ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

ANNUAL FINANCIAL REPORT

June 30, 2023

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

DISTRICT OFFICIALS

June 30, 2023

BOARD OF DIRECTORS

Paul Miller, President

Matt Day, Vice President

Ken Oliver, Secretary/Treasurer

Matthew Silva

John McAdoo

FIRE CHIEF AND REGISTERED AGENT

Ian O'Connor
445 SE Currin Street
Estacada, Oregon 97023

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

TABLE OF CONTENTS

June 30, 2023

FINANCIAL SECTION

KOONTZ, BLASQUEZ & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Estacada Rural Fire District No. 69
Estacada, Oregon 97023

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Estacada Rural Fire District No. 69, Estacada, Oregon as of and for the year ended June 30, 2023, 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Estacada Rural Fire District No. 69 as of June 30, 2023, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Estacada Rural Fire District No. 69 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Estacada Rural Fire District No. 69's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Estacada Rural Fire District No. 69'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.

920 Elm Street SW • P.O. Box 605 • Albany, Oregon 97321
(541) 926-5543 • (541) 967-9460 fax

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance, and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Estacada Rural Fire District No. 69's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of Matter

The District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases.* Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of pension and other postemployment benefits, and budgetary comparison information on pages 4 through 10, 52 through 56, and 57 through 58, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis and schedules of pension and other postemployment benefits in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the management's discussion and analysis or schedules of pension and other postemployment benefits because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Estacada Rural Fire District No. 69's basic financial statements. The combining statements, individual fund schedules, and schedule of property tax transactions are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements and individual fund schedules are the responsibility of management, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedule of property tax transactions has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 22, 2023 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance.

Koontz, Blasquez & Associates, P.C.

By: Debra L. Blasquez

Debra L. Blasquez, CPA

Albany, Oregon
December 22, 2023

MANAGEMENT’S DISCUSSION AND ANALYSIS

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

INTRODUCTION

As management of Estacada Rural Fire District No. 69, Estacada, Oregon, we offer readers this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. It should be read in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- At June 30, 2023, total net position of Estacada Rural Fire District No. 69 amounted to $6,846,179. Of this amount, $4,154,633 was invested in capital assets and the remaining balance of $2,691,546 was unrestricted.

- The District's total net position increased by $1,297,072 during the current fiscal year.

- Overall revenues were $4,249,187, which exceeded total expenses of $2,952,115 by $1,297,072.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Estacada Rural Fire District No. 69'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 basic 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 and liabilities with the difference between the two 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, revenues 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 and earned but unused vacation leave).

Both of the government-wide financial statements present functions of the District that are principally supported by taxes (governmental activities). The governmental activities of the District include fire suppression.

The government-wide financial statements can be found on pages 11 through 13 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 and objectives. All of the funds of Estacada Rural Fire District No. 69 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 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 two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General and Grants Funds, both of which are considered to be major governmental funds. Data from the nonmajor governmental funds, all of which were closed as of the end of the fiscal year, are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

  Estacada Rural Fire District No. 69 adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.

  The basic governmental fund financial statements can be found on pages 14 through 17 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 18 through 51 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 schedule of the proportionate share of the net pension liability (asset), schedule of contributions, schedule of changes in the District's total OPEB liability and related ratios, schedule of the proportionate share of the net OPEB liability (asset), schedule of contributions – other postemployment benefits, and budgetary comparison information for the General and Grants Funds. This required supplementary information can be found on pages 52 through 58 of this report.

The combining statements referred to earlier, in connection with nonmajor governmental funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 59 through 61 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. At June 30, 2023, the District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $6,846,179.

A large portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, and equipment). The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

District's Net Position

The District's net position increased by $1,297,072 during the current fiscal year. This increase is primarily related to an increase in property tax revenue.

Condensed statement of net position information is shown on the following page.

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Condensed Statement of Net Position

	Governmental Activities	
	2023	2022
Assets and deferred outflows of resources		
Current assets	$ 4,652,856	$ 4,132,026
Restricted assets	-	677,897
Noncurrent assets		
Capital assets, net	4,154,633	3,567,406
Other noncurrent assets	32,601	-
Deferred outflows of resources	558,056	1,062,735
Total assets and deferred outflows of resources	9,398,146	9,440,064
Liabilities and deferred inflows of resources		
Current liabilities	388,355	581,189
Noncurrent liabilities	13,125	1,547,429
Deferred inflows of resources	2,150,487	1,762,339
Total liabilities and deferred inflows of resources	2,551,967	3,890,957
Net position		
Investment in capital assets	4,154,633	3,567,406
Restricted	-	677,897
Unrestricted	2,691,546	1,303,804
Total net position	$ 6,846,179	$ 5,549,107

District's Changes in Net Position

The condensed statement of activities information shown on the following page explains changes in net position.

Condensed Statement of Activities

	Governmental Activities	
	2023	2022
Program revenues		
Capital grants and contributions	$ 70,000	$ 1,430,400
General revenues		
Property taxes	3,863,969	3,591,189
Investment earnings	140,768	22,844
Gain on sale of assets	2,528	-
Miscellaneous	171,922	71,656
Total general revenues	4,179,187	3,685,689
Total revenues	4,249,187	5,116,089
Program expenses		
Fire suppression	2,952,115	3,100,634
Change in net position	1,297,072	2,015,455
Net position - beginning of year	5,549,107	3,533,652
Net position - end of year	$ 6,846,179	$ 5,549,107

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 expendable 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 the end of the current fiscal year, the District's major governmental funds reported combined fund balances of $4,254,860. This amount included $43,983 of nonspendable fund balance related to prepaid expenses and $438,571 committed to equipment purchases. The remaining $3,772,306 constitutes unassigned fund balance, which is available for spending at the District's discretion.

Significant Changes in Major Governmental Fund Balances

- General Fund: The significant decrease in restricted fund balance can be attributed to the completion of the fire district restart including multiple large apparatus purchases.

BUDGETARY HIGHLIGHTS: GENERAL FUND

Significant variances between the final budgeted and actual amounts in the General Fund for the year ended June 30, 2023 include:

- Investment earnings were budgeted for $5,000. Actual revenues were $140,768 (2715.4% over budget) due to increases in interest rates and lack of historical data for reference.
- Miscellaneous revenue was budgeted for $83,400. Actual revenues were $174,450 (109.2% over budget) due primarily to unexpected conflagration reimbursement payments.
- Expenditures for capital outlay were budgeted for $329,000. Actual expenditures were $169,594 (48.5% under budget) due to the nationwide shortage of firefighting equipment due to the pandemic. Suppliers are now struggling with large amounts of backlogged orders.
- Unbudgeted transfers in of $164,530 were due to transfers out of closed funds.
- Unbudgeted transfers out of $1,209,361 were due to moving grant revenue to a separate fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets as of June 30, 2023 amounted to $4,154,633, net of accumulated depreciation. This investment in capital assets includes land, construction in progress, buildings, apparatus, and equipment. The total depreciation expense related to the District's investment in capital assets during the current fiscal year was $206,899.

Additional information on the District's capital assets can be found in Note III-C on page 30 of this report.

Long-Term Liabilities

At the end of the current fiscal year, the District had total long-term liabilities outstanding of $15,406, which represents a lease.

Additional information on the District's long-term debt can be found in Note III-F on page 32 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 affect its future financial health:

- Some fluctuation in future property tax revenue is possible due to the economic impacts of the growth in population.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Estacada Rural Fire District No. 69, P.O. Box 1385, Estacada, Oregon 97023.

BASIC FINANCIAL STATEMENTS

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

STATEMENT OF NET POSITION

June 30, 2023

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets	
Cash and cash equivalents	$ 4,457,499
Undistributed taxes with county	50,424
Property taxes receivable	100,950
Prepaid expenses	43,983
Total current assets	4,652,856
Noncurrent assets	
Right to use lease assets, net of accumulated amortization	15,285
Capital assets	
Land and construction in progress	1,323,961
Capital assets, net of accumulated depreciation	2,830,672
Total capital assets	4,154,633
Net OPEB asset - PERS RHIA	17,316
Total noncurrent assets	4,187,234
Total assets	8,840,090
Deferred outflows of resources	
Net deferred outflow of pension related resources	555,625
Net deferred outflow of OPEB related resources	2,431
Total deferred outflows of resources	558,056
Total assets and deferred outflows of resources	9,398,146

(Continued)

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

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

STATEMENT OF NET POSITION

June 30, 2023

(Continued)

	Governmental Activities
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current liabilities	
Accounts payable	$ 286,599
Accrued payroll liabilities	10,447
Lease payable, current portion	6,822
Compensated absences, current portion	84,487
Total current liabilities	388,355
Noncurrent liabilities	
Lease payable, less current portion	8,584
Net OPEB liability - implicit rate subsidy	4,541
Total noncurrent liabilities	13,125
Total liabilities	401,480
Deferred inflows of resources	
Net deferred inflow of pension related resources	2,135,781
Net deferred inflow of OPEB related resources	14,706
Total deferred inflows of resources	2,150,487
Total liabilities and deferred inflows of resources	2,551,967
NET POSITION	
Investment in capital assets	4,154,633
Unrestricted	2,691,546
Total net position	$ 6,846,179

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

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
Fire suppression	$ 2,952,115	$ -	$ -	$ 70,000	$ (2,882,115)
General revenues					
Property taxes					3,863,969
Investment earnings					140,768
Gain on sale of assets					2,528
Miscellaneous					171,922
Total general revenues					4,179,187
Change in net position					1,297,072
Net position - beginning					5,549,107
Net position - ending					$ 6,846,179

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

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

BALANCE SHEET

GOVERNMENTAL FUNDS

June 30, 2023

	General Fund	Grants Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 4,018,928	$ 438,571	$ 4,457,499
Undistributed taxes with county	50,424	-	50,424
Property taxes receivable	100,950	-	100,950
Prepaid expenses	43,983	-	43,983
Total assets	$ 4,214,285	$ 438,571	$ 4,652,856
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities			
Accounts payable	$ 286,599	$ -	$ 286,599
Accrued payroll liabilities	10,447	-	10,447
Total liabilities	297,046	-	297,046
Deferred inflows of resources			
Unavailable revenue - property taxes	100,950	-	100,950
Fund balances			
Nonspendable - prepaid expenses	43,983	-	43,983
Committed to equipment purchases	-	438,571	438,571
Unassigned	3,772,306	-	3,772,306
Total fund balances	3,816,289	438,571	4,254,860
Total liabilities, deferred inflows of resources, and fund balances	$ 4,214,285	$ 438,571	$ 4,652,856

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

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF OF GOVERNMENTAL ACTIVITIES

June 30, 2023

Total fund balances		$ 4,254,860
Capital assets are not financial resources and are therefore not reported in the governmental funds.		
Cost	6,713,745	
Accumulated depreciation	(2,559,112)	4,154,633
Right to use lease assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:		
Right to use lease assets	20,738	
Accumulated amortization	(5,453)	15,285
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 15 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.		100,950
Liabilities not payable in the current year are 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. These liabilities consist of:		
Lease payable	(15,406)	
Compensated absences	(84,487)	(99,893)
Pension assets or liabilities, with related deferred outflows of resources and deferred inflows of resources, are not reported in the governmental funds, but are reported on the statement of net position:		
Deferred outflows of pension related resources	555,625	
Deferred inflows of pension related resources	(2,135,781)	(1,580,156)
OPEB assets or liabilities, with related deferred outflows of resources and deferred inflows of resources, are not reported in the governmental funds, but are reported on the statement of net position:		
Net OPEB asset - PERS RHIA	17,316	
Net OPEB liability - implicit rate subsidy	(4,541)	
Deferred outflows of OPEB related resources	2,431	
Deferred inflows of OPEB related resources	(14,706)	500
Net position of governmental activities		$ 6,846,179

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

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2023

	General Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	$ 3,883,485	$ -	$ -	$ 3,883,485
Grant revenue	-	70,000	-	70,000
Investment earnings	140,768	-	-	140,768
Miscellaneous	174,450	-	-	174,450
Total revenues	4,198,703	70,000	-	4,268,703
EXPENDITURES				
Current				
Personnel services	2,302,787	35,000	-	2,337,787
Materials and services	818,090	122,927	-	941,017
Capital outlay	169,594	682,863	-	852,457
Total expenditures	3,290,471	840,790	-	4,131,261
Excess (deficiency) of revenues over (under) expenditures	908,232	(770,790)	-	137,442
OTHER FINANCING SOURCES (USES)				
Transfers in	164,530	1,209,361	-	1,373,891
Transfers out	(1,209,361)	-	(164,530)	(1,373,891)
Total other financing sources (uses)	(1,044,831)	1,209,361	(164,530)	-
Net change in fund balances	(136,599)	438,571	(164,530)	137,442
Fund balances - beginning	3,952,888	-	164,530	4,117,418
Fund balances - ending	$ 3,816,289	$ 438,571	$ -	$ 4,254,860

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

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, 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, 2023

Net change in fund balances		$ 137,442
Amounts reported for governmental activities on the statement of activities are different because:		
Governmental funds report right to use lease assets as expenditures; however, on the statement of activities, the costs of these assets are allocated over the terms of the leases and are reported as amortization expense.		
Increase in right to use lease assets	20,738	
Current year amortization	(5,453)	15,285
Governmental funds report capital outlay as expenditures; however, on 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:		
Capital asset acquisitions	794,126	
Less current year depreciation	(206,899)	587,227
Some expenses reported on 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		7,017
Long-term debt proceeds are reported as other financing sources in the governmental funds. On the statement of net position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability on the statement of net position.		
Lease liability proceeds	(20,738)	
Lease liability payments	5,332	(15,406)
Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. On the statement of activities, property taxes are recognized as revenue when levied.		(19,516)
Changes in the net pension assets and liabilities, as well as the related changes in deferred outflows and deferred inflows of resources, are not recognized as expenditures in the governmental funds.		587,822
Changes in the net OPEB assets and liabilities, as well as the related changes in deferred outflows and deferred inflows of resources, are not recognized as expenditures in the governmental funds.		(2,799)
Change in net position		$ 1,297,072

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

NOTES TO BASIC FINANCIAL STATEMENTS

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Estacada Rural Fire District No. 69 have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting Entity

Estacada Rural Fire District No. 69 was formed in the early 1900s. The District currently operates two stations. Fire district boundaries cover approximately 88 square miles in Clackamas County, Oregon, including the City of Estacada. Emergency services provided are advanced life support (emergency medical services), fire suppression, technical rescue (vehicle extrication and water rescue), and fire code enforcement. The District is governed by a five-member board of directors elected from the District at large.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges for goods and services provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District 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.

Property taxes, investment earnings, and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and have therefore been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund – The General Fund is the District's primary operating fund. It accounts for all financial resources of the District except for those required to be accounted for in another fund. The primary source of revenue is property taxes. Primary expenditures are for fire suppression, emergency medical expenses, and administrative support.

Special Revenue Fund

Grants Fund – The Grants Fund accounts for assets and expenses directly related to grant restrictions.

Additionally, the District reports the following nonmajor governmental funds:

Capital Projects Funds

Facilities and Property Reserve Fund – The Facilities and Property Reserve Fund accounted for site preparation and other costs associated with the construction of a new fire station and for repairs to current facilities. The primary sources of revenue were grants and transfers from the General Fund. Primary expenditures were for station improvements. This fund was closed by a residual equity transfer during the year.

Personal Protection Equipment (PPE) and Self-Contained Breathing Apparatus (SCBA) Systems Reserve Fund – The PPE and SCBA Systems Reserve Fund accounted for the purchase of new or replacement personal protective equipment (firefighting gear) and self-contained breathing apparatus systems (air packs and compressors). The primary source of revenue was transfers from the General Fund. Primary expenditures were for PPE and SCBA equipment. This fund was closed by a residual equity transfer during the year.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Capital Projects Funds (Continued)

Communication and Data Systems Reserve Fund – The Communication and Data Systems Reserve Fund accounted for the purchase of new or replacement radio systems, mobile data computer systems, and computer server systems. The primary source of revenue was transfers from the General Fund. Primary expenditures were for equipment acquisitions. This fund was closed during the year.

Apparatus Reserve Fund – The Apparatus Reserve Fund accounted for the purchase or replacement of major fire apparatus, including fire engines, water tenders, wildland engines, and rescue vehicles. The primary source of revenue was transfers from the General Fund. Primary expenditures were for vehicle acquisitions. This fund was closed during the year.

Rescue Tool Reserve Fund – The Rescue Tool Reserve Fund accounted for the purchase of new or replacement major EMS or rescue equipment. The primary source of revenue was transfers from the General Fund. Primary expenditures were for rescue equipment. This fund was closed during the year.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity

1. Deposits and Investments

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity (Continued)

1. Deposits and Investments (Continued)

State statutes authorize the District to invest in legally issued general obligations of the United States, the agencies and instrumentalities of the United States and the states of Oregon, Washington, Idaho, or California, certain interest-bearing bonds, time deposit open accounts, certificates of deposit, and savings accounts in banks, mutual savings banks, and savings and loan associations that maintain a head office or a branch in this state in the capacity of a bank, mutual savings bank, or savings and loan association, and share accounts and savings accounts in credit unions in the name of, or for the benefit of, a member of the credit union pursuant to a plan of deferred compensation.

2. Grant Revenue

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Management has determined that all receivables are likely to be received and therefore, no allowance for doubtful accounts has been recorded.

3. 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 on the balance sheet of the governmental funds. Property taxes collected within approximately 15 days of fiscal year end are recognized as revenue, while the remaining amount of taxes receivable are recorded as unavailable revenue because they are not deemed to be available to finance operations of the current period.

4. Right to Use Lease Assets

The District has recorded right to use lease assets as a result of implementing GASB Statement No. 87, *Leases.* The right to use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use lease assets are amortized on a straight-line basis over the terms of the related leases.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity (Continued)

5. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District 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 estimated fair market value at the date of donation.

The costs of normal maintenance or repairs that do not add to the value of an asset or materially extend its life are charged to expenditures as incurred and are not capitalized.

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

Assets	Years
Vehicles	5-10
Equipment	5-20
Apparatus	15-20
Buildings and improvements	30-40

6. Compensated Absences

Amounts of vested or accumulated vacation leave that are expected to be liquidated with expendable available financial resources are reported as expenditures when paid. Amounts of vested or accumulated vacation 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. Sick leave is vested for employees with 10 years of service in the District, and is reported as long-term liabilities.

7. Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position.

In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity (Continued)

8. Retirement Plans

Most of the District's employees participate in Oregon's Public Employees Retirement System (PERS). Contributions are made on a current basis as required by the plan and are recorded as expenditures.

9. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period and therefore, will not be recognized as an outflow of resources until that time. The District has two items that qualify for reporting in this category, which are deferred amounts related to pensions and deferred amounts related to other postemployment benefits. These amounts are deferred and recognized as outflows of resources when the District recognizes pension or other postemployment benefit expenses/expenditures. Deferred outflows of amounts related to pensions and other postemployment benefits are included in the government-wide statement of net position.

In addition to liabilities, the statement of net position and/or balance sheet 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 assets or fund balance that applies to a future period and therefore, will not be recognized as an inflow of resources until that time. The District has three items that qualify for reporting in this category, which are unavailable revenue from property taxes, deferred amounts related to pensions, and deferred amounts related to other postemployment benefits. Unavailable revenue from property taxes is deferred and recognized as inflows of resources in the period that the amounts become available. Unavailable revenue from property taxes is reported on the balance sheet. Deferred amounts related to pensions and other postemployment benefits are deferred and recognized as inflows of resources in the period when the District recognizes pension or other postemployment benefit income. Deferred inflows of amounts related to pensions and other postemployment benefits are included in the government-wide statement of net position.

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity (Continued)

9. Deferred Outflows and Inflows of Resources (Continued)

For purposes of measuring the implicit other postemployment benefits (OPEB) liability, the District has relied on actuarial reports. The net OPEB liability, deferred outflows of resources, and deferred inflows of resources are related to changes in assumptions for the covered active and inactive participants.

For purposes of measuring the net OPEB retirement health insurance account (RHIA) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense information about the net position of OPERS, and additions to/deductions from OPERS' net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. Fund Balance

The District reports fund balance 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 the District intends to use for a specific purpose. Intent can be expressed by the board of directors or by an official or body to which the board of directors delegates the authority.

- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Equity (Continued)

10. Fund Balance (Continued)

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. Management is directed to make recommendations to the board of directors on the use of the reserve funds both as an element of the annual operating budget submission and from time to time throughout the year as needs may arise. Annually, the budget officer for the District shall be responsible for identification of resource assignments within the proposed budget document. The assignments contained within the adopted budget shall be considered approved by the board of directors, and any changes in assignment shall be reported to the board of directors at each regular meeting.

The District considers it prudent to establish a reserve for economic uncertainties to safeguard the District's financial stability. The board of directors has determined that a prudent reserve for the District is enough funds to sustain the operation of the District for four months to enable normal General Fund expenditures and other financing uses between July 1 and the receipt of tax revenue in November. The board of directors may appropriate unassigned fund balances for emergency purposes, as deemed necessary, even if such use decreases the fund balance below the designated reserve mentioned above. Emergency purposes do not include the offsetting of property taxes or mismanagement of funds.

E. Use of Estimates

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

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. 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.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

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 budget is legally adopted by the board of directors 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 contingency 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. Supplemental budgets less than 10% of a fund's original budget may be adopted by the board of directors 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.

B. Excess of Expenditures over Appropriations

The District expended funds in excess of the amounts appropriated, which is in violation of ORS 294.100. The following appropriations were over-expended for the fiscal year ended June 30, 2023:

Fund	Function	Appropriations	Expenditures	Excess
General	Transfers out	$ -	$ 1,209,361	$1,209,361
Grants	Materials and services	80,200	122,927	42,727
Facilities and Property Reserve	Transfers out	-	144,643	144,643
PPE and SCBA Systems Reserve	Transfers out	-	19,887	19,887

C. Preparation of Budget

For the year ended June 30, 2023, the District did not budget resources equal to the expenditures and other requirements in the Grants Fund, which is in violation of ORS 294.388.

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits and Investments

Estacada Rural Fire District No. 69 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. 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 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. Fair value is determined at the quoted market price, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value.

The Oregon State Treasury administers the LGIP. The LGIP is an open-ended, no-load, diversified portfolio offered to any agency, political subdivision, or public corporation of the state that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the state's short-term funds. To provide regulatory oversight, the Oregon Legislature established the Oregon Short-Term Fund Board and LGIP investments are approved by the Oregon Investment Council. The fair value of the District's position in the LGIP is the same as the value of the pool shares.

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 an investment policy regarding credit risk; however, investments comply with state statutes.

Investments

As of June 30, 2023, the District had the following investments:

	Credit Quality Rating	Maturities	Fair Value
Oregon Local Government Investment Pool	Unrated	-	$ 4,335,166

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.

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

A. Deposits and Investments (Continued)

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 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 US Bank, for which the FDIC provides insurance coverage of $250,000 for demand deposit accounts and an additional $250,000 for time and savings accounts. At June 30, 2023, the District's total deposits of $136,813 were fully insured by the FDIC.

Deposits

The District's deposits and investments at June 30, 2023 are as follows:

Checking accounts	$ 122,333
Total investments	4,335,166
Total deposits and investments	$ 4,457,499

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

A. Deposits and Investments (Continued)

Deposits (Continued)

Cash and investments by fund:

Governmental activities - unrestricted	
General Fund	4,018,928
Grants Fund	438,571
Total cash and investments	$ 4,457,499

B. Right to Use Lease Assets

The District has recorded a right to use lease asset for equipment. The related lease is discussed in Note III-F. The right to use lease asset is amortized on a straight-line basis over the terms of the related lease.

Right to use asset activity for the District for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Right to use lease assets				
Leased equipment				
Copier	$ -	$ 20,738	$ -	$ 20,738
Less accumulated amortization for				
Leased equipment				
Copier	-	(5,453)	-	(5,453)
Total right to use assets being amortized, net	$ -	$ 15,285	$ -	$ 15,285

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

Governmental activities	
Fire suppression	$ 5,453

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 913,271	$ -	$ -	$ 913,271
Construction in progress	472,849	-	62,159	410,690
Total capital assets not being depreciated	1,386,120	-	62,159	1,323,961
Capital assets being depreciated				
Buildings	1,463,634	56,370	-	1,520,004
Apparatus	1,839,121	606,811	-	2,445,932
Equipment	1,230,744	193,104	-	1,423,848
Total capital assets being depreciated	4,533,499	856,285	-	5,389,784
Less accumulated depreciation for				
Buildings	(366,028)	(37,434)	-	(403,462)
Apparatus	(1,116,270)	(100,372)	-	(1,216,642)
Equipment	(869,915)	(69,093)	-	(939,008)
Total accumulated depreciation	(2,352,213)	(206,899)	-	(2,559,112)
Total capital assets being depreciated, net	2,181,286	649,386	-	2,830,672
Governmental activities capital assets, net	$ 3,567,406	$ 649,386	$ 62,159	$ 4,154,633

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

	Capital Assets	Accumulated Depreciation	Net Capital Assets
Governmental activities			
Land	$ 913,271	$ -	$ 913,271
Construction in progress	410,690	-	410,690
Buildings	1,520,004	(403,462)	1,116,542
Apparatus	2,445,932	(1,216,642)	1,229,290
Equipment	1,423,848	(939,008)	484,840
Total capital assets	$ 6,713,745	$ (2,559,112)	$ 4,154,633

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

Governmental activities	
Fire suppression	$ 206,899

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

D. Interfund Transfers

Operating transfers are reflected as other financing sources (uses) in the governmental funds. Interfund transfers during the year consisted of:

	Transfers in:		
	General Fund	Grants Fund	Total
Transfers out:			
Governmental activities			
General Fund	$ -	$ 1,209,361	$ 1,209,361
Nonmajor governmental funds	164,530	-	164,530
Total	$ 164,530	$ -	$ 1,373,891

The principal purposes of the interfund transfers in are summarized below by fund:

General Fund: To transfer residual equity to close the Facilities and Property Reserve Fund and PPE and SCBA Systems Reserve Fund.

Grants Fund: To fund current and future equipment purchases.

E. Compensated Absences

The following schedule summarizes the changes in compensated absences liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Compensated absences	$ 91,504	$ 17,856	$ 24,873	$ 84,487	$ 84,487

The General Fund is used to liquidate compensated absences liabilities.

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

F. 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							
Lease payable							
Copier	7%	$ 20,738	$ -	$ 20,738	$ 5,332	$ 15,406	$ 6,822

2. Lease Payable

The District has entered into an agreement to lease certain equipment. The lease agreement qualifies as an other than short-term lease under GASB Statement No. 87, *Leases,* and therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

a. Copier Lease

The agreement was executed on September 16, 2022 to lease a copier and requires 36 monthly payments of $640.32. The lease liability is measured at an implied discount rate of 7%. As a result of the lease, the District has recorded a right to use lease asset with a net book value of $15,285 on June 30, 2023. The right to use lease asset is discussed in more detail in Note III-B.

3. Future Maturities of Long-Term Liabilities

The net present values of the future minimum lease payments as of June 30, 2023 are as follows:

	Leases		
Year Ending June 30	Principal	Interest	Total
2024	$ 6,822	$ 862	$ 7,684
2025	7,315	369	7,684
2026	1,269	11	1,280
	$ 15,406	$ 1,242	$ 16,648

IV. PENSION PLAN

A. Plan Description

Employees of the District are provided with pensions through the Oregon Public Employees Retirement System (OPERS), a cost-sharing, multiple-employer, defined benefit pension plan. The Oregon Legislature has delegated authority to the Public Employees Retirement System Board to administer and manage the system. All benefits of the system are established by the legislature, pursuant to Oregon Revised Statutes (ORS) Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available annual comprehensive financial report and actuarial valuation, both of which can be obtained at: https://www.oregon.gov/pers/emp/pages/annual-reports.aspx.

B. Benefits Provided

1. Tier One/Tier Two Retirement Benefits (ORS Chapter 238)

Pension Benefits

The PERS 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 base benefit is based on years of service and final average salary. A percentage (1.67% for general service employees, 2.0% for police and fire employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2020. Police and fire members may purchase increased benefits that are payable between the date of retirement and age 65.

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. The ORS Chapter 238 Pension Plan is closed to new members hired on or after August 29, 2003.

IV. PENSION PLAN (Continued)

B. Benefits Provided (Continued)

1. Tier One/Tier Two Retirement Benefits (ORS Chapter 238) (Continued)

Death Benefits

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

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the 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 for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

Benefit Changes after Retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the fair value of underlying global equity investments of that account. Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living adjustments (COLA). The COLA is capped at 2.0%.

IV. PENSION PLAN (Continued)

B. Benefits Provided (Continued)

2. Oregon Public Service Retirement Plan (OPSRP) Pension Program (Defined Benefit)

Pension Benefits

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

> General service: 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
>
> Police and fire: 1.8% 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.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2020.

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, or, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits

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

Disability Benefits

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

IV. PENSION PLAN (Continued)

B. Benefits Provided (Continued)

3. OPSRP Individual Account Program (IAP)

Benefit Terms

The IAP is an individual account-based program under the OPERS tax-qualified governmental plan as defined under ORS 238A.400. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, or 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution stipulation.

Death Benefits

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

Recordkeeping

OPERS contracts with Voya Financial to maintain IAP participant records.

C. Contributions

PERS' funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on reemployed PERS retirees' salaries as if they were active members, excluding IAP contributions. Employer contributions for the year ended June 30, 2023 were $196,821, excluding amounts to fund employer-specific liabilities. The rates in effect for the fiscal year ended June 30, 2023 were 20.85% for Tier One/Tier Two general service members, 20.85% for Tier One/Tier Two police and fire members, 9.43% for OPSRP Pension Program general service members, 13.79% for OPSRP Pension Program police and fire members, and 6% for OPSRP IAP.

IV. PENSION PLAN (Continued)

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

At June 30, 2023, the District reported a liability of $0 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020 rolled forward to June 30, 2022. 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 entities, actuarially determined. At June 30, 2022, the District's proportion was 0.000%, which decreased from its proportion of 0.0122% measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized pension expense of $587,822. At June 30, 2023, 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
Change in proportionate share	$ 254,892	$ 1,858,721
Differences between employer contributions and proportionate share of contributions	103,912	277,060
Total (prior to post measurement date contributions)	358,804	2,135,781
Contributions subsequent to the measurement date	196,821	-
Total	$ 555,625	$ 2,135,781

IV. PENSION PLAN (Continued)

D. Pension Assets, Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

Deferred outflows of resources related to pensions of $196,821 resulting from the District's contributions subsequent to the measurement date will be recognized as either a reduction of the net pension liability or an increase in the net pension asset in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Amortization Period Ending June 30	Deferred Outflows	Deferred Inflows
2024	$ 157,857	$ 566,325
2025	83,194	537,412
2026	65,965	454,115
2027	40,240	391,814
2028	11,548	186,115
	$ 358,804	$ 2,135,781

E. Actuarial Assumptions

The employer contribution rates effective July 1, 2021 through 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), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period. Senate Bill 1049 was signed into law in June 2019 and required a one-time re-amortization of Tier One/Tier Two unfunded actuarial accrued liabilities over a 22-year period at the December 31, 2019 rate-setting actuarial valuation, which set actuarially determined contribution rates for the 2021-2023 biennium. Future Tier One/Tier Two unfunded actuarial accrued liability gains or losses will be 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 (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an actuarially determined amount for funding a disability benefit component, and (3) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

IV. PENSION PLAN (Continued)

E. Actuarial Assumptions (Continued)

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 20, 2021
Actuarial Assumptions:	
Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40%
Long-Term Expected Rate of Return	6.90%
Discount Rate	6.90%
Projected Salary Increases	3.40%
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25% / 0.15%) in accordance with *Moro* decision; blend based on service.
Mortality	**Healthy retirees and beneficiaries:** Pub-2010 Healthy retirees, 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 based on the 2020 Experience Study.

IV. PENSION PLAN (Continued)

F. Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021, the Public Employees Retirement System Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below displays the OIC approved asset allocation policy, revised as of June 2, 2021.

Asset Class	Target Allocation
Cash	0.00 %
Debt Securities	20.00 %
Public Equity	30.00 %
Private Equity	20.00 %
Real Estate	12.50 %
Real Assets	7.50 %
Diversifying Strategies	7.50 %
Risk Parity	2.50 %
Total	100.00 %

The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target asset allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	20-Year Annualized Geometric Mean
Global Equity	30.62 %	5.85 %
Private Equity	25.50 %	7.71 %
Core Fixed Income	23.75 %	2.73 %
Real Estate	12.25 %	5.66 %
Master Limited Partnerships	0.75 %	5.71 %
Infrastructure	1.50 %	6.26 %
Commodities	0.63 %	3.10 %
Hedge Fund of Funds - Multistrategy	1.25 %	5.11 %
Hedge Fund Equity - Hedge	0.63 %	5.31 %
Hedge Fund - Macro	5.62 %	5.06 %
US Cash	-2.50 %	1.76 %
Total	100.00 %	
Assumed Inflation - Mean		2.40 %

IV. PENSION PLAN (Continued)

G. Depletion Date Projection

GASB Statement No. 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 net position (fair value of investment assets, all others at cost) 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 net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB Statement No. 68 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB Statement No. 68 (paragraph 67) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. The Governmental Accounting Standards Board 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 for sufficiency for OPERS:

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.

- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.

- GASB Statement No. 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience that might impact the plan's funded position.

Based on these circumstances, it is OPERS' third-party actuary's opinion that the detailed depletion date projections outlined in GASB Statement No. 68 would clearly indicate that the net position is always projected to be sufficient to cover benefit payments and administrative expenses.

H. Discount Rate

The discount rate used to measure the total pension liability was 6.90% for the Defined Benefit Pension Plan. 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 net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

IV. PENSION PLAN (Continued)

I. Pension Plan Net Position

Detailed information about the pension plan's net position is available in the separately issued OPERS financial report.

J. Changes in Plan Provisions During Measurement Period

On July 23, 2021, the Public Employees Retirement System Board voted to set the assumed rate of return to 6.90%, down from 7.20%, and the inflation rate was lowered from 2.50% to 2.40%. These rates were applied by the actuaries to the net pension liability as of June 30, 2021.

K. Changes in Plan Provisions Subsequent to Measurement Date

There have been no changes in plan provisions subsequent to the June 30, 2022 measurement date.

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

A. Benefit Plans

The other postemployment benefits (OPEB) for the District consist of two separate plans. The District provides an implicit rate subsidy for retiree health insurance continuation premiums, and a contribution to the State of Oregon's PERS cost-sharing, multiple-employer, defined health insurance benefit plan.

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

B. Financial Statement Presentation

The amounts on the financial statements relate to the plans as follows:

	Implicit Rate Subsidy Plan	PERS RHIA Plan	Total OPEB
Net OPEB (asset) liability	$ 4,541	$ (17,316)	$ (12,775)
Deferred outflows of resources			
Change in proportionate share	-	2,127	2,127
Change in assumptions	7	136	143
Contributions after measurement date	-	161	161
Deferred inflows of resources			
Difference between expected and actual experience	-	(469)	(469)
Change in proportionate share	-	(7,423)	(7,423)
Change in assumptions	(4,916)	(577)	(5,493)
Difference in earnings	-	(1,321)	(1,321)
OPEB expense (Included in program expenses on statement of activities)	3,328	(368)	2,960

C. Implicit Rate Subsidy

1. Plan Description

The District's healthcare plan is administered by Special Districts Insurance Services. The District has a health insurance continuation option available for most groups of retirees. It is a substantive postemployment benefits plan offered under Oregon Revised Statutes (ORS) 243. ORS 243.303 requires that the District provide retirees with an opportunity to participate in group health and dental insurance from the date of retirement to age 65, and the rate would be calculated using claims experience from retirees and active employees for health plan rating purposes. Providing the same rate to retirees as provided to current employees constitutes an implicit rate subsidy for OPEB. This single-employer plan is not a standalone plan and therefore does not issue its own financial statements.

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

C. Implicit Rate Subsidy (Continued)

2. Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same healthcare coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. As of the valuation date of July 1, 2021 the following employees were covered by the benefit terms:

Active employees	9
Inactive employees or beneficiaries receiving benefits	-
Total	9

3. Total OPEB Liability, Expense, and Deferred Outflows and Inflows of Resources Related to the Implicit Rate Subsidy

The District's total OPEB liability of $4,541 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2021.

For the fiscal year ended June 30, 2023, the District recognized OPEB expense from this plan of $3,328. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	$ 7	$ 4,916

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

C. Implicit Rate Subsidy (Continued)

3. Total OPEB Liability, Expense, and Deferred Outflows and Inflows of Resources Related to the Implicit Rate Subsidy (Continued)

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

Amortization Period Ending June 30	Deferred Outflows and Inflows
2024	$ (658)
2025	(658)
2026	(658)
2027	(658)
2028	(658)
Thereafter	(1,619)
	$ (4,909)

4. Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2021 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation Rate	2.40%
Salary Increases	3.40%
Healthy Mortality	Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees. Future mortality improvement: Unisex Social Security Data Scale.
Discount Rate	3.54%
Healthcare Cost Trend Rate	Medical and vision: 5.00% in 2023, varying between 5.00% and 3.75% in future years Dental: 4.00% per year

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

C. Implicit Rate Subsidy (Continued)

4. Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the Bond Buyer 20-Year General Obligation Municipal Bond Index.

5. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2022	$ 1,677
Changes for the year:	
Service cost	3,866
Interest on total OPEB liability	120
Effect of assumption changes or inputs	(1,122)
Balance as of June 30, 2023	$ 4,541

Changes in assumptions are the result of the change in the discount rate from 2.16% to 3.54%.

6. Sensitivity of the Total OPEB Liability

The following presents the District's total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is one percentage point lower (2.54%) or one percentage point higher (4.54%) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

	Discount Rate		
	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	$ 5,056	$ 4,541	$ 4,067

	Healthcare Cost Trend		
	1% Decrease (4.00%)	Current Trend Rate (5.00%)	1% Increase (6.00%)
Total OPEB Liability	$ 3,813	$ 4,541	$ 5,404

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

D. PERS Retirement Health Insurance Account (RHIA)

1. Plan Description

The District contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing, multiple-employer, defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums for eligible retirees. ORS 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants hired after August 29, 2003. PERS issues publicly available financial statements and required supplementary information. That report may be obtained at: https://www.oregon.gov/pers/emp/pages/annual-reports.aspx.

2. Benefits Provided

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

3. Contributions

PERS' funding policy provides for 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. Employer contribution rates for the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The District's contribution rates for the period were 0.05% for Tier One/Tier Two members to fund the normal cost portion of RHIA benefits. No unfunded actuarial accrued liability rate was assigned for the RHIA program as it was funded at 207% as of December 31, 2021. Typically, PERS employers contribute an actuarially determined percentage of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years. The District's total contributions for the year ended June 30, 2023 amounted to $161.

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

D. PERS Retirement Health Insurance Account (RHIA) (Continued)

4. OPEB Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Related to RHIA

At June 30, 2023, the District reported an asset of $17,316 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to June 30, 2022. The District's proportion of the net OPEB asset was based on the District's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2022, the District's proportionate share was 0.0049%, which is an increase from its proportion of 0.0000% as of June 30, 2021.

For the year ended June 30, 2023, the District recognized OPEB expense from this plan of $(368). At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 469
Change in assumptions	136	577
Net differences between projected and actual earnings	-	1,321
Change in proportionate share	2,127	7,423
Total (prior to post measurement date contributions)	2,263	9,790
Contributions subsequent to measurement date	161	-
Total	$ 2,424	$ 9,790

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

D. PERS Retirement Health Insurance Account (RHIA) (Continued)

4. OPEB Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Related to RHIA (Continued)

Deferred outflows of resources related to OPEB of $161 resulting from the District's contributions subsequent to the measurement date will be recognized as either a reduction of the net OPEB liability or an increase in the net OPEB asset in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Amortization Period Ending June 30	Deferred Outflows	Deferred Inflows
2024	$ 2,263	$ 6,102
2025	-	3,277
2026	-	833
2027	-	(422)
	$ 2,263	$ 9,790

5. Actuarial Methods and Assumptions

The RHIA plan is unaffected by healthcare cost trends since the benefit is limited to a $60 monthly payment toward Medicare companion insurance premiums; consequently, the disclosure of a healthcare cost trend is not applicable. Other significant actuarial assumptions are consistent with those disclosed for the OPERS pension plan in Note IV-E.

6. Long-Term Expected Rate of Return

The long-term expected rate of return assumptions for the OPEB plan are consistent with those disclosed for the OPERS pension plan in Note IV-F.

7. Depletion Date Projection

The detailed depletion date projections outlined in GASB Statement No. 75, and allowance for alternative evaluations of projected solvency outlined in GASB Statement No. 75 (paragraph 39), are consistent with those disclosed for GASB Statement No. 68 in Note IV-G.

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

D. PERS Retirement Health Insurance Account (RHIA) (Continued)

8. Discount Rate

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

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

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net OPEB liability (asset)	$ (15,607)	$ (17,316)	$ (18,782)

10. OPEB Plan Net Position

Detailed information about the other postemployment benefit plan's net position is available in the separately issued OPERS financial report.

11. Changes in Plan Provisions During Measurement Period

On July 23, 2021, the Public Employees Retirement System Board voted to set the assumed rate of return to 6.90%, down from 7.20%, and the inflation rate was lowered from 2.50% to 2.40%. These rates were applied by the actuaries to the net OPEB liability as of June 30, 2021.

12. Changes in Plan Provisions Subsequent to Measurement Date

There have been no changes in plan provisions subsequent to the June 30, 2022 measurement date.

VI. 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. Tax Abatements

The District had no tax abatements for the year ended June 30, 2023.

C. New Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements that have future effective dates that will impact future financial presentations. Management has not currently determined what impact implementation of the following statements will have on future financial statements.

GASB Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*, will be effective for the District beginning with its fiscal year ending June 30, 2024. The objective of this statement is 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 accessing accountability.

GASB Statement No. 101, *Compensated Absences*, will be effective for the District beginning with its fiscal year ending June 30, 2025. This statement updates the recognition and measurement guidance for compensated absences and amends previously required disclosures.

D. Subsequent Events

Management has evaluated subsequent events through December 22, 2023, which was the date that the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

Pension Plan

Year Ended June 30	(a) District's proportion of the net pension liability (asset)	(b) District's proportionate share of the net pension liability (asset)	(c) District's covered payroll	(b/c) District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.00000000%	$ -	$ 1,158,851	0.00%	84.50%
2022	0.01222914%	1,463,398	-	N/A	87.60%
2021	0.01088048%	2,374,495	823,514	288.34%	75.80%
2020	0.01380205%	2,387,424	1,391,840	171.53%	80.20%
2019	0.01000102%	1,515,023	1,287,561	117.67%	82.10%
2018	0.00853871%	1,151,021	1,119,042	102.86%	83.10%
2017	0.00650796%	976,996	1,072,615	91.09%	80.50%
2016	0.00499571%	286,827	1,016,084	28.23%	91.90%
2015	0.00100000%	(22,123)	850,947	(2.60)%	103.60%
2014	0.00100000%	49,807	940,183	5.30%	91.97%

Changes in Benefit Terms

The Oregon Supreme Court decision in Moro v. State of Oregon issued on April 30, 2015 reversed a significant portion of the reductions that the 2013 Oregon Legislature made to future COLA through Senate Bills 822 and 861. This reversal increased the proportionate share of the net pension liability (asset) as of June 30, 2015 as compared to June 30, 2014.

Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of $195,000 (as indexed in future years) will be excluded when determining member benefits. As a result, future benefits for certain active members are projected to be lower than prior to the legislation.

Oregon Senate Bill 111, enacted in June 2021, provides an increased pre-retirement death benefit for members who die on or after their early retirement age.

Changes in Assumptions

The Public Employees Retirement System Board adopted assumption changes that were used to measure the June 30, 2016, 2018, and 2021 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50% and the lowering of the assumed inflation rate to 2.50%. For June 30, 2018, the long-term expected rate of return was lowered to 7.20%. For June 30, 2021, the long-term expected rate of return was lowered to 6.90% and the inflation rate was lowered to 2.40%. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay.

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

SCHEDULE OF CONTRIBUTIONS

Pension Plan

Year Ended June 30	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) District's covered payroll	(b/c) Contributions as a percent of covered payroll
2023	$ 196,821	$ 196,821	$ -	$ 1,488,085	13.23%
2022	127,708	127,708	-	1,158,851	11.02%
2021	(3,920)	(3,920)	-	-	N/A
2020	94,010	94,010	-	823,514	11.42%
2019	86,399	86,399	-	1,391,840	6.21%
2018	57,560	57,560	-	1,287,561	4.47%
2017	28,794	28,794	-	1,119,042	2.57%
2016	66,127	66,127	-	1,072,615	6.17%
2015	64,542	64,542	-	1,016,084	6.35%
2014	57,116	57,116	-	850,947	6.71%

Changes in Benefit Terms

The Oregon Supreme Court decision in Moro v. State of Oregon issued on April 30, 2015 reversed a significant portion of the reductions that the 2013 Oregon Legislature made to future COLA through Senate Bills 822 and 861. This reversal increased the proportionate share of the net pension liability (asset) as of June 30, 2015 as compared to June 30, 2014.

Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2020, annual salary in excess of $195,000 (as indexed in future years) will be excluded when determining member benefits. As a result, future benefits for certain active members are projected to be lower than prior to the legislation.

Oregon Senate Bill 111, enacted in June 2021, provides an increased pre-retirement death benefit for members who die on or after their early retirement age.

Changes in Assumptions

The Public Employees Retirement System Board adopted assumption changes that were used to measure the June 30, 2016, 2018, and 2021 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50% and the lowering of the assumed inflation rate to 2.50%. For June 30, 2018, the long-term expected rate of return was lowered to 7.20%. For June 30, 2021, the long-term expected rate of return was lowered to 6.90% and the inflation rate was lowered to 2.40%. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay.

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED RATIOS

Implicit Rate Subsidy	2023	2022	2021
Total OPEB liability			
Service cost	$ 3,866	$ 1,632	N/A
Interest	120	36	
Change in assumptions	(1,122)	9	
Benefit payments	-	-	
Net change in total OPEB liability	2,864	1,677	
Total OPEB liability - beginning	1,677	-	
Total OPEB liability - ending	$ 4,541	$ 1,677	
Covered employee payroll	$ 1,488,085	$ 1,158,851	
Total OPEB liability as a percentage of covered employee payroll	0.31%	0.14%	

Changes in Assumptions

For each valuation date, the following changes in assumptions are made:

Expected claims and premiums are updated to reflect changes in available benefits and premium levels. Expected retiree and dependent costs are updated to reflect current health cost guidelines.

The healthcare cost trend is updated to reflect changes in premium levels, as well as future expected economic and regulatory conditions.

Mortality, withdrawal, and retirement rates are updated to reflect assumptions used in the Oregon PERS actuarial valuation immediately preceding each implicit rate subsidy valuation date.

For June 30, 2023, the discount rate increased to 3.54%. For June 30, 2022, the discount rate decreased to 2.16%. For June 30, 2019, the discount rate increased to 3.87% from 3.58% for June 30, 2018.

No assets have been accumulated in a trust to pay for the related benefits.

*This schedule is intended to show information for 10 years; additional years’ information will be displayed as it becomes available.

2020	2019	2018
N/A	$ 7,518	$ 8,108
	2,240	1,665
	(2,148)	(4,988)
	(53)	(51)
	7,557	4,734
	55,087	50,353
	$ 62,644	$ 55,087
	$ 1,391,840	$ 1,287,561
	4.50%	4.28%

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)

RHIA

Year Ended June 30	(a) District's proportion of the net OPEB liability (asset)	(b) District's proportionate share of the net OPEB liability (asset)	(c) District's covered payroll	(b/c) District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	0.00487325%	$ (17,316)	$ 1,158,851	(1.49)%	194.60%
2022	0.00000000%	-	-	N/A	183.90%
2021	0.00421284%	(8,584)	823,514	(1.04)%	150.10%
2020	0.01279888%	(24,732)	1,391,840	(1.78)%	144.40%
2019	0.01046610%	(13,837)	1,287,561	(1.07)%	124.00%
2018	0.01084794%	(4,527)	1,119,042	(0.40)%	108.90%
2017	0.01046610%	2,842	1,072,615	0.26%	94.20%

Changes in Assumptions

The Public Employees Retirement System Board adopted assumption changes that were used to measure the June 30, 2016, 2018, and 2021 total OPEB liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50% and the lowering of the assumed inflation rate to 2.50%. For June 30, 2018, the long-term expected rate of return was lowered to 7.20%. For June 30, 2021, the long-term expected rate of return was lowered to 6.90% and the inflation rate was lowered to 2.40%. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups.

*This schedule is intended to show information for 10 years; additional years' information will be displayed as it becomes available.

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

SCHEDULE OF CONTRIBUTIONS

RHIA

Year Ended June 30	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) District's covered payroll	(b/c) Contributions as a percent of covered payroll
2023	$ 161	$ 161	$ -	$ 1,488,085	0.01%
2022	-	-	-	1,158,851	0.00%
2021	268	268	-	-	N/A
2020	6,350	6,350	-	823,514	0.77%
2019	6,343	6,343	-	1,391,840	0.46%
2018	5,401	5,401	-	1,287,561	0.42%
2017	4,667	4,667	-	1,119,042	0.42%

Changes in Assumptions

The Public Employees Retirement System Board adopted assumption changes that were used to measure the June 30, 2016, 2018, and 2021 total OPEB liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50% and the lowering of the assumed inflation rate to 2.50%. For June 30, 2018, the long-term expected rate of return was lowered to 7.20%. For June 30, 2021, the long-term expected rate of return was lowered to 6.90% and the inflation rate was lowered to 2.40%. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups.

*This schedule is intended to show information for 10 years; additional years' information will be displayed as it becomes available.

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

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

GENERAL FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual GAAP Basis
REVENUES			
Property taxes	$ 3,723,655	$ 159,830	$ 3,883,485
Investment earnings	5,000	135,768	140,768
Miscellaneous	83,400	91,050	174,450
Total revenues	3,812,055	386,648	4,198,703
EXPENDITURES			
Current			
Personnel services	2,546,616	(243,829)	2,302,787
Materials and services	1,082,122	(264,032)	818,090
Capital outlay	329,000	(159,406)	169,594
Contingency	300,000	(300,000)	-
Total expenditures	4,257,738	(967,267)	3,290,471
Excess (deficiency) of revenues over (under) expenditures	(445,683)	1,353,915	908,232
OTHER FINANCING SOURCES (USES)			
Transfers in	-	164,530	164,530
Transfers out	-	1,209,361	(1,209,361)
Total other financing sources (uses)	-	(1,044,831)	(1,044,831)
Net change in fund balance	(445,683)	309,084	(136,599)
Fund balance - beginning	3,545,660	407,228	3,952,888
Fund balance - ending	$ 3,099,977	$ 716,312	$ 3,816,289

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

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

GRANTS FUND

For the Year Ended June 30, 2023

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual GAAP Basis
REVENUES			
Grant revenue	$ -	$ 70,000	$ 70,000
EXPENDITURES			
Current			
Personnel services	850,620	(815,620)	35,000
Materials and services	80,200	42,727	122,927
Capital outlay	1,709,863	(1,027,000)	682,863
Total expenditures	2,640,683	(1,799,893)	840,790
Excess (deficiency) of revenues over (under) expenditures	(2,640,683)	1,869,893	(770,790)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	1,209,361	1,209,361
Net change in fund balance	(2,640,683)	3,079,254	438,571
Fund balance - beginning	-	-	-
Fund balance - ending	$ (2,640,683)	$ 3,079,254	$ 438,571

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2023

	Capital Projects Funds		
	Facilities and Property Reserve	PPE and SCBA Systems Reserve	Total Nonmajor Governmental Funds
REVENUES	$ -	$ -	$ -
EXPENDITURES	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers out	(144,643)	(19,887)	(164,530)
Net change in fund balances	(144,643)	(19,887)	(164,530)
Fund balances - beginning	144,643	19,887	164,530
Fund balances - ending	$ -	$ -	$ -

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

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

FACILITIES AND PROPERTY RESERVE FUND

For the Year Ended June 30, 2023

	Original and 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 out	-	144,643	(144,643)
Net change in fund balance	-	(144,643)	(144,643)
Fund balance - beginning	-	144,643	144,643
Fund balance - ending	$ -	$ -	$ -

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

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

PPE AND SCBA SYSTEMS RESERVE FUND

For the Year Ended June 30, 2023

	Original and 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 out	-	19,887	(19,887)
Net change in fund balance	-	(19,887)	(19,887)
Fund balance - beginning	-	19,887	19,887
Fund balance - ending	$ -	$ -	$ -

OTHER FINANCIAL SCHEDULES

ESTACADA RURAL FIRE DISTRICT NO. 69
Estacada, Oregon

SCHEDULE OF PROPERTY TAX TRANSACTIONS

For the Year Ended June 30, 2023

Tax Year	Taxes Receivable July 1, 2022	2022-2023 Levy	Adjustments	Collections	Taxes Receivable June 30, 2023
2022-2023	$ -	$ 3,969,184	$ (111,185)	$ 3,799,714	$ 58,285
2021-2022	73,529	-	(5,949)	44,734	22,846
2020-2021	25,738	-	(2,197)	12,771	10,770
2019-2020	12,835	-	(542)	8,562	3,731
2018-2019	2,965	-	(323)	1,444	1,198
2017-2018	1,143	-	(60)	266	817
2016-2017	738	-	(27)	151	560
Prior	3,518	-	(501)	274	2,743
Subtotal - Prior	120,466	-	(9,599)	68,202	42,665
Total	$ 120,466	$ 3,969,184	$ (120,784)	3,867,916	$ 100,950
Add:					
Other taxes and interest				57,569	
Undistributed taxes with county, July 1, 2022				8,424	
Total available for distribution				3,933,909	
Less: Turnovers to District				(3,883,485)	
Undistributed taxes with county, June 30, 2023				$ 50,424	

AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS

KOONTZ, BLASQUEZ & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Estacada Rural Fire District No. 69
Estacada, Oregon 97023

We have audited the basic financial statements of Estacada Rural Fire District No. 69 as of and for the year ended June 30, 2023, and have issued our report thereon dated December 22, 2023. 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 Estacada Rural Fire District No. 69'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:

Accounting records

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

Programs funded from outside sources

Authorized investment of surplus funds (ORS Chapter 294)

Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)

Accountability for collecting or receiving money by elected officials

920 Elm Street SW • P.O. Box 605 • Albany, Oregon 97321
(541) 926-5543 • (541) 967-9460 fax

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

1. The District expended funds in excess of the amounts appropriated, which is in violation of ORS 294.100. The following appropriations were over-expended for the fiscal year ended June 30, 2023:

Fund	Function	Appropriations	Expenditures	Excess
General	Transfers out	$ -	$ 1,209,361	$1,209,361
Grants	Materials and services	80,200	122,927	42,727
Facilities and Property Reserve	Transfers out	-	144,643	144,643
PPE and SCBA Systems Reserve	Transfers out	-	19,887	19,887

2. For the year ended June 30, 2023, the District did not budget resources equal to the expenditures and other requirements in the Grants Fund, which is in violation of ORS 294.388.

The District does not have any elected officials collecting or receiving money.

OAR 162-010-0230 Internal Control

In planning and performing our audit, we considered Estacada Rural Fire District No. 69'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 Estacada Rural Fire District No. 69's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Estacada Rural Fire District No. 69's internal control over financial reporting. However, we noted certain matters that we have reported to management of the District in a separate letter dated December 22, 2023.

This report is intended solely for the information and use of the board of directors and management of Estacada Rural Fire District No. 69 and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Koontz, Blasquez & Associates, P.C.

By: Debra L. Blasquez

Debra L. Blasquez, CPA

Albany, Oregon
December 22, 2023