LEBANON AQUATIC DISTRICT

Lebanon, Oregon

ANNUAL FINANCIAL REPORT

June 30, 2024

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LEBANON AQUATIC DISTRICT
Lebanon, Oregon

DISTRICT OFFICIALS

June 30, 2024

BOARD OF DIRECTORS

Mark McAllister, Chair

Kim Kendall, Vice Chair

Laurie Dennis

Jereme Guenther

Peg Snyder

**All directors receive mail at the District address below.*

ADMINISTRATION

Lorlee Engler, Executive Director

REGISTERED AGENT

Kim Kendall

DISTRICT ADDRESS

1800 S 5th Street
Lebanon, Oregon 97355

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

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June 30, 2024

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Lebanon Aquatic District
Lebanon, Oregon 97355

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Lebanon Aquatic District, Lebanon, Oregon, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Lebanon Aquatic District, Lebanon, Oregon as of June 30, 2024, 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.

Basis for Opinions

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

Emphasis of Matter – Change in Accounting Principle

As described in the notes to the financial statements, in the year ended June 30, 2024, the District adopted new accounting guidance: GASB Statement No. 100, *Accounting Changes and Error Corrections*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Lebanon Aquatic District, Lebanon, Oregon's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lebanon Aquatic District, Lebanon, Oregon's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the District's proportionate share of the net pension liability and OPEB asset and District contributions, and budgetary comparison information on pages 5 through 9, and 44 through 47, respectively, 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 management's discussion and analysis and the schedules of the District's proportionate share of the net pension liability and OPEB asset and District contributions 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 management's discussion and analysis or the schedules of the District's proportionate share of the net pension liability and OPEB asset and District contributions because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information is the responsibility of management and is derived from and relates directly the underlying accounting and other records used to prepare the basic financial statements. The budgetary comparison 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 financial statements or to the 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 Lebanon Aquatic District, Lebanon, Oregon's basic financial statements. The accompanying individual nonmajor fund financial statements, if applicable, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the individual nonmajor fund financial statements, if applicable, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated December 20, 2024 on our tests of the District's compliance with certain provisions of laws and regulations 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.

Accuity, LLC

By:

Glen O. Kearns, CPA

Albany, Oregon
December 20, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

INTRODUCTION

As management of Lebanon Aquatic District, Lebanon, Oregon, we offer readers this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2024. It should be read in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- At June 30, 2024, total net position of Lebanon Aquatic District amounted to $471,357. Of this amount, $381,564 was invested in capital assets, net of related debt. The remaining balance included $89,793 of unrestricted net position.

- Total revenues of $905,691 exceeded total expenditures of $829,903 by $75,788.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

The statement of net position presents information on all of the District's assets, liabilities, and deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements can be found on pages 10 through 11 of this report.

Fund Financial Statements

The fund financial statements are designed to demonstrate compliance with finance-related legal requirements overseeing the use of fund accounting.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the District are governmental funds.

- **Governmental Funds**

  Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of available resources, as well as on balances of available resources at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

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

  The District maintains three individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Swim Club, and Reserve Funds, all of which are considered to be major governmental funds.

  The basic governmental fund financial statements can be found on pages 12 through 15 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the financial data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 16 through 43 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which includes the schedules of the District's proportionate share of the net pension liability and District contributions, and the budgetary comparison information for the General and Swim Club Funds. This required supplementary information can be found on pages 44 through 47 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The District's assets exceeded liabilities by $471,357 at the close of the most recent fiscal year.

A large portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, and equipment) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

District's Net Position

At the end of the current fiscal year, the District was able to report positive balances in all categories of net position. The District's net position increased by $75,788 during the current fiscal year.

Condensed statement of net position information is shown below.

Condensed Statement of Net Position

	Governmental Activities	
	2024	2023
Assets		
Current and other assets	$ 568,041	$ 576,470
Net capital assets	461,076	405,978
Total assets	1,029,117	982,448
Deferred outflows of resources	257,135	237,362
Liabilities		
Current liabilities	111,255	125,304
Noncurrent liabilities	630,117	521,994
Total liabilities	741,372	647,298
Deferred inflows of resources	73,523	176,943
Net position		
Net investment in capital assets	381,564	288,909
Unrestricted	89,793	106,660
Total net position	$ 471,357	$ 395,569

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

District's Changes in Net Position

The condensed statement of activities information shown below explains changes in net position.

Changes in Net Position

	Governmental Activities	
	2024	2023
Program revenues		
Charges for services	$ 251,161	$ 259,441
Operating grants and contributions	10,050	3,704
Total program revenues	261,211	263,145
General revenues		
Property taxes	622,719	601,704
Investment earnings	10,013	2,538
Miscellaneous	11,748	9,657
Total general revenues	644,480	613,899
Total revenues	905,691	877,044
Program expenses		
Recreation services	829,903	845,452
Change in net position	75,788	31,592
Net position - beginning of year	395,569	363,977
Net position - end of year	$ 471,357	$ 395,569

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of available resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measurement of the District's net resources available for spending at the end of the fiscal year.

At of the end of the current fiscal year, the District's governmental funds reported combined fund balances of $506,342, an increase of $8,992 from the prior year. Of this amount, $402,926 constitutes unassigned fund balance, which is available for spending at the District's discretion.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, total fund balance of the General Fund was $433,600. Of this amount, $402,926 constitutes unassigned fund balance.

BUDGETARY HIGHLIGHTS

Budget amounts shown in the financial statements reflect the original budget amounts and two approved appropriation changes.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets as of June 30, 2024 amounted to $461,076, net of accumulated depreciation. This investment in capital assets includes leasehold improvements, office equipment, and pool equipment. Depreciation expense for the year amounted to $48,625. Additional information on the District's capital assets can be found on page 25 of this report.

Long-Term Debt

At the end of the current fiscal year, the District had total debt outstanding of $79,512. This amount represents a loan payable. The District's total debt decreased by $37,557 during the current fiscal year. Additional information on the District's long-term debt can be found on pages 26 through 27 of this report.

KEY ECONOMIC FACTORS AND BUDGET INFORMATION FOR THE FUTURE

At the time these financial statements were prepared and audited, the District was aware of the following circumstance that could significantly affect its future financial health:

- The District continues to work toward the replacing/expanding of the current facility.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of District's finances for all those with an interest. Questions concerning any of the information provided in this report or request for additional information should be directed to the following address: Lebanon Aquatic District, 1800 S. 5th Street, Lebanon, Oregon 97355.

BASIC FINANCIAL STATEMENTS

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

STATEMENT OF NET POSITION

June 30, 2024

	Governmental Activities
ASSETS	
Current assets	
Cash and cash equivalents	$ 537,634
Property taxes receivable	25,233
Prepaid expenses	5,174
Total current assets	568,041
Capital assets being depreciated, net	461,076
Total assets	1,029,117
DEFERRED OUTFLOWS OF RESOURCES	257,135
LIABILITIES	
Current liabilities	
Accounts payable	8,688
Accrued liabilities	29,816
Compensated absences	33,753
Long-term debt, current portion	38,998
Total current liabilities	111,255
Net pension liability	589,603
Long-term debt, less current portion	40,514
Total liabilities	741,372
DEFERRED INFLOWS OF RESOURCES	73,523
NET POSITION	
Net investment in capital assets	381,564
Unrestricted	89,793
Total net position	$ 471,357

The accompanying notes are an integral part of these financial statements.

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities					
Recreation services	$ 829,903	$ 251,161	$ 10,050	$ -	$ (568,692)
General revenues					
Property taxes					622,719
Investment earnings					10,013
Miscellaneous					11,748
Total general revenues					644,480
Change in net position					75,788
Net position - beginning					395,569
Net position - ending					$ 471,357

The accompanying notes are an integral part of these financial statements.

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2024

	General Fund	Swim Club Fund	Reserve Fund	Total Governmental Funds
ASSETS				
Current assets				
Cash and cash equivalents	$ 464,892	$ 1,923	$ 70,819	$ 537,634
Property taxes receivable	25,233	-	-	25,233
Prepaid expenses	5,174	-	-	5,174
Total current assets	$ 495,299	$ 1,923	$ 70,819	$ 568,041
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	8,688	-	-	8,688
Accrued liabilities	29,816	-	-	29,816
Total liabilities	38,504	-	-	38,504
Deferred inflows of resources				
Unavailable revenue - property taxes	23,195	-	-	23,195
Fund balances				
Nonspendable	5,174	-	-	5,174
Committed	25,500	1,923	70,819	98,242
Unassigned	402,926	-	-	402,926
Total fund balances	433,600	1,923	70,819	506,342
Total liabilities, deferred inflows of resources, and fund balances	$ 495,299	$ 1,923	$ 70,819	$ 568,041

The accompanying notes are an integral part of these financial statements.

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

RECONCILIATION OF GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES

June 30, 2024

Total fund balances		$ 506,342
Capital assets are not financial resources and are therefore not reported in the governmental funds:		
Cost	1,427,406	
Accumulated depreciation	(966,330)	461,076
Property tax revenue is recognized in the net position of governmental activities when the taxes are levied; however, in the governmental fund statements, it is recognized when available to be used for current year operations. Taxes not collected within 30 days of the end of the year are not considered available to pay for current year operations and are therefore not reported as revenue in the governmental funds.		23,195
Long-term liabilities are not due or payable in the current period and are therefore not reported as governmental fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather, is recognized as an expenditure when due.		
Compensated absences	(33,753)	
Loan payable	(79,512)	(113,265)
Amounts relating to the District's proportionate share of net pension liability or assets for the Oregon Public Employees Retirement System (PERS) are not reported in the governmnetal fund statements. In the governmental fund statements, pension expense is recognized when due. The amounts consist of:		
Deferred outflows of resources relating to pension expense	257,135	
Deferred inflows of resources relating to return on pension assets	(73,523)	
Net pension asset (liability)	(589,603)	(405,991)
Net position of governmental activities		$ 471,357

The accompanying notes are an integral part of these financial statements.

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2024

	General Fund	Swim Club Fund	Reserve Fund	Total Governmental Funds
REVENUES				
Charges for services	$ 227,749	$ 23,412	$ -	$ 251,161
Property taxes	620,702	-	-	620,702
Grants and contributions	10,050	-	-	10,050
Investment earnings	10,013	-	-	10,013
Miscellaneous	1,483	10,265	-	11,748
Total revenues	869,997	33,677	-	903,674
EXPENDITURES				
Recreation Services				
Current				
Personnel services	545,043	30,783	-	575,826
Materials and services	157,200	9,275	-	166,475
Debt service	41,325	-	-	41,325
Capital outlay	111,056	-	-	111,056
Total expenditures	854,624	40,058	-	894,682
Excess (deficiency) of revenues over (under) expenditures	15,373	(6,381)	-	8,992
OTHER FINANCING SOURCES (USES)				
Transfers in	-	9,000	-	9,000
Transfers out	(9,000)	-	-	(9,000)
Total other financing sources (uses)	(9,000)	9,000	-	-
Net change in fund balances	6,373	2,619	-	8,992
Fund balances - beginning	427,227	(696)	70,819	497,350
Fund balances - ending	$ 433,600	$ 1,923	$ 70,819	$ 506,342

The accompanying notes are an integral part of these financial statements.

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

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

For the Year Ended June 30, 2024

Net change in fund balances		$ 8,992
Amounts reported for governmental activities in the statement of activities are different because:		
Repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. This is the amount by which repayments exceeded proceeds:		
Debt principal paid		37,557
Governmental funds report capital outlay as expenditures; however, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and are reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Expenditures for capital assets	103,723	
Depreciation expense	(48,625)	55,098
Some expenses reported in the statement of activities do not require the use of current financial resources and are therefore not reported as expenditures in the governmental funds.		
Compensated absences		(1,751)
Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the statement of activities, property taxes are recognized as revenue when levied.		2,017
Pension expense or credits that do not meet the measurable and available criteria are not recognized as revenue or expense in the current year in the governmental funds. In the statement of activities, pension expense or credit is recognized when determined to have been accrued.		
Pension expense		(26,125)
Change in net position		$ 75,788

The accompanying notes are an integral part of these financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2024

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. Governmental Activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported by the District.

B. Reporting Entity

Lebanon Aquatic District was formed on December 6, 2000 for the purpose of promoting healthy family recreation by maintaining and operating an aquatic facility within the District's boundaries. The District is governed by a seven-member board of directors elected from the District at large. Administrative functions are delegated to individuals who report to and are responsible to the board. The chief administrative officer is the Executive Director.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds. The emphasis of fund financial statements is on the major governmental funds, each displayed in a separate column. Major governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund

Swim Club Fund – The Swim Club Fund accounts for the revenues and expenditures of the local competitive swim team, Lebanon Community Swim Club, which is sponsored by the District. The primary sources of revenue are swim meet fees and fundraisers.

The District reports the following nonmajor governmental fund:

Capital Projects Fund

Reserve Fund – The Reserve Fund accounts for future expenditures for capital projects. The primary source of revenue is transfers from the General Fund.

During the course of operations, the government has activity between funds for various purposes.

Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in preparation of the government-wide financial statements. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 15 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 15 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 15 days of year-end). All other revenue items are considered to be measureable and available only when cash is received by the government.

F. Budgetary Information

The District budgets all funds in accordance with the requirements of state law. Annual appropriated budgets are adopted for the general, special revenue, and capital projects funds. All funds are budgeted on the modified accrual basis of accounting.

The District begins its budgeting process by appointing budget committee members. The budget officer prepares a budget, which is reviewed by the budget committee. The budget is then published in proposed form and is presented at public hearings to obtain taxpayer comments and approval from the budget committee. The board of directors legally adopts the budget by resolution prior to the beginning of the District's fiscal year. The board resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personnel services, materials and services, debt service, capital outlay, and transfers for each fund are the levels of control established by the resolution. The detailed budget document, however, is required to contain more specific detailed information for the aforementioned expenditure categories and management may revise the detailed line item budgets within appropriation categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. The board of directors may adopt supplemental budgets less than 10% of a fund's original budget at a regular board meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers, and approval by the board of directors. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the board of directors. During the year, there were no supplemental budgets. The District does not use encumbrances and appropriations lapse at year-end.

Budget amounts shown in the financial statements reflect the original budget amounts and two approved appropriation changes.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Fund Balance/Net Position

1. Deposits

The District's 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.

2. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

3. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost where no historical records exist. Donated capital assets are recorded at their estimated fair value at the date of donation. The reported value of capital assets excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Property, plant, and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Office equipment	5-15
Pool equipment	5-30
Leasehold improvements	5-30

4. Deferred Outflows/Inflows of Resources (Non-pension related)

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of financial position 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 arises only under a modified accrual basis of accounting that qualify for reporting in this category. Accordingly, the items, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

5. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

6. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned, fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

7. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

The board of directors is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Commitment of fund balance is accomplished through adoption of a resolution or ordinance by the board of directors. Further, commitments of fund balance may be modified or rescinded only through approval of the board of directors via resolution or ordinance. Authority to assign fund balances has been granted to the Aquatic Director.

The District reports fund equity in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.*

The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – amounts that are in nonspendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. board of directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level action to remove or change the constraint.
- Assigned fund balance – amounts that District intends to use for a specific purpose. Intent can be expressed by the school board or by an official or body to which the school board delegates authority.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

The District has not formally adopted a minimum fund balance policy.

H. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes and other intentionally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collection to entities levying taxes. Property taxes are levied and become a lien as of July 1 on property values assessed as of June 30. Property taxes are payable in three installments, which are due on November 15, February 15, and May 15. Uncollected property taxes are shown as assets in the governmental funds. Property taxes collected within approximately 15 days of fiscal year-end are recognized as revenue, while the remaining are recorded as deferred inflows of resources because they are not deemed available to finance operations of the current period.

3. Compensated Absences

Amounts of vested or accumulated vacation and sick leave that are expected to be liquidated with expendable available financial resources are reported as expenditures when paid. Amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported as long-term liabilities on the statement of net position.

4. Pensions

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

I. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

The District maintains a cash and cash equivalents pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the fund financial statements as cash and cash equivalents. Additionally, several funds held separate cash accounts. Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances. Investments, including amounts held in pooled cash and investments, are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. The District participates in an external investment pool (State of Oregon Local Government Investment Pool). The Pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by the Oregon Revised Statutes (ORS) and the Oregon Investment Council (OIC). The State Treasurer is the investment officer for the OIC and is responsible for all funds in the State Treasury. These funds are invested exercising reasonable care, skill, and caution. Investments in the Pool are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which established diversification percentages and specifies the types and maturities of investments.

The portion of the external investment pool which belongs to local government investment participants is reported in an Investment Trust Fund in the State's Annual Comprehensive Financial Report (ACFR). A copy of the State's ACFR may be obtained at the Oregon State Treasury, 350 Winter St. N.E., Salem, Oregon 97310-0840.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or price 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 on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

- *Level 1* – Unadjusted quoted prices for identical investments in active markets.
- *Level 2* – Observable inputs other than quoted market prices; and,
- *Level 3* – Unobservable inputs.

There were no transfers of assets or liabilities among the three levels of the fair value hierarchy for the year ended June 30, 2024. Fair values of assets measured on a recurring basis at June 30, 2024 are as follows:

	Level 2
Investments:	
Oregon Local Government Investment Pool	$ 382,546

Credit Risk

Oregon statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Government Investment Pool. The District has not adopted a formal policy regarding credit risk; however, investments comply with state statutes.

Investments

As of June 30, 2024, the District had the following investments:

	Credit Quality Rating	Maturities	Fair Value
Oregon Local Government Investment Po	Unrated	-	$ 382,546

Interest Rate Risk

The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increases in interest rates.

Concentration of Credit Risk

The District does not have a formal policy that places a limit on the amount that may be invested in any one insurer. 100 percent of the District's investments are in the Oregon Local Government Investment Pool.

Custodial Credit Risk – Investments

This is the risk that, in the event of the failure of a counterparty, the District will not be able to recover the value of its investments that are in the possession of an outside party. The District does not have a policy that limits the amount of investments that can be held by counterparties.

Custodial Credit Risk – Deposits

This is the risk that, in the event of a bank failure, the District's deposits may not be returned. All District deposits not covered by Federal Depository Insurance Corporation (FDIC) insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon, organized in accordance with ORS 295. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at a minimum of 10% of their quarter-end public fund deposits if they are considered well capitalized, 25% of their quarter-end public fund deposits if they are considered adequately capitalized, or 110% of their quarter-end public fund deposits if they are considered undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

The District holds accounts at Peoples Bank of Commerce for deposits are insured by the FDIC up to $250,000. At June 30, 2024 the District's had deposits of $154,980 fully covered by FDIC insurance.

Deposits

The District's deposits and investments at June 30, 2024 were as follows:

Cash on hand	$	251
Checking accounts		154,837
Total investments		382,546
Total deposits and investments	$	537,634

Cash and investments by fund:

Governmental activities	
General Fund	$ 464,892
Swim Club Fund	1,923
Reserve Fund	70,819
Total cash and investments	$ 537,634

B. Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets being depreciated				
Leasehold improvements	$ 1,191,781	$ 97,056	$ -	$ 1,288,837
Office equipment	20,728	-	-	20,728
Pool equipment	111,174	6,667	-	117,841
Total capital assets being depreciated	1,323,683	103,723	-	1,427,406
Less accumulated depreciation for				
Leasehold improvements	(787,890)	(48,032)	-	(835,922)
Office equipment	(20,392)	(140)	-	(20,532)
Pool equipment	(109,423)	(453)	-	(109,876)
Total accumulated depreciation	(917,705)	(48,625)	-	(966,330)
Governmental activities capital assets, net	$ 405,978	$ 55,098	$ -	$ 461,076

Capital assets are reported on the statement of net position as follows:

	Capital Assets	Accumulated Depreciation	Net Capital Assets
Governmental activities			
Leasehold improvements	$ 1,288,837	$ (835,922)	$ 452,915
Office equipment	20,728	(20,532)	196
Pool equipment	117,841	(109,876)	7,965
Total capital assets	$ 1,427,406	$ (966,330)	$ 461,076

Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities	
Recreation services	$ 48,625

C. Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources at June 30, 2024 are summarized as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net OPEB RHIA asset	$ 1,231	$ -
Net pension liability	255,904	(73,523)
	$ 257,135	$ (73,523)

D. Compensated Absences

The following is a summary of compensated absences transactions for the year:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities				
Compensated absences	$ 32,002	$ 1,751	$ -	$ 33,753

The General Fund has traditionally been used to liquidate compensated absences liabilities.

E. Long-Term Liabilities

1. Changes in Long-Term Liabilities

The following is a summary of long-term liabilities transactions for the year:

	Interest Rate	Original Amount	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities							
SELP Loan payable	3.77%	$ 455,546	$ 117,069	$ -	$ 37,557	$ 79,512	$ 38,998

2. Interest Expense

Interest expense for the year ended June 30, 2024 was as follows:

Governmental activities	
Recreation services	$ 3,768

3. Loan Payable

The loan payable was signed on January 28, 2011 with the State of Oregon Energy Loan Program (SELP). Interest on the loan is 5.5%, with monthly payments of $3,724. The General Fund has traditionally been used to liquidate long-term debt.

4. Future Maturities of Long-Term Debt

Year Ending June 30	Loan Payable		
	Principal	Interest	Total
2025	$ 38,998	$ 2,327	$ 41,325
2026	40,514	832	41,346
Total	$ 79,512	$ 3,159	$ 82,671

F. Constraints on Fund Balance

The following is a summary of fund balance constraints as of June 30, 2024:

	General Fund	Swim Club Fund	Reserve Fund	Total Governmental Funds
Fund balances:				
Nonspendable: Prepaid expenses	$ 5,174	$ -	$ -	$ 5,174
Committed for:				
Pool expansion	25,500	-	70,819	96,319
Swim club	-	1,923	-	1,923
Unassigned	402,926	-	-	402,926
Total fund balances	$ 433,600	$ 1,923	$ 70,819	$ 506,342

G. Interfund Transfers

During the year ended June 30, 2024, the District's transfers were as follows:

	Transfers in:
	Swim Club Fund
Transfers out:	
General Fund	$ 9,000

The primary purpose was to fund swim club operations.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Expenditures Over Appropriations

During the year ended June 30, 2024, the District expended funds in excess of appropriations as follows:

Fund	Function	Appropriation	Expenditure	Excess
General Fund	Transfers	$ -	$ 9,000	$ 9,000
General Fund	Capital Outlay	105,000	111,056	6,056

IV. OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. There was no significant reduction in insurance coverage from the previous year. There were no insurance settlements exceeding insurance coverage in any of the past three years.

B. Retirement Plans

1. Oregon Public Employees Retirement System

General Information about the Pension Plan

The Oregon Public Employees Retirement System (OPERS) consists of a cost-sharing, multiple-employer defined benefit plan (Plan) for units of state government, political subdivisions, community colleges, and school districts, containing multiple actuarial pools. Plan assets may be used to pay the benefits of the employees of any employer that provides pensions through the Plan. As of June 30, 2023, there were 945 participating employers.

Plan Membership

As of June 30, 2023, there were 9,502 active plan members, 128,931 retired plan members or their beneficiaries currently receiving benefits, 7,566 inactive plan members entitled to but not yet receiving benefits, for a total of 145,999 Tier One members.

For Tier Two members, as of June 30, 2023, there were 25,243 active plan members, 22,647 retired plan members or their beneficiaries currently receiving benefits, 12,835 inactive plan members entitled to but not yet receiving benefits, for a total of 60,725 Tier Two members.

For Oregon Public Service Retirement Plan (OPSRP) Pension Program members, as of June 30, 2023, there were 153,991 active plan members, 11,959 retired plan members or their beneficiaries currently receiving benefits, 9,492 inactive plan members entitled to but not yet receiving benefits, and 23,207 inactive plan members not eligible for refund or retirements, for a total of 198,649 OPSRP Pension Program members.

Plan Benefits

Plan benefits of the System are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A, and Internal Revenue Code Section 401(a).

Tier One/Tier Two Retirement Benefit (Chapter 238) - OPERS is a defined benefit pension plan that provides retirement and disability benefits, annual cost-of-living-adjustments, and death benefits to members and their beneficiaries. Benefits are established by state statute. This defined benefit pension plan is closed to new members hired on or after August 29, 2003.

Pension Benefits

The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options that are actuarially equivalent to the base benefit. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 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 a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit 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 One 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 Two members are eligible for full benefits at age 60. Police and Fire members may purchase increased benefits that are payable between the date of retirement and age 65.

Death Benefits

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

- Member was employed by a 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.

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 monthly benefit.

Benefit Changes after Retirement

Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations caused by 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. The cap on the COLA in fiscal year 2015 and beyond will vary based on the amount of the annual benefit, in accordance with *Moro* decision. The COLA is capped at 2.0 percent.

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

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

Death Benefits

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

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.

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA in fiscal year 2015 and beyond will vary based on the amount of the annual benefit, in accordance with *Moro* decision. The COLA is capped at 2.0 percent.

OPSRP Individual Account Program (OPSRP 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

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 Individual Account Program (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

OPERS 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. This funding policy applies to the OPERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021.

The State of Oregon and certain schools, community colleges, and political subdivisions have made unfunded actuarial liability payments, and their rates have been reduced. Member contributions are set by statute at six percent of salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members' behalf. As permitted, the District has opted to pick-up the contributions on behalf of its employees.

Employer contributions for the year ended June 30, 2024 were $81,531.

Annual Comprehensive Financial Report (ACFR)

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

https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf

Actuarial Valuations

The employer contribution rates effective June 30, 2023 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 (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) 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 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution 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 liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study	2020, published July 20, 2021
Actuarial Assumptions:	
Actuarial Cost Method	Entry age normal
Inflation Rate	2.40 percent

Long-term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent
Cost of living adjustment (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/.15%) in accordance with *Moro* decision; blend based on service.
Mortality	**Health 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 the 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 methods and assumptions shown above are on the 2020 Experience Study, which reviewed experience for the four-year period ended December 31, 2020. There were no differences between the assumptions and plan provisions used for June 30, 2023 measurement date calculations compared to those shown above.

Actuarial Methods and Assumptions

Assets are valued at their market value. Gains and losses between odd-year valuations are amortized as a level percentage of combined valuation payroll over 20 years from the odd-year valuation in which they are first recognized.

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

Discount Rate

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

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment. The following circumstances justify an alternative evaluation of sufficiency for OPERS:

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

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

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. 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. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at:

https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf

OIC Target and Actual Investment Allocation as of June 30, 2023

Asset Class/Strategy	OIC Policy Low Range	OIC Policy High Range	OIC Target Allocation[2]	Actual Allocation
Debt Securities	20.0%	30.0%	25.0%	20.0%
Public Equity	22.5%	32.5%	27.5%	23.3%
Real Estate	9.0%	16.5%	12.5%	13.6%
Private Equity	17.5%	27.5%	20.0%	26.5%
Real Assets	2.5%	10.0%	7.5%	9.1%
Diversifying Strategies	2.5%	10.0%	7.5%	5.0%
Opportunity Portfolio[1]	0.0%	5.0%	0.0%	2.5%
Total			100.0%	100.0%

[1]Opportunity Portfolio is an investment strategy. Up to 5% of total Fund assets may be invested in it.
[2] The target allocation of Debt Securities is increased by 5% and Public Equity is reduced by 2.5% from FY2022, and the allocation to Risk Parity is eliminated.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the District reported a liability of $589,603 for its proportionate share of the net pension liability.

The net pension liability was measured at June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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. At June 30, 2024, the District's proportion was 0.003144779%.

For the year ended June 30, 2024, the District recognized pension expense of $106,666. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 28,833	$ (2,338)
Changes of assumptions	52,377	(391)
Net difference between projected and actual earnings on investments	10,598	-
Changes in proportionate share	82,565	(15,217)
Differences between employer contributions and employer's proportionate share of system contributions	-	(55,577)
Total (prior to post-MD contributions)	174,373	(73,523)
Contributions subsequent to the MD	81,531	-
Total (subsequent to post-MD contributions)	$ 255,904	$ (73,523)

Differences between expected and actual experience, changes in assumptions, and changes in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period "layers" attributable to each measurement period. The average remaining service life determined as of the beginning of the June 30, 2023 measurement period is 5.4 years.

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in subsequent years as follows:

Employer subsequent fiscal years:	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	$ 15,750
2nd Fiscal Year	(4,738)
3rd Fiscal Year	63,996
4th Fiscal Year	22,028
5th Fiscal Year	3,814

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

District's proportionate share of the net pension liability (asset):

1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
$ 973,913	$ 589,603	$ 267,976

Changes Subsequent to the Measurement Date

We are not aware of any changes subsequent to the June 30, 2023 measurement date that meet this requirement and thus would require a brief description under GASB standard.

C. Other Post-Employment Benefits (GASB 75) RHIA – Oregon PERS Plan

1. Oregon Public Employees Retirement System (PERS) Retirement Health Insurance Account (RHIA) Other Post-Employment Benefit (OPEB) Plan (the Plan)

General Information about the OPEB Plan

The Oregon PERS RHIA consists of a single cost-sharing multiple-employer defined benefit OPEB plan for units of state government, political subdivisions, community colleges, and school districts, containing multiple actuarial pools.

Plan assets may be used to pay the benefits of the employees of any employer that provides pensions through the Plan. As of June 30, 2023, there were 812 participating employers.

Plan Benefits – PERS RHIA (Chapter 238)

Plan benefits of the System are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A, and the Internal Revenue Code Section 401(a).

OPEB Membership

RHIA was established by ORS 238.420 and authorizes a payment of up to $60 from RHIA toward the monthly costs of health insurance. The Plan is closed to new members hired on or after August 29, 2003. 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 PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (C) enroll in a PERS-sponsored health plan. As of June 30, 2023, the number of inactive RHIA plan participants currently receiving benefits totaled 40,703, and there were 34,508 active and 11,710 inactive members who meet the requirements to receive RHIA benefits when they retire.

Basis of Accounting

Contributions for employers are recognized on the accrual basis of accounting.

Employer contributions to PERS are calculated based on creditable compensation for active members reported by employers. Employer contributions are accrued when due pursuant to legal requirements. These are amounts normally included in the employer statements cut off as of the fifth of the following month. The schedules of OPEB amounts by Employer does not reflect deferred outflows of resources related to contributions made by employers after the measurement date. Consistent with GASB Statement No. 75, paragraph 59(a), employer proportions are determined 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.

Contributions

Employer contributions for the year ended June 30, 2024 were $0.

OPEB RHIA Plan Annual Comprehensive Financial Report (ACFR)

All assumptions, methods, and plan provisions used in these calculations are described in the Oregon PERS RHIA Cost-Sharing Multiple-Employer OPEB Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the year ended June 30, 2023. That independently audited report was dated December 1, 2023, and can be found at:

https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf

Proportionate Share Allocation Methodology

The basis for the employer's proportion 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. If the employer did not make contributions during the fiscal year, their proportionate share will be set to zero and the employer will be allocated no proportionate share of the OPEB amounts.

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study	2020, published July 20, 2021
Actuarial Assumptions:	
Actuarial Cost Method	Entry age normal
Inflation Rate	2.40 percent
Long-term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent
Retiree healthcare participation	Healthy retirees: 27.5%; disabled retirees: 15%
Mortality	**Health retirees and beneficiaries:** Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. **Active members:** Pub-2010 Employees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. **Disabled retirees:** Pub-2010 Disabled Retirees, 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 the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are on the 2020 Experience Study, which reviewed experience for the four-year period ended December 31, 2020. There were no differences between the assumptions and plan provisions used for June 30, 2023 measurement date calculations compared to those shown above.

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2023 was 6.90. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the 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 was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-thinking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at:

https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf

Depletion Date Projection

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 will often require that the actuary perform complex projections of future benefit payments and pension plan investments.

GASB 75 (paragraph 82) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for OPEB Plan:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 75 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our third-party actuary's opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

OPEB Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2024, the District reported an asset of $0 for its proportionate share of the OPEB asset. The OPEB asset was measured at June 30, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on a projection of the District's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024 the District's proportion was 0.0000%. For the year ended June 30, 2024, the District recognized OPEB expense of $1,647. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportionate share	$ 1,231	$ -
Total (prior to post-MD contributions)	1,231	-
Contributions subsequent to the MD	-	-
Total (subsequent to post-MD contributions)	$ 1,231	$ -

Differences between expected and actual experience, changes in assumptions, and changes in employer proportion are amortized over the average remaining service lives of all plan participants, including retirees, determined as of the beginning of the respective measurement period. Employers are required to recognize OPEB expense based on the balance of the closed period "layers" attributable to each measurement period. The average remaining service life determined as of the beginning of the June 30, 2023 measurement period is 2.3 years.

Amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ended June 30, 2024. Other amounts reported by the District as deferred outflows or inflows of resources related to OPEB will be recognized in OPEB expense in subsequent years as follows:

Employer subsequent fiscal years:	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	$ 981
2nd Fiscal Year	250
3rd Fiscal Year	-
4th Fiscal Year	-
5th Fiscal Year	-

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

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

District's proportionate share of the net OPEB (asset) liability:

1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
$ -	$ -	$ -

Changes Subsequent to the Measurement Date

We are not aware of any changes subsequent to the June 30, 2023 measurement date that meet the requirement requiring a brief description under the GASB standard.

D. Commitments

Lebanon Aquatic District leases the pool facility from the Lebanon Community School District. The current lease is for a twenty-year period beginning July 1, 2003. The annual rent payment is $1 per year.

E. New Pronouncements

For the fiscal year ended June 30, 2024, the District implemented the following new accounting standards:

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This statement was issued in June 2022 to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

The District will implement applicable new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements for implementing any of the following pronouncements:

GASB Statement No. 102, *Certain Risk Disclosures*. This statement will improve reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. This statement is effective for fiscal years beginning after June 15, 2024.

F. Subsequent Events

Management has evaluated subsequent events through December 20, 2024, which was the date that the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND DISTRICT CONTRIBUTIONS

OREGON PERS SYSTEM

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 net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a % of covered payroll	Plan fiduciary net position as a % of the total pension liability
2015	0.00301574%	$ (68,358)	$ 217,852	-31.38%	103.59%
2016	0.00241487%	$ 138,649	$ 185,238	74.85%	91.88%
2017	0.00211776%	$ 317,925	$ 176,548	180.08%	80.53%
2018	0.00212784%	$ 286,834	$ 189,354	151.48%	83.12%
2019	0.00241931%	$ 366,494	$ 224,001	163.61%	82.07%
2020	0.00264592%	$ 457,681	$ 235,745	194.14%	80.20%
2021	0.00224365%	$ 489,642	$ 219,930	222.64%	75.79%
2022	0.00289842%	$ 346,839	$ 293,266	118.27%	87.60%
2023	0.00288977%	$ 442,482	$ 302,978	146.04%	84.50%
2024	0.00314779%	$ 589,603	$ 313,217	188.24%	81.70%

Schedule of Contributions

Year Ended June 30,	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a % of covered payroll
2015	$ 15,387	$ (15,387)	$ -	$ 217,852	7.06%
2016	$ 18,161	$ (18,161)	$ -	$ 269,024	6.75%
2017	$ 28,824	$ (28,824)	$ -	$ 287,079	10.04%
2018	$ 36,624	$ (36,624)	$ -	$ 229,238	15.98%
2019	$ 37,365	$ (37,365)	$ -	$ 214,921	17.39%
2020	$ 55,134	$ (55,134)	$ -	$ 248,625	22.18%
2021	$ 44,773	$ (44,773)	$ -	$ 232,463	19.26%
2022	$ 52,143	$ (52,143)	$ -	$ 225,861	23.09%
2023	$ 67,379	$ (67,379)	$ -	$ 313,228	21.51%
2024	$ 81,531	$ (81,531)	$ -	$ 359,005	22.71%

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET OPEB LIABILITY AND DISTRICT CONTRIBUTIONS

OREGON PERS SYSTEM RHIA

Schedule of the Proportionate Share of the Net OPEB RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB RHIA liability (asset)	(b) Employer's proportionate share net OPEB RHIA liability (asset)	(c) Employer's covered payroll	(b/c) RHIA as a % of covered payroll	Plan fiduciary net position as a % of the total OPEB RHIA liability (asset)
2020	0.00192612%	$ (3,722)	$ 235,745	-1.58%	144.40%
2021	0.00193502%	$ (3,943)	$ 219,930	-1.79%	150.07%
2022	0.00091180%	$ (3,131)	$ 293,266	-1.07%	183.90%
2023	0.00061826%	$ (2,197)	$ 302,978	-0.73%	194.60%
2024	0.00000000%	$ -	$ 313,217	0.00%	201.60%

Schedule of Contributions

Year Ended June 30,	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a % of covered payroll
2020	$ 138	$ (138)	$ -	$ 248,625	0.50%
2021	$ 24	$ (24)	$ -	$ 232,463	0.02%
2022	$ 15	$ (15)	$ -	$ 225,861	0.02%
2023	$ 12	$ (12)	$ -	$ 313,288	0.02%
2024	$ -	$ -	$ -	$ 359,005	0.02%

LEBANON AQUATIC DISTRICT

Lebanon, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Variance with Final Budget Over (Under)	Actual GAAP Basis
REVENUES				
Charges for services	$ 190,000	$ 190,000	$ 37,749	$ 227,749
Property taxes	611,500	611,500	9,202	620,702
Investment earnings	1,000	1,000	9,013	10,013
Grants and contributions	500	500	9,550	10,050
Miscellaneous revenue	-	-	1,483	1,483
Total revenues	803,000	803,000	66,997	869,997
EXPENDITURES				
Current				
Personnel services	596,500	571,500	(26,457)	545,043
Materials and services	219,950	229,950	(72,750)	157,200
Debt service	41,326	41,326	(1)	41,325
Capital outlay	20,000	105,000	6,056	111,056
Contingency	44,624	35,624	(35,624)	-
Total expenditures	922,400	983,400	(128,776)	854,624
Excess (deficiency) of revenues over (under) expenditures	(119,400)	(180,400)	195,773	15,373
OTHER FINANCING SOURCES (USES)				
Transfers out	(70,000)	-	9,000	(9,000)
Net change in fund balance	(189,400)	(180,400)	204,773	6,373
Fund balance - beginning	280,000	280,000	147,227	427,227
Fund balance - ending	$ 90,600	$ 99,600	$ 352,000	$ 433,600

LEBANON AQUATIC DISTRICT

Lebanon, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

SWIM CLUB FUND

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Variance with Final Budget Over (Under)	Actual GAAP Basis
REVENUES				
Charges for services	$ 36,600	$ 36,600	$ (13,188)	$ 23,412
Miscellaneous	-	-	10,265	10,265
Total revenues	36,600	36,600	(2,923)	33,677
EXPENDITURES				
Current				
Personnel services	39,800	39,800	(9,017)	30,783
Materials and services	12,400	12,400	(3,125)	9,275
Contingency	2,400	2,400	(2,400)	-
Total expenditures	54,600	54,600	(14,542)	40,058
Excess (deficiency) of revenues over (under) expenditures	(18,000)	(18,000)	11,619	(6,381)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	9,000	-	9,000
Net change in fund balance	(18,000)	(9,000)	11,619	2,619
Fund balance - beginning	18,000	18,000	(18,696)	(696)
Fund balance - ending	$ -	$ 9,000	$ (7,077)	$ 1,923

OTHER SUPPLEMENTARY INFORMATION

LEBANON AQUATIC DISTRICT

Lebanon, Oregon

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

RESERVE FUND

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Variance with Final Budget Over (Under)	Actual GAAP Basis
REVENUES	$ -	$ -	$ -	$ -
EXPENDITURES	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	70,000	-	-	-
Net change in fund balance	70,000	-	-	-
Fund balance - beginning	70,819	70,819	-	70,819
Fund balance - ending	$ 140,819	$ 70,819	$ -	$ 70,819

OTHER FINANCIAL SCHEDULES

LEBANON AQUATIC DISTRICT

Lebanon, Oregon

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Variance with Final Budget Over (Under)	Actual GAAP Basis
EXPENDITURES				
Current				
Personnel services				
Salaries				
Administrator	$ 90,039	$ 85,000	$ (1,165)	$ 83,835
Custodian	26,482	25,000	(4,851)	20,149
Office Manager	63,557	60,000	(156)	59,844
Pool operator	54,050	51,025	(7,525)	43,500
Head lifeguard	11,308	10,675	(2,579)	8,096
Part-time temporary	201,264	190,000	(6,045)	183,955
Fringe benefits				
PERS	70,500	70,500	11,349	81,849
Payroll taxes	33,300	33,300	(1,222)	32,078
Workers compensation	9,500	9,500	(2,245)	7,255
Employees insurance	36,500	36,500	(12,018)	24,482
Total personnel services	596,500	571,500	(26,457)	545,043
Materials and services				
Advertising	12,500	13,068	(503)	12,565
Communications	4,500	4,705	(229)	4,476
Computer expenses	2,150	2,248	(2,248)	-
Contract services	62,400	65,237	(42,492)	22,745
Dues and subscriptions	1,575	1,647	(833)	814
Education	1,900	1,986	874	2,860
Events	350	366	(236)	130
Insurance	9,100	9,514	(108)	9,406
Licenses	2,225	2,326	(569)	1,757
Maintenance - building	36,000	37,637	(4,554)	33,083
Maintenance - equipment	-	-	123	123
Meeting and conferences	1,500	1,568	(828)	740
Printing services	500	523	24	547
Postage	650	680	(232)	448
Supplies	46,650	48,771	(15,329)	33,442
Travel	450	470	(470)	-
Utilities	37,500	39,205	(5,141)	34,064
Total materials and services	219,950	229,950	(72,750)	157,200

(Continued)

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended June 30, 2024

(Continued)	Original Budget	Final Budget	Variance with Final Budget Over (Under)	Actual GAAP Basis
EXPENDITURES				
Debt service				
Loan principal and interest	$ 41,326	$ 41,326	$ (1)	$ 41,325
Capital outlay				
Building	15,000	78,750	20,914	99,664
Equipment	5,000	26,250	(14,858)	11,392
Total Capital outlay	20,000	105,000	6,056	111,056
Transfers out	70,000	-	9,000	9,000
Contingency	44,624	35,624	(35,624)	-
Total expenditures	$ 992,400	$ 983,400	$ (140,690)	$ 863,624

LEBANON AQUATIC DISTRICT
Lebanon, Oregon

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

SWIM CLUB FUND

For the Year Ended June 30, 2024

	Final Budget	Variance with Final Budget Over (Under)	Actual GAAP Basis
EXPENDITURES			
Current			
Personnel services			
Salaries			
Swim coaches	$ 31,000	$ (8,385)	$ 22,615
Fringe benefits			
PERS	4,200	884	5,084
Health insurance	2,200	(948)	1,252
Payroll taxes	2,400	(568)	1,832
Total personnel services	39,800	(9,017)	30,783
Materials and services			
Coach background checks	150	(150)	-
Coach clinics	1,000	(850)	150
Coach mileage	850	-	850
Coach meet expenditures	200	(200)	-
Coach registrations	700	(500)	200
Coach t-shirts	200	(148)	52
Swimmers Awards/Prizes	250	(250)	-
Miscellaneous supplies	2,000	551	2,551
Hosting	500	(500)	-
Oregon Swim registration	1,200	(1,120)	80
Record board name plate	150	(150)	-
Swim meet entry fees	3,200	988	4,188
Swim meet equipment	350	(350)	-
Team apparel	400	(400)	-
Team t-shirts	-	35	35
Team Unify	1,200	(101)	1,099
USA registrations	-	70	70
Website registrations	50	(50)	-
Total materials and services	12,400	(3,125)	9,275
Contingency	2,400	(2,400)	-
Total expenditures	$ 54,600	$ (14,542)	$ 40,058

AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS

Accuity
Where accuracy meets integrity
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Lebanon Aquatic District
Lebanon, Oregon 97355

We have audited the basic financial statements of Lebanon Aquatic District as of and for the year ended June 30, 2024 and have issued our report thereon dated December 20, 2024. 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 Lebanon Aquatic District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes, as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statement 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)

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)

In connection with our testing, nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, contracts, and grants, including the provisions of Oregon Revised Statutes, as specified in Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as follows:

A. Excess of Expenditures Over Appropriations

During the year ended June 30, 2024, the District expended funds in excess of appropriations as follows:

Fund	Function	Appropriation	Expenditure	Excess
General Fund	Transfers	$ -	$ 9,000	$ 9,000
General Fund	Capital Outlay	105,000	111,056	6,056

OAR 162-010-0230 Internal Control

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

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

Accuity, LLC
December 20, 2024