition increases long-term liabiltiies in the Statement of Net Position.				
Payment on Bonds Payable	$	90,000		
Capital Lease Additions		(471,770)		(381,770)
Governmental funds expend the costs of debt refunding. These costs are reported as deferred outflow of resources that are amortized in the Statement of Activities:				(5,388)
Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences:				
Amortization of premium/(discount)				13,629
The cost of supply inventories purchased is reported as an expenditure in the governmental funds. In the Statement of Activities the change in inventory from prior year is expensed. This amount represents the change in inventory from the prior year to the current year.				104,312
Compensated absences are recognized as expenditures in the governmental funds when they are paid. In the Statement of Activities these liabilities are recognized as an expense when incurred. This amount represents the change in compensated absences from the prior year to the current year.				(31,632)
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.				(6,228)
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets are capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation:				
Capital Asset Additions	$	836,343		
Depreciation Expense		(336,003)		
Proceeds from Sale of Assets		(46,210)		
Gain on Sale of Assets		43,349		497,479
Difference between prior and current year unearned revenue related to property taxes				(29,972)
Change in Net Position of Governmental Activities			$	(530,831)

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

Columbia River Fire & Rescue (the District) was organized under provisions of Oregon Statutes Chapter 478 for the purpose of providing fire protection and other emergency services and is a municipal corporation governed by an elected board. As required by accounting principles generally accepted in the United States of America, these financial statements present the primary governmental activities and any component units. Component units, as established by GASB Statement 61, are separate organizations that are included in the District's reporting because of the significance of their operational or financial relationships with the District. There are no component units.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions."

The government-wide statements report information irrespective of fund activity. There are only "governmental activities". Additionally, each of the eight funds is considered a major fund in accordance with GASB 34, or is considered by management to be a major fund. There are also two Special Revenue funds which are rolled into the General Fund, in accordance with GASB 54, due to revenue sources which are mainly transfers from the General Fund; these funds are the Retirement/Sick Leave Reserve Fund and the Health Insurance Fund.

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

GOVERNMENTAL FUND TYPES

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, which is 60 days. 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, pension costs, OPEB costs, and claims and judgments, are recorded only when payment is made.

C. DESCRIPTION OF FUNDS

There are the following major funds:

GENERAL FUND

This fund accounts for all financial resources and expenditures except those required to be accounted for in another fund. The principal source of revenue is property taxes.

SPECIAL REVENUE FUNDS

The special revenue funds account for revenue and expenditures that have been restricted for projects or programs. Funds included in the special revenue funds category are:

Retired Senior Volunteer Program Fund - This fund accounts for the transactions of the Retired Senior Volunteer Program (RSVP), for which the District is the sponsor.

Foster Grandparent Program (FGP) Fund - This fund accounts for the transactions of the Foster Grandparent program (FGP) for which the District is the sponsor.

SAFER Grants - This fund was established to improve and restore fire department staffing. Revenue comes through grants originating from FEMA. The fund was known as the Seismic Upgrade Fund prior to the 2013-14 fiscal year.

Maintenance Enterprise - This fund accounts for funds generated and expended as a part of the District's vehicle maintenance program, which provides vehicle maintenance services to other agencies.

Tax Anticipation Note Fund - This fund accounts for the sale and repayment of tax anticipation notes and the related interest expense. Revenues are the proceeds from the sale of the notes and interest earned on those proceeds that are not needed to finance current operations.

CAPITAL PROJECTS FUNDS

Real Property, Building and Equipment Reserve Fund - This is a capital projects fund utilized to accumulate funds for the purpose of buying equipment, facilities and property.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. DESCRIPTION OF FUNDS (CONTINUED)

Capital Project Training Ground Fund - This is a capital projects fund for the Lee Broadbent Training Center. The training center is funded by a $3.1 million bond issued in October 2006, these bonds were refunded in February 2016.

SPECIAL REVENUE FUNDS ROLLED INTO THE GENERAL FUND FOR GASB 54 PURPOSES

Financial statements must report as Special Revenue funds only those which have a substantial portion of revenue inflows from restricted or committed revenue sources. The following funds are combined into the General Fund because the primary revenue source is transfers from the General Fund or there is no revenue to report.

Retirement/Sick Leave Reserve Fund - This fund was established for the purpose of accumulating funds to pay sick leave benefits that have accrued to retiring employees. It is funded by transfers from the General Fund and interest earned on investments.

Health Insurance Fund - This fund was established for the purpose of accumulating funds to offset future potential increases to health care premiums.

D. BUDGET

A budget is prepared and legally adopted for each fund on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law. The budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for accrued compensated absences, pension costs, debt, and OPEB liabilities, which are recorded as an expense when paid, taxes which are recorded when received instead of when levied, and fixed assets, inventory, and capital leases, which are expensed when purchased.

Another difference is that depreciation and amortization are not recorded. The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is adopted and appropriations are made no later than June 30th.

Expenditures are appropriated at the following levels for each fund: Personal Services, Materials and Services, Capital Outlay, Interfund Transfers, Debt Service, Special Payments and Operating Contingency.

Expenditures cannot legally exceed the above appropriations levels. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur if the Board approves them due to a need which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements reflect the original appropriations and a supplemental budget. Expenditures of the various funds were within authorized appropriation levels for the fiscal year ended June 30, 2020.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. PROPERTY TAXES RECEIVABLE

In the Government-Wide Financial Statements uncollected property taxes are recorded in the Statement of Net Position. In the Fund Financial Statements property taxes that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as unavailable revenue because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary by management, as uncollectible taxes become a lien on the property. Property taxes are levied on all taxable property as of July 1, the beginning of the fiscal year, and become a lien on that date. Property taxes are payable on November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

F. CAPITAL ASSETS

Capital assets are recorded at the original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial cost of more than $10,000 and an estimated life in excess of one year. Interest incurred during construction, maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Buildings and improvements	39
Equipment	5 - 10

G. USE OF ESTIMATES

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

H. VESTED COMPENSATED ABSENCES

It is policy to permit employees to accumulate earned unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when employees separate from service. All unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

I. LONG TERM OBLIGATIONS

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. LONG TERM OBLIGATIONS (CONTINUED)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

J. NET POSITION

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

- Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The fund balances of the Retired Senior Volunteer Program (RSVP) and the Foster Grandparent Program (FGP) are restricted by outside donors for projects related to the programs.
- Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

K. DEFFERED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the basic financial statements 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 position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2020, there were deferred outflows representing PERS pension related deferrals, OPEB-Health Insurance related deferrals, OPEB-RHIA related deferrals, and deferrals on debt related refunding in the Statement of Net Position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items which qualify for reporting in this category. The governmental funds report unavailable revenues for property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. At June 30, 2020, there also were deferred inflows representing PERS pension related deferrals, OPEB-Health Insurance related deferrals and OPEB-RHIA related deferrals in the Statement of Net Position.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. FUND BALANCE

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, is followed. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications are nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.
- Restricted represents amounts that are legally restricted by outside parties for a particular purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned. There were no committed fund balances at year end.

M. PREPAID ITEMS

Payments made for goods and services that will benefit periods beyond June 30, 2020 are recorded as prepaid expenditures. Prepaids consist primarily of prepaid liability insurance, workers compensation insurance and software support and dues.

N. SUPPLY INVENTORIES

Supply inventories purchased are valued at cost (first-in, first-out method). Any donated inventories are valued at their estimated fair market value.

O. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access
Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)
Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

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

2. CASH AND INVESTMENTS

Cash management policies are governed by state statutes. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments. In addition, cash is separately held by some of the funds.

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2020 was $585,629, of which $436,998 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

CREDIT RISK – DEPOSITS

In the case of deposits, this is the risk that in the event of a bank failure, deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2020, none of the bank balances were exposed to custodial credit risk.

2. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at $1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at $1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx

If the link has expired please contact the Oregon Short Term Fund directly.

Cash and Investments at June 30, 2020 consisted of:

	2020
Deposits with Financial Institutions:	
Demand Deposits	$ 295,920
Money Market	125,791
Local Government Investment Pool	5,001,216
Total	$ 5,422,927

There are the following investments and maturities:

		Investment Maturities (in months)		
Investment Type	Fair Value	Less than 3	3-18	18-59
Money Market Accounts	$ 125,791	$ 125,791	$ -	$ -
State Treasurer's Investment Pool	5,001,216	5,001,216	-	-
	$ 5,127,007	$ 5,127,007	$ -	$ -

INTEREST RATE RISK - INVESTMENTS

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There were no investments that have a maturity date beyond three months.

2. CASH AND INVESTMENTS (CONTINUED)

CREDIT RISK - INVESTMENTS

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE.

CONCENTRATION OF CREDIT RISK

At June 30, 2020, investments were in the State Treasurer's Investment Pool and in money market accounts held at Bank of the West. State statutes do not limit the percentage of investments in either of these instruments. Oregon Revised Statutes require that no more than 25 percent of the moneys of a local government be invested in bankers' acceptances of any qualified financial institution. At June 30, 2020, there appeared to be compliance with all percentage restrictions.

3. ACCOUNTS RECEIVABLE

Accounts receivable primarily consist of uncollected billings for ambulance services. An allowance for doubtful accounts for ambulance services is based on an estimated collectability from the District's aging schedule. Per the District aging schedule, $155,735 in Accounts Receivable is over 90 days old at June 30, 2020.

The accounts receivable balance as of June 30, 2020 is as follows:

Ambulance Services Receivable (Gross)	$ 747,145
Allowance for Doubtful Accounts	(463,093)
Net Ambulance Services Receivable	284,052
Grants Receivable	38,287
Miscellaneous	117,701
Total Accounts Receivable, Net	$ 440,040

4. CAPITAL ASSETS

The changes in capital assets for the fiscal year ended June 30, 2020 are as follows:

	BALANCE 6/30/19	ADDITIONS	DELETIONS	BALANCE 6/30/20
Land & Improvements	$ 223,500	$ -	$ -	$ 223,500
Buildings & Improvements	5,281,992	173,791	-	5,455,783
Trucks and Equipment	5,053,747	662,552	(678,408)	5,037,891
Total Assets	10,559,239	836,343	(678,408)	10,717,174
Less Accumulated Depreciation:				
Buildings and Improvements	2,040,093	120,011	-	2,160,104
Trucks and Equipment	3,849,326	215,992	(675,547)	3,389,771
Total Accumulated Depreciation	5,889,419	336,003	(675,547)	5,549,875
Capital Assets, net	$ 4,669,820			$ 5,167,299

4. CAPITAL ASSETS – (CONTINUED)

All depreciation is charged to the fire services function in the statement of activities.

During the year ended June 30, 2020, equipment and vehicles with a net book value of $2,861 were sold for $46,210, resulting in a gain of $43,349 reported in the Statement of Activities. The equipment and vehicles that were sold are being reported as deletions in the capital asset table above.

5. PROPERTY TAX LIMITATIONS

The voters of the State of Oregon imposed a constitutional limit on property taxes for schools and nonschool government operations. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for nonschool operations are limited to $10.00 for each $1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

The State voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

6. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:
https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf
If the link is expired please contact Oregon PERS for this information.

a. **PERS Pension (Chapter 238)**. The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
    i. **Pension Benefits**. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
    A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

ii. **Death Benefits**. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
   - member was employed by PERS employer at the time of death,
   - member died within 120 days after termination of PERS covered employment,
   - member died as a result of injury sustained while employed in a PERS-covered job, or
   - member was on an official leave of absence from a PERS-covered job at the time of death.

iii. **Disability Benefits**. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

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

OPSRP Pension Program (OPSRP DB). The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

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

   Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

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

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

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

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

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2020 were $873,212, excluding amounts to fund employer specific liabilities. In addition, approximately $274,123 in employee contributions were paid or picked up by the District in 2019-2020.

Pension Asset or Liability – At June 30, 2020, the District reported a net pension liability of $8,819,680 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2019 and 2018, the District's proportion was .051 percent and .044 percent, respectively. Pension expense for the year ended June 30, 2020 was $1,430,963.

The rates in effect for the year ended June 30, 2020 were:

(1) Tier 1/Tier 2 – 24.33%
(2) OPSRP general services – 12.24%
(3) OPSRP police and fire – 16.87%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 486,379	$ -
Changes in assumptions	1,196,490	-
Net difference between projected and actual earnings on pension plan investments	-	(250,029)
Net Changes in proportionate share	656,839	(165,784)
Differences between District contributions and proportionate share of system contributions	32,038	(173,478)
Subtotal - Amortized deferrals (below)	2,371,746	(589,291)
District contributions subsequent to measurement date	873,212	-
Deferred outflow (inflow) of resources	$ 3,244,958	$ (589,291)

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Subtotal amounts related to pension as deferred outflows of resources, $2,371,746, and deferred inflows of resources, ($589,291), net to ($1,782,455) and will be recognized in pension expense as follows:

Year ending June 30,		Amount
2020	$	898,911
2021		156,848
2022		359,258
2023		328,210
2024		39,228
Thereafter		-
Total	$	1,782,455

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2020. Oregon PERS produces an independently audited CAFR which can be found at:

https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf

Actuarial Valuations – The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Actuarial Methods and Assumptions:

Valuation date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with *Moro* decision, blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Health annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Investments	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

(Source: June 30, 2019 PERS CAFR; p. 100)

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	**Target Allocation**	**Compound Annual (Geometric) Return**
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Assumed Inflation - Mean		*2.50%*

(Source: June 30, 2019 PERS CAFR; p. 74)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2019 and 2018 was 7.20 percent for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate – The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	Decrease (6.20%)	Rate (7.20%)	Increase (8.20%)
District's proportionate share of the net pension liability (asset)	$ 14,123,936	$ 8,819,680	$ 4,380,750

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:
Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:
Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

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

Contributions:
Employees of the District pay six (6) percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2020.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.
http://www.oregon.gov/pers/EMP/Pages/GASB.aspx

7. OTHER POST EMPLOYMENT BENEFIT PLAN - RHIA

Plan Description:
As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:
Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to $60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of $60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers.

7. OTHER POST EMPLOYMENT BENEFIT PLAN – RHIA (CONTINUED)

The District's contributions to RHIA are included in PERS contributions (see note 6) for all reporting years and equaled the required contributions each year.

At June 30, 2020, the District reported a net OPEB liability/(asset) of ($80,888) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2019, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2017. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2019 and 2018, the District's proportion was .042 percent and .043 percent, respectively. OPEB income for the year ended June 30, 2020 was $31,693.

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	$	(10,520)
Net Amortization of employer-specific deferred amounts from:		
Changes in proportionate share (per paragraph 64 of GASB 75)		(405)
Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)		-
Employer's Total OPEB Expense/(Income)	$	(10,925)

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources		Deferred Inflow of Resources	
Difference between expected and actual experience	$	-	$	(10,667)
Changes in assumptions		-		(84)
Net difference between projected and actual earnings on pension plan investments		-		(4,993)
Net changes in proportionate share		404		(550)
Differences between City contributions and proportionate share of contributions		-		-
Subtotal - Amortized Deferrals (below)		404		(16,294)
City contributions subsequent to measuring date		-		-
Deferred outflow (inflow) of resources	$	404	$	(16,294)

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2021.

Subtotal amounts related to OPEB as deferred outflows of resources, $404, and deferred inflows of resources, ($16,294), net to ($15,890) and will be recognized in OPEB expense as follows:

Year ending June 30,	Amount	
2021	$	(8,384)
2022		(7,115)
2023		(904)
2024		513
2025		-
Thereafter		-
Total	$	(15,890)

7. OTHER POST EMPLOYMENT BENEFIT PLAN – RHIA (CONTINUED)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2019. That independently audited report was dated March 4, 2020 and can be found at:

https://www.oregon.gov/pers/EMP/Documents/GASB/2019/PERS%20GASB%2075%20RHIA%20Report%20FY%206.30.19.pdf

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Retiree healthcare participation	Healthy retirees: 35%; Disabled retirees: 20%
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement dates of June 30, 2019 and 2018 was 7.20 and 7.20 percent, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

7. OTHER POST EMPLOYMENT BENEFIT PLAN – RHIA (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Assumed Inflation - Mean		*2.50%*

(Source: June 30, 2019 PERS CAFR; p. 74)

Sensitivity of the District's proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability	$ (62,709)	$ (80,888)	$ (96,378)

7. OTHER POST EMPLOYMENT BENEFIT PLAN – RHIA (CONTINUED)

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

8. RISK MANAGEMENT

There is exposure to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. Commercial insurance is purchased to minimize exposure to these risks. Settled claims did not exceed this commercial coverage for the last three fiscal years.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE

Post-Employment Health Insurance Subsidy

Plan Description - The District, as a result of collective bargaining agreements, offers post-employment health care benefits under a single-employer, defined benefit plan for all employees who have completed a specified number of years of continuous service, are eligible for full OPERS benefits, elect early retirement and were hired prior to July 1, 2006.

For eligible licensed employees the District will provide medical coverage for the lesser of seven years or until eligible for Medicare (age 65). For administrators, managers, supervisor and confidential employees, coverage is until Medicare eligibility date regardless of retirement age, assuming full OPERS coverage. For eligible classified employees with 15 years of service, coverage is provided up to the lesser of five years or until eligible for Medicare (age 65).

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. The plan is currently unfunded in accordance with GASB statement 75. In accordance with the terms of the plan, benefit payments are recognized when due and payable in the governmental statements. The activities of the plan are reported in the General Fund.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE (CONTINUED)

Annual OPEB Cost and Total OPEB Liability – The annual other postemployment benefit (OPEB) cost is calculated based on the Total OPEB Liability, an amount actuarially determined in accordance with the parameters of GASB Statement 75. For detailed information and a table showing the components of the District's annual OPEB costs and liabilities, see page 34.

Actuarial Methods and Assumptions – The Total OPEB Liability for the current year was determined as part of the June 30, 2020 actuarial valuation using the entry age normal method. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality, claim cost and the healthcare cost trend. The actuarial assumptions included; (a) a rate of return on investment of present and future assets of 2.21% compounded annually; (b) no future increase in benefit payable from this program; (c) a general inflation rate of 2.5% per year, and (d) no post-retirement benefit increases and a payroll increase of 2.5%. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Under this method, the expected accrued benefit of each participant at benefit commencement (reflecting future expected increases in salaries and medical premiums) is allocated in equal proportion over the participant's years of service from hire to expected retirement. The normal cost is the present value of benefits expected to accrue in the current year. The present value of benefits accrued as of the valuation date is called the accrued liability.

Funding Status and Funding Progress – As of June 30, 2020, the plan was 0% funded. The actuarial accrued liability for benefits was $1,359,121, and the actuarial value of assets was $0. Estimated covered payroll was $3,987,479.

Participant Count	**Total**
Number of Active Participants	51
Number of Inactive Participants	4
Total Number of Participants	55

Total OPEB Liability

The District's total OPEB liability of $1,359,121 was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions and Other Inputs

The District's total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE (CONTINUED)

Actuarial assumptions

Valuation Date	June 30, 2020
Actuarial Cost method	Entry Age Normal
Investment return assumption (interest discount)	The 2.21% investment return assumption is the June 30, 2020 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer.
Health Care Cost Trend Rate	8% annual increase for the 2021-2022 policy year, decreasing to an ultimate annual increase of 5%.
Plan participation	100% assumed will elect coverage at retirement if eligible for District paid insurance; 55% assumed if only eligible for self-pay insurance.
Inflation rate	2.5% for all future years.
Annual salary rate increases	2.5% for all future years.
Health care premium	
Beginning in 2018, a 40% excise tax will be imposed under the Affordable Care Act on employers if the aggregate value of medical coverage exceeds a threshold limit. This excise tax is not included in the calculations because it is believed to be immaterial in regards to the OPEB plan.	

Changes in Total OPEB Liability

Changes of assumptions: Interest Discount, the investment return assumption was decreased from 3.90% to 2.21%. Persistence, the drop rate for retirees self-paying for coverage remained at 7% based on district experience.

Total OPEB Liability Balance 6/30/19	$	1,094,259
Changes for the year:		
Benefit Payment		(27,946)
Service Cost		77,876
Interest		23,874
Change in Benefit Terms		-
Change in Assumptions		202,039
Experience (Gain)/Loss		(10,981)
Total OPEB Liability Balance 6/30/20	$	1,359,121

Sensitivity of the total OPEB Liability to changes in discount rate – the following presents the total OPEB liability of the District, as well as what the District's total OPEB Liability would be if it were calculated using a discount rate 1 percentage point higher and lower than the current rate.

	1% Decrease (1.21%)	Rate (2.21%)	1% Increase (3.21%)
Total OPEB Liability on June 30, 2020	$ 1,496,689	$ 1,359,121	$ 1,234,083

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) – HEALTH INSURANCE (CONTINUED)

Sensitivity of the total OPEB Liability to changes in the healthcare cost trend rates – the following presents the total OPEB liability of the District, as well as what the District's total OPEB Liability would be if it were calculated using health care cost trend rates that are 1 percentage point higher and lower than the current healthcare cost trend rates.

	1% Decrease	Current Health Care Trend Rates	1% Increase
Total OPEB Liability on June 30, 2020	$ 1,194,612	$ 1,359,121	$ 1,554,238

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the District recognized OPEB expense of $99,741 in the government wide Statement of Activities. At June 30, 2020, the District reported deferred inflows and outflows of resources relating to the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 149,713
Changes in assumptions	425,154	-
Subtotal - Amortized Deferrals (below)	425,154	149,713
District contributions subsequent to measuring date	-	-
Deferred outflow (inflow) of resources	$ 425,154	$ 149,713

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability in the fiscal year ended June 30, 2021.

Subtotal amounts reported as deferred outflows of resources, $425,154, and deferred inflows of resources, ($149,713), net to $275,441 and will be recognized in OPEB expense as follows.

Fiscal Year Ending	Amount
2021	$ 25,937
2022	25,937
2023	25,937
2024	25,937
2025	25,937
2026	25,937
All Subsequent Years	119,819
Total	$ 275,441

10. DEFERRED COMPENSATION

Deferred Compensation Plan -A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement; unforeseeable emergency; or by requesting a de minimis distribution from inactive accounts valued less than $5,000. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

11. ACCRUED COMPENSATED ABSENCES

The change in compensated absences for the year is as follows:

	Vested Compensated Absences
Balance, June 30, 2019	$ 344,150
Additions	31,632
Balance, June 30, 2020	$ 375,782

12. LONG- TERM OBLIGATIONS

General Obligation Bonds

In 2016, Full Faith and Credit Obligation refunding bonds were issued to defease the 2006 Full Faith and Credit Obligation issued to provide funds for the construction of a training center. The bonds have interest rates of 2% - 4% with semi-annual interest payments and annual principal payments and resulted in defeasance of $2,555,000 of debt. There are no items considered to be significant default/remedies noted in the agreement.

In November 2019, a Capital lease was entered into in the amount of $471,770 for two fire trucks. The lease has an interest rate of 2.97% with annual interest and principal payments of $102,925 through January 2025.

The following table shows changes in Long Term Obligations for the fiscal year ended June 30, 2020:

	Original Issue	Outstanding 7/1/19	Issued	Matured and Redeemed	Outstanding 6/30/20	Due Within One Year
Bonds Payable						
February 9, 2016	2,375,000	$ 2,195,000	$ -	$ 90,000	$ 2,105,000	$ 85,000
Capital Lease						
November 12, 2019	471,770	-	471,770	-	471,770	88,913
Bond Premium						
Unamortized Premium		231,694	-	13,629	218,065	-
		$ 2,426,694	$ 471,770	$ 103,629	$ 2,794,835	173,913

12. LONG- TERM OBLIGATIONS – (CONTINUED)

Future Maturities of Bonds are as follows:

Fiscal Year Ending June 30	Principal	Interest
	FF&C Bonds	
2021	$ 85,000	$ 83,350
2022	90,000	80,800
2023	95,000	77,200
2024	100,000	73,400
2025	105,000	69,400
2026-2030	585,000	281,000
2031-2035	720,000	154,200
2036-2037	325,000	19,600
Total	$ 2,105,000	$ 838,950

Future Maturities of Leases are as follows:

Fiscal Year Ending June 30	Principal	Interest
	Capital Leases	
2021	$ 88,913	$ 14,012
2022	91,554	11,371
2023	94,273	8,652
2024	97,073	5,852
2025	99,957	2,969
Total	$ 471,770	$ 42,856

13. INTERFUND TRANSFERS & INTERFUND RECEIVABLE/PAYABLE

Transfers and Interfund Payables and Receivables, which are made to finance operations between funds, are as follows:

	Transfers Out	Transfers In	Interfund Receivable	Interfund Payable
General Fund	$ 375,000	$ 100,000	$ 409,079	$ 6,459
Special Revenue Fund	142,105	-	123,237	524,063
Capital Projects Fund	-	417,105	1,022	2,816
	$ 517,105	$ 517,105	$ 533,338	$ 533,338

14. FUND DEFICITS

The SAFER Grants fund had a deficit balance of $123,264. This fund assumed this negative fund balance from the Seismic Upgrade Fund. The Tax Anticipation Note Fund had a deficit balance of $359,284 and the Capital Project Training Ground Fund had a deficit balance of $2,316. These deficit balances are expected to be eliminated next year with transfers from the General Fund.

15. TAX ABATEMENTS

As of June 30, 2020, the District had tax abatements through the Enterprise Zone program that impacted their levied taxes.

Enterprise Zone (ORS 285C.175):

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

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

For the fiscal year ended June 30, 2020, the District had $141,227 of property taxes abated under this program.

16. COMMITMENTS AND CONTINGENCIES

The District entered into an intergovernmental agreement with Scappoose Rural Fire District in 2016 to provide management/Fire Chief services to the District. In consideration for the services provided, the District provided Scappoose an annual payment equal to half of Scappoose's budgeted cost of the Fire Chief's compensation, benefits, and other necessary expenses. This agreement was terminated on June 30, 2020. The District paid Scappoose RFPD $100,216 for services provided for the FYE June 30, 2020.

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the District expects the reduction of economic activity to not negatively impact funds received.

17. RESTATEMENT OF NET POSITION

Due to the current actuarial valuation of the District's RHIA benefits for GASB Statement No. 75, a restatement of the prior year net position was required to record the RHIA asset the prior measurement date.

Net Position - Beginning as previously reported	$ 1,691,653
Change in June 30, 2019 RHIA Asset	33,305
Net Position - Beginning as restated	$ 1,724,958

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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SCHEDULES OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS
OTHER POST EMPLOYMENT BENEFITS
June 30, 2020

(OPEB): (Health Insurance)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Differences Between Expected and Actual	Experience Gain/(Loss)	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2020	$ 1,094,259	$ 77,876	$ 23,874	$ -	$ 202,039	$ -	$ (10,981)	$ (27,946)	$ 1,359,121	$ 3,987,479	34.08%
2019	1,042,350	45,923	39,989	-	-	-	-	(34,003)	1,094,259	3,925,967	27.87%
2018	867,240	44,803	33,137	-	318,358	-	(186,018)	(35,170)	1,042,350	3,830,212	27.20%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended June, 30	(a) Actuarially Determined Contribution	(b) Contributions During Year	(b)-(a) Difference	(c) Covered Payroll	(b/c) Contributions as a Percentage of Payroll
2020	N/A	N/A	N/A	$3,987,479	N/A
2019	N/A	N/A	N/A	$3,925,967	N/A
2018	N/A	N/A	N/A	$3,830,212	N/A

The above tables present the most recent actuarial valuations for the District's post-retirement benefit.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.05 %	$ 8,819,680	$ 4,539,549	194.3 %	80.2 %
2019	0.04	6,687,374	4,596,533	145.5	82.1
2018	0.05	6,084,661	4,114,956	147.9	83.1
2017	0.05	7,084,126	4,147,768	170.8	80.5
2016	0.05	2,811,449	3,994,153	70.4	91.9
2015	0.05	(1,029,567)	3,771,870	(27.3)	103.6
2014	0.05	2,317,905	3,825,130	60.6	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	$ 873,212	$ 873,212	$ -	$ 4,685,581	18.6 %
2019	682,821	682,821	-	4,539,549	15.0
2018	705,356	705,356	-	4,596,533	15.3
2017	455,688	455,688	-	4,114,956	11.1
2016	495,473	495,473	-	4,147,768	11.9
2015	460,446	460,446	-	3,994,153	11.5
2014	431,081	431,081	-	3,771,870	11.4

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

OPEB - RHIA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET/(LIABILITY) FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset/ (liability) (NOA/(L))	(b) Employer's proportionate share of the net OPEB asset/ (liability) (NOA/(L))	(c) Employer's covered payroll	(b/c) NOA/(L) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	0.04186 %	$ 80,888	$ 4,539,549	1.78 %	144.4 %
2019	0.04260	47,549	4,596,533	1.03	124.0
2018	0.03929	16,396	4,114,956	0.40	108.9
2017	0.04435	(12,044)	4,147,768	(0.29)	90.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Amounts for covered payroll (c) use the prior year's data to match the measurement data used by the OPEB plan for each year.

SCHEDULE OF CONTRIBUTIONS FOR RHIA

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	$ N/A	$ N/A	$ N/A	$ 4,685,581	N/A %
2019	N/A	N/A	N/A	4,539,549	N/A
2018	N/A	N/A	N/A	4,596,533	N/A
2017	N/A	N/A	N/A	4,114,956	N/A

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

All statutorily required contributions were made and are included within PERS contributions (see p. 35).

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:					
Taxes	$ 7,331,000	$ 7,331,000		$ 7,472,578	$ 141,578
Earnings On Investments	85,000	85,000		89,231	4,231
Fire-Med	53,000	53,000		62,622	9,622
Public Education Donations	4,500	4,500		4,565	65
Donations and Grants	-	-		200	200
Miscellaneous	1,000	1,000		24,966	23,966
Ambulance Service	1,545,000	1,545,000		1,625,845	80,845
Address Sign Sales	400	400		515	115
Lifeflight Members	40,000	40,000		45,470	5,470
Special Training	16,000	16,000		17,000	1,000
Conflagration Revenue	200,000	200,000		102,744	(97,256)
Third Party Contract Billing	36,600	36,600		36,169	(431)
Fire Service Agreements	6,000	6,000		6,479	479
Royalties & Rights	15,000	15,000		49,259	34,259
Total Revenue	9,333,500	9,333,500		9,537,643	204,143
EXPENDITURES:					
Personal Services	8,407,000	8,407,000	(1)	7,433,555	973,445
Materials and Services	1,136,500	1,136,500	(1)	1,020,654	115,846
Capital Outlay	716,500	716,500	(1)	647,888	68,612
Debt Service	228,500	228,500	(1)	174,694	53,806
Operating Contingency	375,000	375,000	(1)	-	375,000
Total Expenditures	10,863,500	10,863,500		9,276,791	1,586,709
Excess of Revenues Over (Under) Expenditures	(1,530,000)	(1,530,000)		260,852	(1,382,566)
OTHER FINANCING SOURCES, (USES):					
Capital Lease Issuance	-	-		371,770	371,770
Sale of Equipment	40,000	40,000		46,210	6,210
Transfers Out	(375,000)	(375,000)	(1)	(375,000)	-
Total Other Financing Sources (Uses)	(335,000)	(335,000)		42,980	377,980
Net Change in Fund Balance	(1,865,000)	(1,865,000)		303,832	2,168,832
Beginning Fund Balance	2,000,000	2,000,000		4,206,977	2,206,977
Ending Fund Balance	$ 135,000	$ 135,000		4,510,809	$ 4,375,809

(1) Appropriation Level

Reconciliation to Governmental Fund Balance as required by GASB #54

Ending Fund Balance:	
Retirement/Sick Leave Reserve Fund	337,745
Health Insurance Fund	110,979
	$ 4,959,533

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING BALANCE SHEET - SPECIAL REVENUE FUND
June 30, 2020

	RSVP FUND	FGP FUND	SAFER GRANTS FUND
ASSETS:			
Cash and Investments	$ 3,467	$ -	$ -
Receivables:			
Accounts, net	6,220	-	38,287
Interfund Receivable	11,046	4,440	-
Total Assets	$ 20,733	$ 4,440	$ 38,287
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities:			
Accounts Payable	$ 2,198	$ -	$ -
Interfund Payable	-	-	161,551
Total Liabilities	2,198	-	161,551
Fund Balance, (Deficit):			
Restricted:			
Retired Senior Volunteer Program	18,535	-	-
Foster Grandparents Program	-	4,440	-
Assigned			
Debt Service	-	-	-
Building & Equipment	-	-	-
Unassigned	-	-	(123,264)
Total Fund Balance	18,535	4,440	(123,264)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 20,733	$ 4,440	$ 38,287

Continued on next page

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING BALANCE SHEET - SPECIAL REVENUE FUND
June 30, 2020

	TAX ANTICIPATION NOTES FUND	MAINTENANCE ENTERPRISE FUND	TOTAL
ASSETS:			
Cash and Investments	$ 3,228	$ -	$ 6,695
Receivables:			
Accounts, net	-	-	44,507
Interfund Receivable	-	107,751	123,237
Total Assets	$ 3,228	$ 107,751	$ 174,439
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities:			
Accounts Payable	$ -	$ -	$ 2,198
Interfund Payable	362,512	-	524,063
Total Liabilities	362,512	-	526,261
Fund Balance, (Deficit):			
Restricted:			
Retired Senior Volunteer Program	-	-	18,535
Foster Grandparents Program	-		4,440
Assigned			
Debt Service	(359,284)	-	(359,284)
Building & Equipment	-	107,751	107,751
Unassigned	-	-	(123,264)
Total Fund Balance	(359,284)	107,751	(351,822)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 3,228	$ 107,751	$ 174,439

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
For the Year Ended June 30, 2020

	RSVP FUND	FGP FUND	SAFER GRANTS FUND
REVENUES:			
Earnings On Investments	$ -	$ -	$ -
Miscellaneous	3,750	-	175,057
Maintenance Shop Revenue	-	-	-
Donations and Grants	76,434	-	242,294
Total Revenues	80,184	-	417,351
EXPENDITURES:			
Personal Services	64,856	-	179,508
Materials and Services	16,653	-	79,362
Capital Outlay	-	-	56,674
Total Expenditures	81,509	-	315,544
Excess of Revenues Over, (Under Expenditures)	(1,325)	-	101,807
Other Financing Sources, (Uses):			
Transfers Out	-	-	(142,105)
Total Other Financing Sources (Uses)	-	-	(142,105)
Net Change in Fund Balance	(1,325)	-	(40,298)
Beginning Fund Balance, (Deficit)	19,860	4,440	(82,966)
Ending Fund Balance, (Deficit)	$ 18,535	$ 4,440	$ (123,264)

Continued on next page

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
For the Year Ended June 30, 2020

	TAX ANTICIPATION NOTES FUND	MAINTENANCE ENTERPRISE FUND	TOTAL
REVENUES:			
Earnings On Investments	$ 63	$ -	$ 63
Miscellaneous	-	-	178,807
Maintenance Shop Revenue	-	82,084	82,084
Donations and Grants	-	-	318,728
Total Revenues	63	82,084	579,682
EXPENDITURES:			
Personal Services	-	32,197	276,561
Materials and Services	-	44,486	140,501
Capital Outlay	-	-	56,674
Total Expenditures	-	76,683	473,736
Excess of Revenues Over, (Under Expenditures)	63	5,401	105,946
Other Financing Sources, (Uses):			
Transfers Out	-	-	(142,105)
Total Other Financing Sources (Uses)	-	-	(142,105)
Net Change in Fund Balance	63	5,401	(36,159)
Beginning Fund Balance, (Deficit)	(359,347)	102,350	(315,663)
Ending Fund Balance, (Deficit)	$ (359,284)	$ 107,751	$ (351,822)

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

RETIRED SENIOR VOLUNTEER PROGRAM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Federal Grant	$ 68,934	$ 76,434	$ 76,434	$ -
Miscellaneous	3,000	3,000	3,750	750
Total Revenues	71,934	79,434	80,184	750
EXPENDITURES:				
Personal Services	62,034	65,034 (1)	64,856	178
Materials and Services	13,000	17,500 (1)	16,653	847
Total Expenditures	75,034	82,534	81,509	1,025
Net Change in Fund Balance	(3,100)	(3,100)	(1,325)	1,775
Beginning Fund Balance	3,100	3,100	19,860	16,760
Ending Fund Balance	$ -	$ -	$ 18,535	$ 18,535

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

FGP FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
Beginning Fund Balance	-	-	4,440	4,440
Ending Fund Balance	$ -	$ -	$ 4,440	$ 4,440

(1) Appropriation Level

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

SAFER GRANTS

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES					
Donations & Grants	$ 490,629	$ 490,629		$ 242,294	$ (248,335)
Miscellaneous	900,000	900,000		175,057	(724,943)
Total Revenues	1,390,629	1,390,629		417,351	(973,278)
EXPENDITURES:					
Personal Services	260,129	260,129	(1)	179,508	80,621
Materials & Services	365,500	365,500	(1)	79,362	286,138
Capital Outlay	165,000	165,000	(1)	56,674	108,326
Total Expenditures	790,629	790,629		315,544	475,085
Excess of Revenues Over (Under) Expenditures	600,000	600,000		101,807	(1,448,363)
OTHER FINANCING SOURCES (USES):					
Transfers Out	(600,000)	(600,000)	(1)	(142,105)	457,895
Net Change in Fund Balance	-	-		(40,298)	(990,468)
Beginning Fund Balance	-	-		(82,966)	(82,966)
Ending Fund Balance	$ -	$ -		$ (123,264)	$ (123,264)

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

TAX ANTICIPATION NOTE FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:					
Earnings on Investments	$ 75	$ 75		$ 63	$ (12)
Total Revenues	75	75		63	(12)
EXPENDITURES:					
Materials & Services	75	75	(1)	-	75
Total Expenditures	75	75		-	75
Excess of Revenues Over (Under) Expenditures	-	-		63	63
Beginning Fund Balance	-	-		(359,347)	(359,347)
Ending Fund Balance	$ -	$ -		$ (359,284)	$ (359,284)

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

MAINTENANCE ENTERPRISE

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES					
Maintenance Revenue	$ 130,000	$ 130,000		$ 82,084	$ (47,916)
Total Revenues	130,000	130,000		82,084	(47,916)
EXPENDITURES:					
Personal Services	65,500	65,500	(1)	32,197	33,303
Materials & Services	64,500	64,500	(1)	44,486	20,014
Total Expenditures	130,000	130,000		76,683	53,317
Net Change in Fund Balance	-	-		5,401	5,401
Beginning Fund Balance	-	-		102,350	102,350
Ending Fund Balance	$ -	$ -		$ 107,751	$ 107,751

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING BALANCE SHEET - CAPITAL PROJECTS FUND
June 30, 2020

	REAL PROPERTY BUILDING & EQUIPMENT FUND	CAPITAL PROJECTS TRAINING GROUND FUND	TOTAL
ASSETS:			
Cash and Investments	$ 1,062,373	$ -	$ 1,062,373
Receivables:			
Accounts, net	-	500	500
Interfund Receivable	1,022	-	1,022
Total Assets	$ 1,063,395	$ 500	$ 1,063,895
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES:			
Interfund Payable	$ -	$ 2,816	$ 2,816
Total Liabilities	-	2,816	2,816
Fund Balance, (Deficit):			
Building & Equipment	1,063,395	-	1,063,395
Unassigned	-	(2,316)	(2,316)
Total Fund Balance	1,063,395	(2,316)	1,061,079
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 1,063,395	$ 500	$ 1,063,895

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND
For the Year Ended June 30, 2020

	REAL PROPERTY BUILDING & EQUIPMENT FUND	CAPITAL PROJECTS TRAINING GROUND FUND	TOTAL
REVENUES:			
Earnings On Investments	$ 14,900	$ -	$ 14,900
Total Revenues	14,900	-	14,900
EXPENDITURES:			
Capital Outlay	100,000	-	100,000
Total Expenditures	100,000	-	100,000
Excess of Revenues Over, (Under Expenditures)	(85,100)	-	(85,100)
Other Financing Sources, (Uses):			
Captial Lease Issuance	100,000	-	100,000
Transfers In	417,105	-	417,105
Total Other Financing Sources (Uses)	517,105	-	517,105
Net Change in Fund Balance	432,005	-	432,005
Beginning Fund Balance, (Deficit)	631,390	(2,316)	629,074
Ending Fund Balance, (Deficit)	$ 1,063,395	$ (2,316)	$ 1,061,079

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

REAL PROPERTY, BUILDING AND EQUIPMENT RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Earnings on Investments	$ 10,000	$ 10,000	$ 14,900	$ 4,900
Total Revenues	10,000	10,000	14,900	(4,900)
EXPENDITURES:				
Debt Service	53,000	53,000 (1)	-	53,000
Capital Outlay	200,000	200,000 (1)	100,000	100,000
Total Expenditures	253,000	253,000	100,000	153,000
Excess of Revenues Over (Under) Expenditures	(243,000)	(243,000)	(85,100)	157,900
OTHER FINANCING SOURCES (USES):				
Capital lease Issuance			100,000	100,000
Transfer In	875,000	875,000	417,105	(457,895)
Total Other Financing Sources (Uses)	875,000	875,000	517,105	(357,895)
Net Change in Fund Balance	632,000	632,000	432,005	(199,995)
Beginning Fund Balance	630,938	630,938	631,390	452
Ending Fund Balance	$ 1,262,938	$ 1,262,938	$ 1,063,395	$ (199,543)

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

CAPITAL PROJECT TRAINING GROUND FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
Beginning Fund Balance	$ -	$ -	$ (2,316)	$ (2,316)
Ending Fund Balance	$ -	$ -	$ (2,316)	$ (2,316)

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

RETIREMENT/SICK LEAVE RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Earnings on Investments	$ 2,500	$ 2,500	$ 5,581	$ 3,081
Total Revenues	2,500	2,500	5,581	3,081
EXPENDITURES:				
Personal Services	75,000	75,000 (1)	-	75,000
Total Expenditures	75,000	75,000	-	75,000
Excess of Revenues Over (Under) Expenditures	(72,500)	(72,500)	5,581	(71,919)
OTHER FINANCING SOURCES, (USES)				
Transfers In	100,000	100,000	100,000	-
Total Other Financing Sources (Uses)	100,000	100,000	100,000	-
Net Change in Fund Balance	27,500	27,500	105,581	78,081
Beginning Fund Balance	236,290	236,290	232,164	(4,126)
Ending Fund Balance	$ 263,790	$ 263,790	$ 337,745	$ 73,955

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB #54 due to its financing resources being derived primarily from General Fund transfers.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2020

HEALTH INSURANCE RESERVE

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Interest on Investments	$ 2,000	$ 2,000	$ 2,491	$ 491
Total Revenues	2,000	2,000	2,491	491
OTHER FINANCING SOURCES (USES):				
Transfers Out	(50,000)	(50,000) (1)	-	50,000
Total Other Financing Sources (Uses)	(50,000)	(50,000)	-	50,000
Net Change in Fund Balance	(48,000)	(48,000)	2,491	50,491
Beginning Fund Balance	107,593	107,593	108,488	895
Ending Fund Balance	$ 59,593	$ 59,593	$ 110,979	$ 51,386

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB #54 due to its financing resources being derived primarily from General Fund transfers.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the Year Ended June 30, 2020

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/19	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/20
GENERAL FUND:						
CURRENT:						
2019-2020	$ 7,650,356	$ 204,197	$ (7,580)	$ 2,878	$ 7,250,903	$ 190,554
PRIOR YEARS:						
2018-2019	211,434	11	(1,379)	5,903	115,233	100,714
2017-2018	104,311	-	(906)	6,756	54,510	55,651
2016-2017	61,055	-	(935)	9,454	52,417	17,157
2015-2016	22,238	-	(872)	4,688	21,719	4,335
2014-2015	7,945	-	(864)	2,098	6,949	2,230
Prior Years	12,838	-	(731)	2,112	5,514	8,705
Total Prior	419,821	11	(5,687)	31,011	256,342	188,792
Total General Fund	$ 8,070,177	$ 204,208	$ (13,267)	$ 33,889	$ 7,507,245	$ 379,346

RECONCILIATION OF REVENUE:	GENERAL FUND
Cash Collections by County Treasurer Above	$ 7,507,245
Accrual of Receivables:	
June 30, 2019	(39,577)
June 30, 2020	29,074
Change in Deferred Revenue from prior year	(29,972)
Taxes in Lieu	(24,164)
Total Revenue	$ 7,442,606

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

January 7, 2021

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Columbia River Fire and Rescue as of and for the year ended June 30, 2020, and have issued our report thereon dated January 7, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

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

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

OAR 162-10-0230 Internal Control

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

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

Roy R Rogers

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019

CERTIFIED PUBLIC ACCOUNTANTS

PAULY ROGERS AND CO PC

12700 SW 72nd Ave.
Tigard, OR 97223

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COLUMBIA RIVER FIRE & RESCUE

COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

BOARD OF DIRECTORS	TERM EXPIRES
Hans Feige, President	June 30, 2019
Kelly Niles, Vice President	June 30, 2021
Gary Hudson, Secretary- Treasurer	June 30, 2021
Mark Kreutzer	June 30, 2019
Ron Schlumpberger	June 30, 2019

All directors receive their mail at the address listed below.

REGISTERED AGENT AND FINANCE DIRECTOR

Mike Greisen, Fire Chief
Marit Nelson, Finance Director

270 Columbia Blvd.
St. Helens, Oregon 97051

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

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PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

January 17, 2020

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Columbia River Fire & Rescue
Columbia County, Oregon

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, each major fund and the remaining fund information of Columbia River Fire & Rescue (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the remaining fund information of Columbia River Fire & Rescue, as of June 30, 2019, and the respective changes in financial position and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The District adopted the provisions of GASB Statement No. 83 *Certain Asset Retirement Obligations* and GASB Statement No. 88 *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements* for the year ended June 30, 2019. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the Schedules of changes in total liability and related ratios for postemployment health insurance, or the Schedules of net pension liability and contributions for PERS, or the management's discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

The budgetary comparison schedules presented as required supplementary information, as listed in the table of contents, have 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 records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The listing of board members, containing their term expiration dates, as located before the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Reports on Legal and Other Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated January 17, 2020 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Roy R Rogers

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

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Columbia River Fire & Rescue
ADMINISTRATIVE OFFICES
270 Columbia Boulevard • St. Helens, Oregon 97051-2022
Phone: (503) 397-2990 • www.CRFR.com • Fax: (503) 397-3198

COLUMBIA RIVER FIRE & RESCUE
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

This section of the Columbia River Fire & Rescue annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2019. Please read it in conjunction with the District's financial statements and notes, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position was $1,691,653 at June 30, 2019.
- The combined fund ending fund balances were $4,861,040 at year-end.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts: management's discussion and analysis (this section), the basic financial statements, required supplementary information and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements. The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.

The basic financial statements also include notes that explain some of the information in the basic financial statements and provide more detailed data. The statements are followed by a section of supplementary information that further explains and supports the information in the basic financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the District's net position and how it has changed. Net position, the difference between the District's assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position may be an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the District, one needs to consider additional non-financial factors such as changes in the District's taxing ability.

The government-wide financial statements of the District include only governmental activities. The District's basic services are included here. Property taxes and fees for services finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds-not the District as a whole. Funds are accounting devices that the District uses to keep track of sources of funding and spending for particular purposes.

The District only has governmental funds. The District's basic services are included in its governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

	2019	2018
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:		
Current and Other Assets	$ 5,759,711	$ 5,551,700
Capital Assets	4,669,820	4,289,252
Pension and Other Deferrals of Outflows	2,894,134	2,617,125
Total Assets	13,323,665	12,458,077
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:		
Liabilities	10,899,515	10,423,193
Deferred Inflows of Resources		
Net Pension Related Deferrals	732,497	449,276
NET POSITION:		
Net Investment in Capital Assets	2,243,126	1,763,929
Restricted	24,300	19,976
Unrestricted	(575,773)	(198,297)
Total Net Position	$ 1,691,653	$ 1,585,608

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Changes in net position:

	For the Year Ended June 30,	
	2019	2018
REVENUES:		
General Revenues:		
Property Taxes	$ 7,217,671	$ 6,984,277
Charges for Services	2,291,941	2,639,836
Interest	116,577	70,391
Grants & Contributions	309,858	210,378
Miscellaneous	19,569	32,457
Total Revenues	9,955,616	9,937,339
EXPENSES:		
Fire Services	9,637,254	9,153,040
Retired Senior Volunteer Program	75,316	78,789
Interest on Long-Term Deb	137,001	110,292
Total Expenses	9,849,571	9,342,121
Change in Net Position	106,045	595,218
Beginning Net Position (Restated 2018)	1,585,608	990,390
Ending Net Position	$ 1,691,653	$ 1,585,608

The District's total revenues were $9,955,616. Net Position increased by $106,045 in 2019.

The net position for the year ended June 30, 2019 has been affected by the implementation and continued updating of GASB 68 which requires local governments to report pension assets and liabilities administered through trusts (Oregon PERS). The District is required to recognize the long-term obligation for pension benefits as a liability and to more comprehensively and comparably measure the annual costs of pension benefits. These values are calculated off the Actuary and PERS information for each employer.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled $10,058,399 in 2019. Governmental fund balances totaled $4,861,040 at June 30, 2019. A summary of changes in governmental fund balances follows:

	For the Year Ended June 30, 2019	For the Year Ended June 30, 2018	Change
General Fund	$ 4,547,629	$ 4,338,560	$ 209,069
Real Property Bldg & Equipment	631,390	549,307	82,083
Debt Service Fund (TANS)	(359,347)	(359,427)	80
Capital Project - Training Ground Reserve	(2,316)	(2,316)	-
RSVP Fund	19,860	15,536	4,324
Foster Grant Parent Fund	4,440	4,440	-
SAFER Grants	(82,966)	(94,655)	11,689
Maintenance Enterprise Fund	102,350	67,345	35,005
Total	$ 4,861,040	$ 4,518,790	$ 342,250

GENERAL FUND BUDGETARY HIGHLIGHTS

The fund balance in the General Fund increased by $209,069. As discussed in the notes to basic financial statements, the Retirement/Sick Leave reserve fund and Health Insurance reserve fund are included in the General Fund balance for GASB 54 purposes.

CAPITAL ASSETS

At June 30, 2019 the District had $4,469,820 invested in capital assets, net of depreciation. More detailed information about the District's capital assets is presented in the notes to the basic financial statements.

LONG TERM LIABILITIES

At June 30, 2019 the District had $2,426,694 in long term liabilities. These liabilities consisted of general obligation bonds and capital leases. More detailed information can be found in the Notes to the Basic Financial Statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our taxpayers, ratepayers, and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please contact the Columbia River Fire & Rescue. Our address is: 270 Columbia Blvd, St. Helens, Oregon, 97051.

Marit Nelson
Director of Finance & Human Resources

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2019

ASSETS:		
Cash and Investments	$	4,427,885
Receivables:		
Property Taxes		419,821
Accounts, Net		652,031
Deposits		10,100
Prepaid Expenses		78,485
Supply Inventories		171,389
Capital Assets:		
Land		223,500
Other Capital Assets, net of depreciation		4,446,320
Total Assets		10,429,531
DEFERRED OUTLFLOWS OF RESOURCES		
Pension Related Deferrals - PERS		2,531,755
OPEB Related Deferrals - Health Insurance		265,386
Deferred Amount on Refunding		96,993
Total Deferred Outflows of Resources		2,894,134
Total Assets and Deferred Outflows		13,323,665
LIABILITIES		
Accounts Payable		260,808
Accrued Payroll		86,230
Accrued Compensated Absences		344,150
Due within one year		103,629
Non-Current Liabilities		
OPEB Liability - Health Insurance		1,094,259
Net Pension Liability - PERS		6,687,374
Due in more than one year		2,323,065
Total Liabilities		10,899,515
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferrals - PERS		577,431
OPEB Related Deferrals - Health Insurance		155,066
Total Deferred Inflows of Resources		732,497
Total Liabilities and Deferred Inflows		11,632,012
NET POSITION		
Net Investment in Capital Assets		2,243,126
Restricted - Program Projects		24,300
Unrestricted		(575,773)
Total Net Position	$	1,691,653

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

FUNCTIONS	EXPENDITURES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENDITURES) REVENUES AND CHANGES IN NET POSITION
Fire Services	$ 9,637,254	$ 2,291,941	$ 240,424	$ (7,104,889)
RSV Program	75,316	-	69,434	(5,882)
Interest	137,001	-	-	(137,001)
Total Governmental Activities	$ 9,849,571	$ 2,291,941	$ 309,858	(7,247,772)
GENERAL REVENUES:				
Taxes				7,217,671
Interest				116,577
Gain on Sale of Equipment				21,701
Miscellaneous				(2,132)
Total General Revenues				7,353,817
Change in Net Position				106,045
Beginning Net Position				1,585,608
Ending Net Position				$ 1,691,653

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2019

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
ASSETS:				
Cash and Investments	$ 3,791,161	$ 6,356	$ 630,368	$ 4,427,885
Receivables:				
Taxes	419,821	-	-	419,821
Accounts, net	588,436	63,095	500	652,031
Interfund Receivable	392,401	102,203	1,022	495,626
Deposits	10,100	-	-	10,100
Prepaid Items	78,485	-	-	78,485
Total Assets	$ 5,280,404	$ 171,654	$ 631,890	$ 6,083,948
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ 259,842	$ 966	$ -	$ 260,808
Interfund Payable	6,459	486,351	2,816	495,626
Payroll Liabilities	86,230	-	-	86,230
Total Liabilities	352,531	487,317	2,816	842,664
Deferred Inflows of Resources:				
Unearned Revenue - Taxes	380,244	-	-	380,244
Total Deferred Inflows of Resources	380,244	-	-	380,244
Fund Balance, (Deficit):				
Nonspendable	78,485	-	-	78,485
Restricted:				
Retired Senior Volunteer Program	-	19,860	-	19,860
Foster Grandparents Program	-	4,440	-	4,440
Assigned				
Compensated Absences	232,164	-	-	232,164
Health Insurance	108,488	-	-	108,488
Debt Service	-	(359,347)	-	(359,347)
Building & Equipment	-	102,350	631,390	733,740
Unassigned	4,128,492	(82,966)	(2,316)	4,043,210
Total Fund Balance	4,547,629	(315,663)	629,074	4,861,040
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 5,280,404	$ 171,654	$ 631,890	$ 6,083,948

See accompanying notes to the basic financial statements.

RECONCILIATION OF BALANCE SHEET TO STATEMENT OF NET POSITION
June 30, 2019

Total Fund Balances - Governmental Funds		$ 4,861,040
The net pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries. - PERS		(6,687,374)
Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning,		
Deferred Outflows - PERS	$ 2,531,755	
Deferred Inflows -PERS	(577,431)	
Deferred Outflows - OPEB for Health Insurance	265,386	
Deferred Inflows - OPEB for Health Insurance	(155,066)	2,064,644
OPEB Liability for Health Insurance		(1,094,259)
The cost of capital assets (land & land improvements, buildings & improvements , and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole.		4,669,820
The cost of supply inventories purchased is reported as an expenditure in the governmental funds. The Statement of Net Position includes inventory among the assets of the District as a whole.		171,389
Compensated absences (vacation pay) are recognized as expenditures in the governmental funds when they are paid. In the Statement of Net Position a liability is recognized.		(344,150)
A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.		380,244
Deferred outflows of resources for debt refunding charges are not reported in the governmental funds.		96,993
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statements of Net Position.		
Long-term Liabilities:		
Bonds Payable	(2,195,000)	
Bonds Premium	(231,694)	(2,426,694)
Net Position		$ 1,691,653

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	GENERAL	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
REVENUES:				
Taxes	$ 7,342,155	$ -	$ -	$ 7,342,155
Earnings On Investments	103,055	80	13,442	116,577
Fire-Med	56,570	-	-	56,570
Public Education, Donations	131	-	-	131
Miscellaneous	(7,531)	5,399	-	(2,132)
Ambulance Service	1,589,835	-	-	1,589,835
Address Sign Sales	508	-	-	508
Lifeflight Members	41,530	-	-	41,530
Special Training	7,651	-	-	7,651
Maintenance Shop Revenue	-	124,332	-	124,332
Third Party Contract Billing	32,602	-	-	32,602
Conflagration Revenue	415,993	-	-	415,993
Contract Fire Protection	6,911	-	-	6,911
Land Sales, Royalties, Rights	15,878	-	-	15,878
Donations and Grants	2,329	307,529	-	309,858
Total Revenues	9,607,617	437,340	13,442	10,058,399
EXPENDITURES:				
Personal Services	7,469,743	216,473	-	7,686,216
Materials and Services	1,061,222	47,237	-	1,108,459
Capital Outlay	422,672	122,532	181,359	726,563
Debt Service	216,612	-	-	216,612
Total Expenditures	9,170,249	386,242	181,359	9,737,850
Excess of Revenues Over, (Under Expenditures)	437,368	51,098	(167,917)	320,549
Other Financing Sources, (Uses):				
Sale of Equipment	21,701	-	-	21,701
Transfers In	100,000	-	250,000	350,000
Transfers Out	(350,000)	-	-	(350,000)
Total Other Financing Sources (Uses)	(228,299)	-	250,000	21,701
Net Change in Fund Balance	209,069	51,098	82,083	342,250
Beginning Fund Balance, (Deficit)	4,338,560	(366,761)	546,991	4,518,790
Ending Fund Balance, (Deficit)	$ 4,547,629	$ (315,663)	$ 629,074	$ 4,861,040

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2019

Net Changes in Fund Balances - Governmental Funds		$	342,250
The PERS pension expense represents the changes in net pension asset (liability) from year to year due to changes in total PERS pension liability and the fair value of pension plan net position available to pay			(592,526)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Additions to bond principal is a revnue in the governmental funds but the addition increases long-term liabiltiies in the Statement of Net Position			
Bonds Payable			85,000
Governmental funds expend the costs of debt refunding. These costs are reported as deferred outflow of resources that are amortized in the Statement of Activities:			(5,389)
Change in Net OPEB Liability for Health Insurance			(62,919)
Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences:			
Amortization of premium/(discount)			13,629
The cost of supply inventories purchased is reported as an expenditure in the governmental funds. In the Statement of Activities the change in inventory from prior year is expensed. This amount represents the change in inventory from the prior year to the current year.			40,458
Compensated absences are recognized as expenditures in the governmental funds when they are paid. In the Statement of Activities these liabilities are recognized as an expense when incurred. This amount represents the change in compensated absences from the prior year to the current year.			29,458
In the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions exceeds depreciation.			
Capital Additions	$ 651,520		
Depreciation Expense	(270,952)		380,568
Difference between prior and current year unearned revenue related to property taxes			(124,484)
Change in Net Position of Governmental Activities		$	106,045

See accompanying notes to the basic financial statements.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

Columbia River Fire & Rescue (the District) was organized under provisions of Oregon Statutes Chapter 478 for the purpose of providing fire protection and other emergency services and is a municipal corporation governed by an elected board. As required by accounting principles generally accepted in the United States of America, these financial statements present the primary governmental activities and any component units. Component units, as established by GASB Statement 61, are separate organizations that are included in the District's reporting because of the significance of their operational or financial relationships with the District. There are no component units.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions."

The government-wide statements report information irrespective of fund activity. There are only "governmental activities". Additionally, each of the eight funds is considered a major fund in accordance with GASB 34, or is considered by management to be a major fund. There are also two Special Revenue funds which are rolled into the General Fund, in accordance with GASB 54, due to revenue sources which are mainly transfers from the General Fund; these funds are the Retirement/Sick Leave Reserve Fund and the Health Insurance Fund.

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

GOVERNMENTAL FUND TYPES

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, which is 60 days. 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, pension costs, OPEB costs, and claims and judgments, are recorded only when payment is made.

C. DESCRIPTION OF FUNDS

There are the following major funds:

GENERAL FUND

This fund accounts for all financial resources and expenditures except those required to be accounted for in another fund. The principal source of revenue is property taxes.

SPECIAL REVENUE FUNDS

The special revenue funds account for revenue and expenditures that have been restricted for projects or programs. Funds included in the special revenue funds category are:

Retired Senior Volunteer Program Fund - This fund accounts for the transactions of the Retired Senior Volunteer Program (RSVP), for which the District is the sponsor.

Foster Grandparent Program (FGP) Fund - This fund accounts for the transactions of the Foster Grandparent program (FGP) for which the District is the sponsor.

SAFER Grants - This fund was established to improve and restore fire department staffing. Revenue comes through grants originating from FEMA. The fund was known as the Seismic Upgrade Fund prior to the 2013-14 fiscal year.

Maintenance Enterprise - This fund accounts for funds generated and expended as a part of the District's vehicle maintenance program, which provides vehicle maintenance services to other agencies.

Tax Anticipation Note Fund - This fund accounts for the sale and repayment of tax anticipation notes and the related interest expense. Revenues are the proceeds from the sale of the notes and interest earned on those proceeds that are not needed to finance current operations.

CAPITAL PROJECTS FUNDS

Real Property, Building and Equipment Reserve Fund - This is a capital projects fund utilized to accumulate funds for the purpose of buying equipment, facilities and property.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. DESCRIPTION OF FUNDS (CONTINUED)

Capital Project Training Ground Fund - This is a capital projects fund for the Lee Broadbent Training Center. The training center is funded by a $3.1 million bond issued in October 2006, these bonds were refunded in February 2016.

SPECIAL REVENUE FUNDS ROLLED INTO THE GENERAL FUND FOR GASB 54 PURPOSES

Financial statements must report as Special Revenue funds only those which have a substantial portion of revenue inflows from restricted or committed revenue sources. The following funds are combined into the General Fund because the primary revenue source is transfers from the General Fund or there is no revenue to report.

Retirement/Sick Leave Reserve Fund - This fund was established for the purpose of accumulating funds to pay sick leave benefits that have accrued to retiring employees. It is funded by transfers from the General Fund and interest earned on investments.

Health Insurance Fund - This fund was established for the purpose of accumulating funds to offset future potential increases to health care premiums.

D. BUDGET

A budget is prepared and legally adopted for each fund on the modified accrual basis of accounting in the main program categories required by the Oregon Local Budget Law. The budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for accrued compensated absences, pension costs, debt, and OPEB liabilities, which are recorded as an expense when paid, taxes which are recorded when received instead of when levied, and fixed assets, inventory, and capital leases, which are expensed when purchased.

Another difference is that depreciation and amortization are not recorded. The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is adopted and appropriations are made no later than June 30th.

Expenditures are appropriated at the following levels for each fund: Personal Services, Materials and Services, Capital Outlay, Interfund Transfers, Debt Service, Special Payments and Operating Contingency.

Expenditures cannot legally exceed the above appropriations levels. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur if the Board approves them due to a need which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements reflect the original appropriations. Actual expenditures were within appropriations except for the General Fund – Debt Service Principal, which was over-expended by $21,612, and the SAFER Grants Fund – Materials & Services, which was over-expended by $162.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. PROPERTY TAXES RECEIVABLE

In the Government-Wide Financial Statements uncollected property taxes are recorded in the Statement of Net Position. In the Fund Financial Statements property taxes that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as unavailable revenue because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary by management, as uncollectible taxes become a lien on the property. Property taxes are levied on all taxable property as of July 1, the beginning of the fiscal year, and become a lien on that date. Property taxes are payable on November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

F. CAPITAL ASSETS

Capital assets are recorded at the original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial cost of more than $10,000 and an estimated life in excess of one year. Interest incurred during construction, maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Buildings and improvements	39
Equipment	5 - 10

G. USE OF ESTIMATES

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

H. VESTED COMPENSATED ABSENCES

It is policy to permit employees to accumulate earned unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when employees separate from service. All unused vacation pay is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

I. LONG TERM OBLIGATIONS

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. LONG TERM OBLIGATIONS (CONTINUED)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

J. NET POSITION

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

- Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The fund balances of the Retired Senior Volunteer Program (RSVP) and the Foster Grandparent Program (FGP) are restricted by outside donors for projects related to the programs.
- Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

K. DEFFERED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the basic financial statements 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 position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Statement of Net Position reports $2,531,755 of pension related deferrals for PERS, $265,386 for health insurance related deferrals, and $96,993 for deferrals on debt related refunding.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has three types of items which qualify for reporting in this category. The governmental funds report unavailable revenues for property taxes of $380,244. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. In addition, PERS pension related deferrals of $577,431 and health insurance related deferrals of $155,066 are reported in the Statement of Net Position.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. FUND BALANCE

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, is followed. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications are nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.

- Restricted represents amounts that are legally restricted by outside parties for a particular purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).

- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.

- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.

- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned. There were no committed fund balances at year end.

M. PREPAID ITEMS

Payments made for goods and services that will benefit periods beyond June 30, 2019 are recorded as prepaid expenditures. Prepaids consist primarily of prepaid liability insurance, workers compensation insurance and software support and dues.

N. SUPPLY INVENTORIES

Supply inventories purchased are valued at cost (first-in, first-out method). Any donated inventories are valued at their estimated fair market value.

O. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access
Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)
Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

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

2. CASH AND INVESTMENTS

Cash management policies are governed by state statutes. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments. In addition, cash is separately held by some of the funds.

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2019 was $476,962, of which $352,019 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

CREDIT RISK – DEPOSITS

In the case of deposits, this is the risk that in the event of a bank failure, deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2019, none of the bank balances were exposed to custodial credit risk.

2. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at $1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at $1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx

If the link has expired please contact the Oregon Short Term Fund directly.

Cash and Investments at June 30, 2019 consisted of:

	2019
Deposits with Financial Institutions:	
Demand Deposits	$ 228,239
Money Market	150,633
Local Government Investment Pool	4,049,013
Total	$ 4,427,885

There are the following investments and maturities:

	Investment Maturities (in months)			
Investment Type	Fair Value	Less than 3	3-18	18-59
Money Market Accounts	$ 150,633	$ 150,633	$ -	$ -
State Treasurer's Investment Pool	4,049,013	4,049,013	-	-
	$4,199,646	$4,199,646	$ -	$ -

INTEREST RATE RISK - INVESTMENTS

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There were no investments that have a maturity date beyond three months.

2. CASH AND INVESTMENTS (CONTINUED)

CREDIT RISK - INVESTMENTS

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE.

CONCENTRATION OF CREDIT RISK

At June 30, 2019, investments were in the State Treasurer's Investment Pool and in money market accounts held at Bank of the West. State statutes do not limit the percentage of investments in either of these instruments. Oregon Revised Statutes require that no more than 25 percent of the moneys of a local government be invested in bankers' acceptances of any qualified financial institution. At June 30, 2019, there appeared to be compliance with all percentage restrictions.

3. ACCOUNTS RECEIVABLE

Accounts receivable primarily consist of uncollected billings for ambulance services. An allowance for doubtful accounts for ambulance services is based on an estimated collectability from the District's aging schedule. Per the District aging schedule, $295,495 in Accounts Receivable is over 90 days old at June 30, 2019.

The accounts receivable balance as of June 30, 2019 is as follows:

Ambulance Services Receivable (Gross)	$ 1,081,121
Allowance for Doubtful Accounts	(554,029)
Net Ambulance Services Receivable	527,092
Grants Receivable	40,880
Miscellaneous	84,059
Total Account Receivable, Net	$ 652,031

4. CAPITAL ASSETS

The changes in capital assets for the fiscal year ended June 30, 2019 are as follows:

	BALANCE 6/30/18	ADDITIONS	DELETIONS	BALANCE 6/30/19
Land & Improvements	$ 223,500	$ -	$ -	$ 223,500
Buildings & Improvements	5,254,711	27,281	-	5,281,992
Equipment	5,375,498	624,239	(945,990)	5,053,747
Total Assets	10,853,709	651,520	(945,990)	10,559,239
Less Accumulated Depreciation:				
Buildings and Improvements	1,925,130	114,963	-	2,040,093
Trucks and Equipment	4,639,327	155,989	(945,990)	3,849,326
Total Accumulated Depreciation	6,564,457	270,952	(945,990)	5,889,419
Capital Assets, net	$ 4,289,252			$ 4,669,820

4. CAPITAL ASSETS – (CONTINUED)

All depreciation is charged to the fire services function in the statement of activities.

The District recognized a gain of $21,701 on the sale of a fully depreciated ambulance.

5. PROPERTY TAX LIMITATIONS

The voters of the State of Oregon imposed a constitutional limit on property taxes for schools and nonschool government operations. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for nonschool operations are limited to $10.00 for each $1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

The State voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

6. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:
https://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf
If the link is expired please contact Oregon PERS for this information.

a. **PERS Pension (Chapter 238)**. The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
    i. **Pension Benefits**. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
    A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

ii. **Death Benefits**. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
   - member was employed by PERS employer at the time of death,
   - member died within 120 days after termination of PERS covered employment,
   - member died as a result of injury sustained while employed in a PERS-covered job, or
   - member was on an official leave of absence from a PERS-covered job at the time of death.

iii. **Disability Benefits**. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

iv. **Benefit Changes After Retirement**. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

b. **OPSRP Pension Program (OPSRP DB)**. The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

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

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

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

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

ii. **Death Benefits**. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

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

iv. **Benefit Changes After Retirement**. Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation, which became effective July 1, 2017. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2019 were $682,821, excluding amounts to fund employer specific liabilities. In addition approximately $270,036 in employee contributions were paid or picked up by the District in 2018-2019.

Pension Asset or Liability

At June 30, 2019, the District reported a net pension liability of $6,687,374 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2018 and 2017, the District's proportion was .044 and .045 percent, respectively. Pension expense for the year ended June 30, 2019 was $592,526.

The rates in effect for the year ended June 30, 2019 were:

(1) Tier 1/Tier 2 – 19.06%
(2) OPSRP general services – 7.35%
(3) OPSRP police and fire – 12.12%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 227,484	$ -
Changes in assumptions	1,554,802	-
Net difference between projected and actual earnings on pension plan investments	-	296,957
Net changes in proportionate share	19,374	239,896
Differences between City contributions and proportionate share of contributions	47,274	40,578
Subtotal - Amortized Deferrals (below)	1,848,934	577,431
City contributions subsequent to measuring date	682,821	-
Deferred outflow (inflow) of resources	$ 2,531,755	$ 577,431

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2020.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Subtotal amounts related to pension as deferred outflows of resources, $1,848,934, and deferred inflows of resources, ($577,431), net to $1,271,503 and will be recognized in pension expense as follows:

Year ending June 30,		Amount
2020	$	768,170
2021		522,349
2022		(117,751)
2023		61,545
2024		37,190
Thereafter		-
Total	$	1,271,503

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2019. Oregon PERS produces an independently audited CAFR which can be found at:

https://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf

Actuarial Valuations – The employer contribution rates effective July 1, 2017 through June 30, 2019, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2016 rolled forward to June 30, 2018
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent (changed from 7.50 percent)
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/.15%) in accordance with Moro decision, blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Date Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	13.5%	21.5%	17.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

Source: June 30, 2018 PERS CAFR; p. 98

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015, revised as of June 7, 2017, the PERS Board reviewed its long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target	Annual Return (Geometric)
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Assumed Inflation - Mean		*2.50%*

Source: June 30, 2018 PERS CAFR; p. 72

Discount Rate – The discount rate used to measure the total pension liability, as of the measurement dates June 30, 2018 and 2017 was 7.20 and 7.50, respectively, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate – The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-perentage-point higher (8.20 percent) than the current rate.

6. DEFINED BENEFIT PENSION PLAN – (CONTINUED)

	Decrease (6.20%)	Rate (7.20%)	Increase (8.20%)
District's proportionate share of the net pension liability (asset)	$ 11,175,965	$ 6,687,374	$ 2,982,492

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2018 Measurement Date that meet this requirement and would require a brief description under the GASB standard.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:
Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:
Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

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

Contributions:
Employees of the District pay six (6) percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2019.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO BOX 23700 Tigard, OR 97281-3700.

https://www.oregon.gov/pers/emp/pages/GASB.aspx

7. OTHER POST EMPLOYMENT BENEFIT PLAN - RHIA

Plan Description:
As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:
Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to $60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of $60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.53% of annual covered OPERF payroll and 0.45% of OPSRP payroll under a contractual requirement in effect until June 30, 2019. The OPERS Board of Trustees sets the employer contribution rates based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the year ended June 30, 2019 were considered by management to be immaterial to the basic financial statements.

At June 30, 2019, the District's net OPEB liability/(asset) and deferred inflows and outflows for RHIA were not considered to be material to the basic financial statements by management and were not accrued on the government wide statements.

8. RISK MANAGEMENT

There is exposure to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. Commercial insurance is purchased to minimize exposure to these risks. Settled claims did not exceed this commercial coverage for the last three fiscal years.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Post-Employment Health Insurance Subsidy

Plan Description - The District, as a result of collective bargaining agreements, offers post-employment health care benefits under a single-employer, defined benefit plan for all employees who have completed a specified number of years of continuous service, are eligible for full OPERS benefits, elect early retirement and were hired prior to July 1, 2006.

For eligible licensed employees the District will provide medical coverage for the lesser of seven years or until eligible for Medicare (age 65). For administrators, managers, supervisor and confidential employees, coverage is until Medicare eligibility date regardless of retirement age, assuming full OPERS coverage. For eligible classified employees with 15 years of service, coverage is provided up to the lesser of five years or until eligible for Medicare (age 65).

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. The plan is currently unfunded in accordance with GASB statement 75. In accordance with the terms of the plan, benefit payments are recognized when due and payable in the governmental statements. The activities of the plan are reported in the General Fund.

The District implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions for the fiscal year ended June 30, 2018. This implementation allows the district to report its liability for other post-employment benefits consistent with newly established generally accepted accounting principles and to reflect an actuarially determined liability for the present value of projected future benefits for retired and active employees on the financial statements. The District maintains single employer post-employment benefit programs (commonly referred to as early retirement). These programs cover licensed and administrative personnel of the District, individual employees, and certain retired employees.

In implementing GASB Statement No. 75, the following changes since the prior valuation were implemented; (a) the actuarial cost method was changed from Projected Unit Credit to Entry Age Normal, (b) the interest rate for discounting future liabilities was lowered to match municipal bond rates, (c) premium increase rates were modified to reflect anticipated experience, € demographic assumptions were revised to match (as closely as possible) those developed in the most recent experience study for Oregon PERS, and (d) an implicit rate subsidy is now being valued for participants in the health plans. In prior valuations, the District's participation in the health plans was determined to be a community rated arrangement.

Annual OPEB Cost and Total OPEB Liability – The annual other postemployment benefit (OPEB) cost is calculated based on the Total OPEB Liability, an amount actuarially determined in accordance with the parameters of GASB Statement 75. For detailed information and a table showing the components of the District's annual OPEB costs and liabilities, see page 30.

Actuarial Methods and Assumptions – The Total OPEB Liability for the current year was determined as part of the July 1, 2017 actuarial valuation using the entry age normal method. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality, claim cost and the healthcare cost trend. The actuarial assumptions included; (a) a rate of return on investment of present and future assets of 3% compounded annually; (b) no future increase in benefit payable from this program; (c) a general inflation rate of 2.5% per year, and (d) no post-retirement benefit increases and a payroll increase of 3%. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB)

Under this method, the expected accrued benefit of each participant at benefit commencement (reflecting future expected increases in salaries and medical premiums) is allocated in equal proportion over the participant's years of service from hire to expected retirement. The normal cost is the present value of benefits expected to accrue in the current year. The present value of benefits accrued as of the valuation date is called the accrued liability.

Funding Status and Funding Progress – As of July 1, 2018, the plan was 0% funded. The actuarial accrued liability for benefits was $1,094,259, and the actuarial value of assets was $0. Estimated covered payroll was $3,925,967.

Participant Count	**Total**
Number of Active Participants	47
Number of Inactive Participants	5
Total Number of Participants	52

Total OPEB Liability

The District's total OPEB liability of $1,094,259 was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2018.

Actuarial Assumptions and Other Inputs

The District's total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial assumptions

Valuation Date	June 30, 2018 rolled forward to June 30, 2019
Actuarial Cost method	Entry Age Normal
Investment return assumption (interest discount)	The 3.90% investment return assumption is the May 30, 2018 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer.
Plan participation	100% assumed will elect coverage at retirement if eligible for District paid insurance; 40% assumed if only eligible for self-pay insurance.
Inflation rate	2.5% for all future years.
Annual salary rate increases	2.5% for all future years.
Health care premium	
Beginning in 2018, a 40% excise tax will be imposed under the Affordable Care Act on employers if the aggregate value of medical coverage exceeds a threshold limit. This excise tax is not included in the calculations because it is believed to be immaterial in regards to the OPEB plan.	

Changes in Total OPEB Liability

Changes of assumptions: Interest Discount, the investment return assumption was increased from 3.78% to 3.90%. Persistence, the drop rate for retirees self-paying for coverage was decreased from 10% to 7% based on district experience.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

		Total OPEB Liability
Total OPEB Liability Balance 6/30/18	$	1,042,350
Changes for the year:		
Benefit Payment		(34,003)
Service Cost		45,923
Interest		39,989
Change in Benefit Terms		-
Change in Assumptions		-
Experience (Gain)/Loss		-
Total OPEB Liability Balance 6/30/19	$	1,094,259

Sensitivity of the total OPEB Liability to changes in discount rate – the following presents the total OPEB liability of the District, as well as what the District's total OPEB Liability would be if it were calculated using a discount rate 1 percentage point higher and lower than the current rate.

	1% Decrease (2.90%)	Current Discount Rate (3.90%)	1% Increase (4.90%)
Total OPEB Liability on June 30, 2019	$1,200,736	$ 1,094,259	$ 997,823

Sensitivity of the total OPEB Liability to changes in the healthcare cost trend rates – the following presents the total OPEB liability of the District, as well as what the District's total OPEB Liability would be if it were calculated using health care cost trend rates that are1 percentage point higher and lower than the current healthcare cost trend rates.

	1% Decrease	Current Health Care Trend Rates	1% Increase
Total OPEB Liability on June 30, 2019	$ 963,529	$ 1,094,259	$ 1,248,561

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the District recognized OPEB expense of $62,919 in the government wide Statement of Activities. At June 30, 2019, the District reported deferred inflows of resources relating to the following sources:

Deferral Source	Deferred Inflows of Resources
2018-19 Experience (Gain)/Loss	$ 155,066
Totals	$ 155,066

9. OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

At June 30, 2019, the District reported deferred outflows of resources relating to the following sources:

Deferral Source	Deferred Outflows of Resources
2018-19 Change in Assumptions (Gain)/Loss	$ 265,386
Totals	$ 265,386

Amounts reported as deferred outflows of resources, $265,386, and deferred inflows of resources, ($155,066), net to $110,320 and will be recognized in OPEB expense as follows.

Fiscal Year Ending	Deferred Outflow/(Inflow) Recognized in OPEB Expense
2020	$ 10,029
2021	$ 10,029
2022	$ 10,029
2023	$ 10,029
2024	$ 10,029
2025	$ 10,029
All Subsequent Years	$ 50,145
Total	$ 110,320

10. DEFERRED COMPENSATION

Deferred Compensation Plan -A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

11. ACCRUED COMPENSATED ABSENCES

The change in compensated absences for the year is as follows:

	Vested Compensated Absences
Balance, June 30, 2018	$ 373,608
Additions	-
Payments & Deletions	(29,458)
Balance, June 30, 2019	$ 344,150

12. LONG- TERM OBLIGATIONS

General Obligation Bonds

In 2016, Full Faith and Credit Obligation refunding bonds were issued to defease the 2006 Full Faith and Credit Obligation issued to provide funds for the construction of a training center. The bonds have interest rates of 2% - 4% with semi-annual interest payments and annual principal payments and resulted in defeasance of $2,555,000 of debt. There are no items considered to be significant default/remedies noted in the agreement.

The following table shows changes in General Obligation Bonds for the fiscal year ended June 30, 2019:

Issue Date	Interest Rates	Original Issue	Outstanding 7/1/18	Issued	Matured and Redeemed	Outstanding 6/30/19
February 9, 2016	2% - 4%	2,375,000	$ 2,280,000	$ -	$ 85,000	$ 2,195,000
Unamortized Premium			245,323	-	13,629	231,694
			$ 2,525,323	$ -	$ 98,629	$ 2,426,694

The following table shows changes in total Long-Term Obligations for the fiscal year ended June 30, 2019:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable	$ 2,280,000	$ -	$ 85,000	$ 2,195,000	$ 90,000
Bond Premium	245,323	-	13,629	231,694	13,629
Total Long-term Liabilities	$ 2,525,323	$ -	$ 98,629	$ 2,426,694	$ 103,629

Future Maturities are as follows:

Fiscal Year Ending June 30	Principal G.O. Bonds	Interest G.O. Bonds
2020	$ 90,000	$ 86,050
2021	85,000	83,350
2022	90,000	80,800
2023	95,000	77,200
2024	100,000	73,400
2025-2029	565,000	303,600
2030-2034	685,000	181,600
2035-2037	485,000	39,000
Total	$ 2,195,000	$ 925,000

13. INTERFUND TRANSFERS & INTERFUND RECEIVABLE/PAYABLE

Transfers and Interfund Payables and Receivables, which are made to finance operations between funds, are as follows:

	Transfers Out	Transfers In	Interfund Receivable	Interfund Payable
General Fund	$ 350,000	$ 100,000	$ 392,401	$ 6,459
Special Revenue Fund	-	-	102,203	486,351
Capital Projects Fund	-	250,000	1,022	2,816
	$ 350,000	$ 350,000	$ 495,626	$ 495,626

14. FUND DEFICITS

The SAFER Grants fund had a deficit balance of $82,966. This fund assumed this negative fund balance from the Seismic Upgrade Fund. The Tax Anticipation Note Fund had a deficit balance of $359,347 and the Capital Project Training Ground Fund had a deficit balance of $2,316. These deficit balances are expected to be eliminated next year with transfers from the General Fund.

15. TAX ABATEMENTS

As of June 30, 2019, the District had tax abatements through the Enterprise Zone program that impacted their levied taxes.

Enterprise Zone (ORS 285C.175):

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

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

For the fiscal year ended June 30, 2019, the District had $145,169 of property taxes abated under this program.

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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SCHEDULES OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS
EARLY RETIREMENT PROGRAM AND OPEB PLAN
June 30, 2019

PLAN II (OPEB): (Health Insurance)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Differences Between Expected and Actual	Experience Gain/(Loss)	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2019	$ 1,042,350	$ 45,923	$ 39,989	$ -	$ -	$ -	$ -	$ (34,003)	$ 1,094,259	$ 3,925,967	27.87%
2018	867,240	44,803	33,137	-	318,358	-	(186,018)	(35,170)	1,042,350	3,830,212	27.20%

The amounts presented for each fiscal year actuarially determined and rolled forward

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

In implementing GASB Statement No. 75, the following changes since the prior valuation were implemented; (i) the actuarial cost method was changed from Projected Unit Credit to Entry Age Normal, (ii) the interest rate for discounting future liabilities was lowered to match municipal bond rates, (iii) premium increase rates were modified to reflect anticipated experience, (iv) the percentage of future retirees covering a spouse on the plan was decreased to reflect the anticipated experience, (v) demographic assumptions were revised to match (as closely as possible) those developed in the most recent experience study for Oregon PERS, and (vi) an implicit rate subsidy is now being valued for participants in the health plans. In prior valuations, the District's participating in the health plans determined to be a community rated arrangement.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
At June 30, 2019

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.04 %	$ 6,687,374	$ 4,596,533	145.5 %	82.1 %
2018	0.05	6,084,661	4,114,956	147.9	83.1
2017	0.05	7,084,126	4,147,768	170.8	80.5
2016	0.05	2,811,449	3,994,153	70.4	91.9
2015	0.05	(1,029,567)	3,771,870	(27.3)	103.6
2014	0.05	2,317,905	3,825,130	60.6	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2019	$ 682,821	$ 682,821	$ -	$ 4,539,549	15.0 %
2018	705,356	705,356	-	4,596,533	15.3
2017	455,688	455,688	-	4,114,956	11.1
2016	495,473	495,473	-	4,147,768	11.9
2015	460,446	460,446	-	3,994,153	11.5
2014	431,081	431,081	-	3,771,870	11.4

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:					
Taxes	$ 6,868,500	$ 6,868,500		$ 7,342,155	$ 473,655
Earnings On Investments	40,000	40,000		95,528	55,528
Fire-Med	52,000	52,000		56,570	4,570
Public Education Donations	4,500	4,500		131	(4,369)
Donations and Grants	-	-		2,329	2,329
Miscellaneous	390,000	390,000		(7,531)	(397,531)
Ambulance Service	1,500,000	1,500,000		1,589,835	89,835
Address Sign Sales	700	700		508	(192)
Lifeflight Members	39,000	39,000		41,530	2,530
Special Training	5,000	5,000		7,651	2,651
Conflagration Revenue	130,000	130,000		415,993	285,993
Third Party Contract Billing	34,872	34,872		32,602	(2,270)
Fire Service Agreements	6,500	6,500		6,911	411
Royalties & Rights	15,000	15,000		15,878	878
Total Revenue	9,086,072	9,086,072		9,600,090	514,018
EXPENDITURES:					
Personal Services	7,820,072	7,820,072	(1)	7,414,310	405,762
Materials and Services	1,190,500	1,190,500	(1)	1,061,222	129,278
Capital Outlay	780,500	780,500	(1)	422,672	357,828
Debt Service	195,000	195,000	(1)	216,612	(21,612)
Operating Contingency	350,000	350,000	(1)	-	350,000
Total Expenditures	10,336,072	10,336,072		9,114,816	1,221,256
Excess of Revenues Over (Under) Expe	(1,250,000)	(1,250,000)		485,274	(707,238)
OTHER FINANCING SOURCES, (USES):					
Sale of Equipment	-	-		21,701	21,701
Transfers Out	(350,000)	(350,000)	(1)	(350,000)	-
Total Other Financing Sources (1	(350,000)	(350,000)		(328,299)	21,701
Net Change in Fund Balance	(1,600,000)	(1,600,000)		156,975	1,756,975
Beginning Fund Balance	1,600,000	1,600,000		4,050,002	2,450,002
Ending Fund Balance	$ -	$ -		4,206,977	$ 4,206,977

(1) Appropriation Level

Reconciliation to Governmental Fund Balance as required by GASB #54

Ending Fund Balance:	
Retirement/Sick Leave Reserve Fund	232,164
Health Insurance Fund	108,488
	$ 4,547,629

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING BALANCE SHEET - SPECIAL REVENUE FUND
June 30, 2019

	RSVP FUND	FGP FUND	SAFER GRANTS FUND
ASSETS:			
Cash and Investments	$ 3,198	$ -	$ -
Receivables:			
Accounts, net	14,379	-	40,880
Interfund Receivable	3,249	4,440	-
Total Assets	$ 20,826	$ 4,440	$ 40,880
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities:			
Accounts Payable	$ 966	$ -	$ -
Interfund Payable	-	-	123,846
Total Liabilities	966	-	123,846
Fund Balance, (Deficit):			
Restricted:			
Retired Senior Volunteer Program	19,860	-	-
Foster Grandparents Program	-	4,440	-
Assigned			
Debt Service	-	-	-
Building & Equipment	-	-	-
Unassigned	-	-	(82,966)
Total Fund Balance	19,860	4,440	(82,966)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 20,826	$ 4,440	$ 40,880

Continued on next page

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING BALANCE SHEET - SPECIAL REVENUE FUND
June 30, 2019

	TAX ANTICIPATION NOTES FUND	MAINTENANCE ENTERPRISE FUND	TOTAL
ASSETS:			
Cash and Investments	$ 3,158	$ -	$ 6,356
Receivables:			
Accounts, net	-	7,836	63,095
Interfund Receivable	-	94,514	102,203
Total Assets	$ 3,158	$ 102,350	$ 171,654
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
Liabilities:			
Accounts Payable	$ -	$ -	$ 966
Interfund Payable	362,505	-	486,351
Total Liabilities	362,505	-	487,317
Fund Balance, (Deficit):			
Restricted:			
Retired Senior Volunteer Program	-	-	19,860
Foster Grandparents Program	-		4,440
Assigned			
Debt Service	(359,347)	-	(359,347)
Building & Equipment	-	102,350	102,350
Unassigned	-	-	(82,966)
Total Fund Balance	(359,347)	102,350	(315,663)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 3,158	$ 102,350	$ 171,654

Continued from previous page

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
For the Year Ended June 30, 2019

	RSVP FUND	FGP FUND	SAFER GRANTS FUND
REVENUES:			
Earnings On Investments	$ -	$ -	$ -
Miscellaneous	5,399	-	-
Maintenance Shop Revenue	-	-	-
Donations and Grants	69,434	-	238,095
Total Revenues	74,833	-	238,095
EXPENDITURES:			
Personal Services	59,590	-	103,712
Materials and Services	10,919	-	162
Capital Outlay	-	-	122,532
Total Expenditures	70,509	-	226,406
Net Change in Fund Balance	4,324	-	11,689
Beginning Fund Balance, (Deficit)	15,536	4,440	(94,655)
Ending Fund Balance, (Deficit)	$ 19,860	$ 4,440	$ (82,966)

Continued on next page

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
For the Year Ended June 30, 2019

	TAX ANTICIPATION NOTES FUND	MAINTENANCE ENTERPRISE FUND	TOTAL
REVENUES:			
Earnings On Investments	$ 80	$ -	$ 80
Miscellaneous	-	-	5,399
Maintenance Shop Revenue	-	124,332	124,332
Donations and Grants	-	-	307,529
Total Revenues	80	124,332	437,340
EXPENDITURES:			
Personal Services	-	53,171	216,473
Materials and Services	-	36,156	47,237
Capital Outlay	-	-	122,532
Total Expenditures	-	89,327	386,242
Net Change in Fund Balance	80	35,005	51,098
Beginning Fund Balance, (Deficit)	(359,427)	67,345	(366,761)
Ending Fund Balance, (Deficit)	$ (359,347)	$ 102,350	$ (315,663)

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

RETIRED SENIOR VOLUNTEER PROGRAM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Federal Grant	$ 68,934	$ 72,434	$ 69,434	$ (3,000)
Miscellaneous	2,700	2,700	5,399	2,699
Total Revenues	71,634	75,134	74,833	(301)
EXPENDITURES:				
Personal Services	59,784	59,784 (1)	59,590	194
Materials and Services	11,850	15,350 (1)	10,919	4,431
Total Expenditures	71,634	75,134	70,509	4,625
Net Change in Fund Balance	-	-	4,324	4,324
Beginning Fund Balance	-	-	15,536	15,536
Ending Fund Balance	$ -	$ -	$ 19,860	$ 19,860

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

FGP FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
Beginning Fund Balance	-	-	4,440	4,440
Ending Fund Balance	$ -	$ -	$ 4,440	$ 4,440

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

SAFER GRANTS

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES					
Donations & Grants	$ 870,229	$ 870,229		$ 238,095	$ (632,134)
Total Revenues	870,229	870,229		238,095	(632,134)
EXPENDITURES:					
Personal Services	110,000	110,000	(1)	103,712	6,288
Materials & Services	-	-	(1)	162	(162)
Capital Outlay	760,229	760,229	(1)	122,532	637,697
Total Expenditures	870,229	870,229		226,406	643,823
Net Change in Fund Balance	-	-		11,689	11,689
Beginning Fund Balance	-	-		(94,655)	(94,655)
Ending Fund Balance	$ -	$ -		$ (82,966)	$ (82,966)

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

TAX ANTICIPATION NOTE FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:					
Earnings on Investments	$ 48	$ 48		$ 80	$ 32
Total Revenues	48	48		80	32
EXPENDITURES:					
Materials & Services	120	120	(1)	-	120
Total Expenditures	120	120		-	120
Excess of Revenues Over (Under) Expenditures	(72)	(72)		80	152
OTHER FINANCING SOURCES (USES):					
Tax Anticipation Note Proceeds	300,000	300,000		-	(300,000)
Total Other Financing Sources (Uses)	300,000	300,000		-	(300,000)
Net Change in Fund Balance	299,928	299,928		80	(299,848)
Beginning Fund Balance	5,072	5,072		(359,427)	(364,499)
Ending Fund Balance	$ 305,000	$ 305,000		$ (359,347)	$ (664,347)

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

MAINTENANCE ENTERPRISE

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES					
Maintenance Revenue	$ 122,400	$ 122,400		$ 124,332	$ 1,932
Total Revenues	122,400	122,400		124,332	1,932
EXPENDITURES:					
Personal Services	60,400	60,400	(1)	53,171	7,229
Materials & Services	62,000	62,000	(1)	36,156	25,844
Total Expenditures	122,400	122,400		89,327	33,073
Net Change in Fund Balance	-	-		35,005	35,005
Beginning Fund Balance	-	-		67,345	67,345
Ending Fund Balance	$ -	$ -		$ 102,350	$ 102,350

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING BALANCE SHEET - CAPITAL PROJECTS FUND
June 30, 2019

	REAL PROPERTY BUILDING & EQUIPMENT FUND	CAPITAL PROJECTS TRAINING GROUND FUND	TOTAL
ASSETS:			
Cash and Investments	$ 630,368	$ -	$ 630,368
Receivables:			
Accounts, net	-	500	500
Interfund Receivable	1,022	-	1,022
Total Assets	$ 631,390	$ 500	$ 631,890
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES:			
Interfund Payable	$ -	$ 2,816	$ 2,816
Total Liabilities	-	2,816	2,816
Fund Balance, (Deficit):			
Building & Equipment	631,390	-	631,390
Unassigned	-	(2,316)	(2,316)
Total Fund Balance	631,390	(2,316)	629,074
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 631,390	$ 500	$ 631,890

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND
For the Year Ended June 30, 2019

	REAL PROPERTY BUILDING & EQUIPMENT FUND	CAPITAL PROJECTS TRAINING GROUND FUND	TOTAL
REVENUES:			
Earnings On Investments	$ 13,442	$ -	$ 13,442
Total Revenues	13,442	-	13,442
EXPENDITURES:			
Capital Outlay	181,359	-	181,359
Total Expenditures	181,359	-	181,359
Excess of Revenues Over, (Under Expenditures)	(167,917)	-	(167,917)
Transfers In	250,000	-	250,000
Total Other Financing Sources (Uses)	250,000	-	250,000
Net Change in Fund Balance	82,083	-	82,083
Beginning Fund Balance, (Deficit)	549,307	(2,316)	546,991
Ending Fund Balance, (Deficit)	$ 631,390	$ (2,316)	$ 629,074

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

REAL PROPERTY, BUILDING AND EQUIPMENT RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Earnings on Investments	$ 5,000	$ 5,000	$ 13,442	$ 8,442
Total Revenues	5,000	5,000	13,442	(8,442)
EXPENDITURES:				
Capital Outlay	185,000	185,000 (1)	181,359	3,641
Total Expenditures	185,000	185,000	181,359	3,641
Excess of Revenues Over (Under) Expenditures	(180,000)	(180,000)	(167,917)	12,083
OTHER FINANCING SOURCES (USES):				
Transfer In	250,000	250,000	250,000	-
Total Other Financing Sources (Uses)	250,000	250,000	250,000	-
Net Change in Fund Balance	70,000	70,000	82,083	12,083
Beginning Fund Balance	382,179	382,179	549,307	167,128
Ending Fund Balance	$ 452,179	$ 452,179	$ 631,390	$ 179,211

(1) Appropriation Level

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

CAPITAL PROJECT TRAINING GROUND FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
Beginning Fund Balance	-	-	(2,316)	(2,316)
Ending Fund Balance	$ -	$ -	$ (2,316)	$ (2,316)

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

RETIREMENT/SICK LEAVE RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Earnings on Investments	$ 1,020	$ 1,020	$ 4,632	$ 3,612
Total Revenues	1,020	1,020	4,632	3,612
EXPENDITURES:				
Personal Services	75,000	75,000 (1)	55,433	19,567
Total Expenditures	75,000	75,000	55,433	19,567
Excess of Revenues Over (Under) Expenditures	(73,980)	(73,980)	(50,801)	23,179
OTHER FINANCING SOURCES, (USES)				
Transfers In	100,000	100,000	100,000	-
Total Other Financing Sources (Uses)	100,000	100,000	100,000	-
Net Change in Fund Balance	26,020	26,020	49,199	23,179
Beginning Fund Balance	178,686	178,686	182,965	4,279
Ending Fund Balance	$ 204,706	$ 204,706	$ 232,164	$ 27,458

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB #54 due to its financing resources being derived primarily from General Fund transfers.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

HEALTH INSURANCE RESERVE

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
Interest on Investments	$ 1,200	$ 1,200	$ 2,895	$ 1,695
Total Revenues	1,200	1,200	2,895	1,695
Net Change in Fund Balance	1,200	1,200	2,895	1,695
Beginning Fund Balance	104,000	104,000	105,593	1,593
Ending Fund Balance	$ 105,200	$ 105,200	$ 108,488	$ 3,288

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB #54 due to its financing resources being derived primarily from General Fund transfers.

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the Year Ended June 30, 2019

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/18	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/19
GENERAL FUND:						
CURRENT:						
2018-2019	$ 7,353,425	$ 195,083	$ 41,133	$ 2,225	$ 6,990,266	$ 211,434
PRIOR YEARS:						
2017-2018	229,406	13	(730)	6,866	131,218	104,311
2016-2017	114,065	240	(2,329)	6,015	56,456	61,055
2015-2016	67,367	191	(1,398)	8,338	51,878	22,238
2014-2015	38,059	407	(1,186)	4,154	32,675	7,945
2013-2014	21,038	401	(1,582)	1,235	17,300	2,990
Prior Years	68,270	1,358	(5,602)	4,800	56,262	9,848
Total Prior	538,205	2,610	(12,827)	31,408	345,789	208,387
Total General Fund	$ 7,891,630	$ 197,693	$ 28,306	$ 33,633	$ 7,336,055	$ 419,821

RECONCILIATION OF REVENUE:	GENERAL FUND
Cash Collections by County Treasurer Above	$ 7,336,055
Accrual of Receivables:	
June 30, 2018	(33,477)
June 30, 2019	39,577
Change in Deferred Revenue from prior year	(124,484)
Total Revenue	$ 7,217,671

COLUMBIA RIVER FIRE & RESCUE
COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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January 17, 2020

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Columbia River Fire and Rescue as of and for the year ended June 30, 2019, and have issued our report thereon dated January 17, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

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

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

1) Expenditures were within authorized appropriations except as noted on page 9.

OAR 162-10-0230 Internal Control

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

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

Roy R Rogers

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.