



**LEBANON, OREGON**

**Annual Financial Report**

**June 30, 2021**

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**CITY OF LEBANON**  
**ANNUAL FINANCIAL REPORT**  
**JUNE 30, 2021**

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# INTRODUCTORY SECTION

- ORGANIZATIONAL CHART
- ELECTED AND APPOINTED OFFICIALS



**CITY OF LEBANON**

925 S. Main Street  
Lebanon, Oregon 97355

(541) 258-4900

[www.ci.lebanon.or.us](http://www.ci.lebanon.or.us)

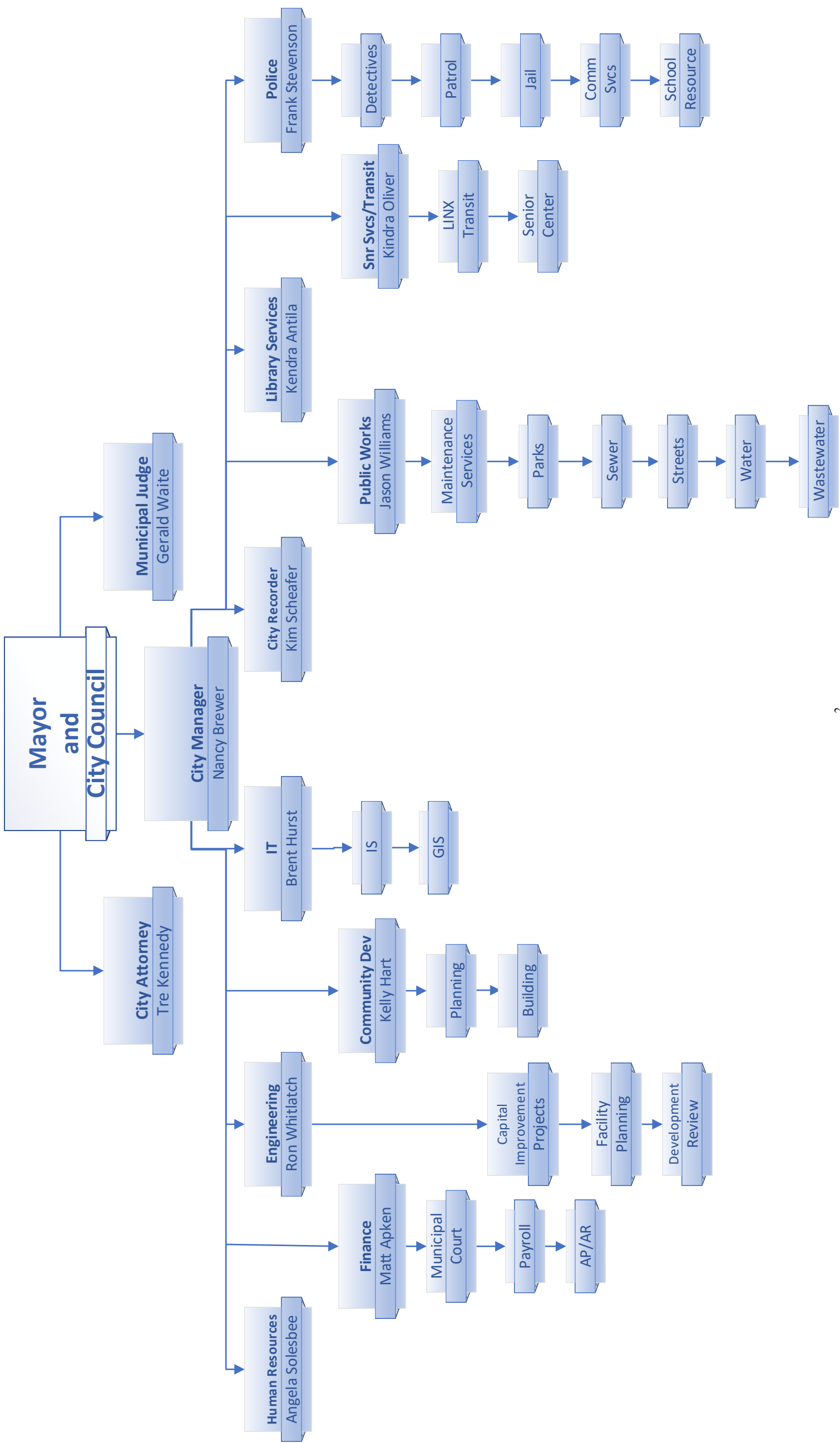
**MAYOR AND CITY COUNCIL**

PAUL AZIZ	Mayor
JASON BOLEN	Council President
WAYNE RIESKAMP	Councilor
WAYNE DYKSTRA	Councilor
MICHELLE STEINHEBEL	Councilor
GAMAEL NASSAR	Councilor
KIM ULLFERS	Councilor

**ADMINISTRATION**

NANCY BREWER	City Manager
MATT APKEN	Finance Director
CASSANDRA HEADLEY	Accounting Manger





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# FINANCIAL SECTION

- INDEPENDENT AUDITOR'S REPORT
- MANAGEMENT DISCUSSION AND ANALYSIS
- BASIC FINACIAL STATEMENTS
- REQUIRED SUPPLEMENTARY INFORMATION
- SUPPLEMENTARY INFORMATION



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**INDEPENDENT  
AUDITOR'S REPORT**

**INDEPENDENT AUDITOR'S REPORT**

City Council  
City of Lebanon  
Lebanon, Oregon

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lebanon (the "City") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lebanon as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 6 – 15, pension and other postemployment benefit schedules on pages 49 – 56, and individual fund schedules on pages 57 – 60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the Management's Discussion and Analysis and the pension and other postemployment benefit schedules in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the Management's Discussion and Analysis and the pension and other postemployment benefit schedules because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison schedules for the General and Northwest Urban Renewal District funds 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 auditing standards generally accepted in the United States of America. In our opinion, the combining statements and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

City Council  
City of Lebanon  
Lebanon, Oregon  
Independent Auditor's Report

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 auditing standards generally accepted in the United States of America. In our opinion, the combining statements and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Oregon State Regulations**

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated March 22, 2022, on our considerations of the City's 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 provide an opinion on compliance.

*Singer Lewak LLP*

March 22, 2022

By:



Brad Bingenheimer, CPA, Partner



# MANAGEMENT DISCUSSION AND ANALYSIS



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**CITY OF LEBANON  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

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The management discussion and analysis of the City of Lebanon, Oregon (the City) financial performance provides an overview of the City's financial activities for the fiscal year that ended June 30, 2021. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the City's financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the fiscal year ended June 30, 2021 are as follows:

- Prior period adjustments are reported as restatement of beginning net position and fund balance to correct amounts identified in the Note on page 59 - Restatement of Beginning Net Position and Fund Balances.
- The City's governmental activities net position by \$7,031,036, a 48.0% increase from the previous year. The City's business-type activities net position decreased by \$532,694, a 0.9% decrease from the previous year.
- Total revenue for the City was \$33,242,085. Which is a 10.8% increase from the previous year. General revenues accounted for \$13,358,214 of revenue, or 40.2% of all revenues. Program specific revenues in the form of charges for services accounted for \$15,474,112 or 46.5% of total revenues.
- The City had \$26,061,979 in program expenses. Of the program expenses, \$4,715,845 was for providing water service, \$6,747,746 was for providing wastewater service, and \$464,517 was for providing storm drainage service.
- The City's long-term liabilities decreased by \$4,535,586, a 7.9% reduction from the previous year.
- Among the governmental funds, the General Fund had \$10,279,881 in revenues, which primarily consisted of property taxes and franchise fees. The Northwest Lebanon Urban Renewal District had \$997,054 in revenues, which primarily consisted of property taxes. The General Obligation Bond Fund had \$1,828,715 in revenues, which primarily consisted of property taxes. The SDC – Parks Improvements Fund had \$807,426 in revenues, which primarily consisted of fees and charges. The SDC – Street Improvements Fund had \$667,568 in revenues, which primarily consisted of fees and charges. These amounts do not include other financing sources of loan proceeds or interfund transfers in.
- Among proprietary funds, the Water Fund had \$5,743,096 in operating revenues, which primarily consisted of user fees. The Wastewater Fund had \$6,313,483 in operating revenues, which primarily consisted of user fees. The Storm Drainage Fund had \$554,415 in operating revenues, which primarily consisted of user fees.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

Management's discussion and analysis introduces the City's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also includes additional supplementary information to supplement the basic financial statements.

*Government-wide Financial Statements*

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

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

**CITY OF LEBANON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
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The *statement of activities* presents information showing how the City'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 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 distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, culture and recreation, community planning, and transit. The business-type activities of the City include water, wastewater, and storm drainage operations.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate urban renewal agency for which the City is financially accountable. Financial information for this component unit is reported with the primary government itself. The urban renewal agency functions for all practical purposes as funds of the City, and therefore has been included as an integral part of the primary government. The urban renewal agency also published separate financial statements.

*Fund Financial Statements*

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated from specific activities or objectives. Fund financial statements focus on the most significant funds rather than the City as a whole. The use of fund financial statements is directly related to the budgeting process because some revenues are legally earmarked for certain kinds of expenditures. Fund financial statements ensure and demonstrate compliance with governmental finance-related laws and regulations.

In addition, the total amount of the budgeted appropriations for expenditures is considered in terms of the revenue available to fund the expenditures and the type of expenditures competing for the same dollars. The City's funds can be divided into two primary categories: governmental funds and proprietary funds.

*Governmental funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows. Such information may be useful in evaluating a government's near-term financial requirements (current liabilities).

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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains **thirty-three** individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for those considered to be major funds. Data from the remaining governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report.

Proprietary funds are used to account for activities where the emphasis is placed on net position determination. The City maintains **one** type of proprietary funds - enterprise funds. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements.

**CITY OF LEBANON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
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Enterprise funds account for the City's water utility, wastewater utility and storm drainage utility. All of the City's enterprise funds are major funds of the City, and they are reported separately in the proprietary fund financial statements in the basic financial statements.

*Notes to the Financial Statements*

The Notes to the Financial Statements are an integral part of the financial statements. These notes not only provide additional detail, but also are required to fully understand the financial data as presented, as well as the financial condition of the City as a whole. The notes offer information not only to lay readers and citizens, but also those interested in a detailed study of the City's financial operations.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

*Statement of Net Position*

The following is a comparison between the June 30, 2021 and 2020 Statements of Net Position:

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Current and other assets	\$ 23,231,345	\$ 17,319,710	\$ 10,508,817	\$ 10,309,336	\$ 33,740,162	\$ 27,629,046
Capital assets, non-depreciable	2,983,309	2,870,467	2,344,076	1,660,757	5,327,385	4,531,224
Capital assets, depreciable	32,158,680	33,362,776	76,679,013	78,191,727	108,837,693	111,554,503
Intangible assets	89,077	99,004	-	-	89,077	99,004
<b>Total assets</b>	<b>58,462,411</b>	<b>53,651,957</b>	<b>89,531,906</b>	<b>90,161,820</b>	<b>147,994,317</b>	<b>143,813,777</b>
Deferred outflows of resources	3,127,131	3,168,591	1,083,501	323,817	4,210,632	3,492,408
Current liabilities	5,763,814	3,548,363	2,673,031	2,438,796	8,436,845	5,987,159
Liabilities due after one year	33,289,391	37,951,767	28,031,542	27,829,597	61,320,933	65,781,364
<b>Total liabilities</b>	<b>39,053,205</b>	<b>41,500,130</b>	<b>30,704,573</b>	<b>30,268,393</b>	<b>69,757,778</b>	<b>71,768,523</b>
Deferred inflows of resources	848,954	664,071	294,149	67,865	1,143,103	731,936
Net position:						
Net investment in capital assets	8,856,238	8,130,402	52,863,606	51,904,102	61,719,844	60,034,504
Restricted:	13,076,501	9,699,384	4,281,634	-	17,358,135	9,699,384
Unrestricted	(245,356)	(3,173,439)	2,471,445	8,245,277	2,226,089	5,071,838
<b>Total net position</b>	<b>\$ 21,687,383</b>	<b>\$ 14,656,347</b>	<b>\$ 59,616,685</b>	<b>\$ 60,149,379</b>	<b>\$ 81,304,068</b>	<b>\$ 74,805,726</b>

The City of Lebanon's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$81.3 million as of June 30, 2021. Of this amount, \$61.7 million, (75.9%) is the City's net investment in capital assets. These assets are not a source for repaying liabilities now, or in the future, since such assets represent the "business of the City". Other resources must be used to pay for outstanding liabilities, some of which are restricted to only certain uses. This requires the City to not only acquire those capital assets necessary to provide for City services, but to retain the ability to finance these acquisitions and provide maintenance for these assets.

An additional portion of net position \$17.4 million (21.4% of net position) is restricted as to how it may be used by budgetary, legal and external factors. The unrestricted amount of \$2.2 million (2.7% of net position) can be used to meet

**CITY OF LEBANON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
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on-going obligations. Of the \$70.9 million of liabilities and deferred inflows of resources at year-end for governmental and business-type activities, \$61.3 million are due in more than one year. For the government as a whole, and for the separate governmental and business-type activities, all three categories showed a positive net position balance for fiscal year 2020-21, as they did for 2019-20. For its governmental activities, the City has a negative balance in the unrestricted category of net position.

Total net position increased by \$6.5 million during the fiscal year, primarily attributable to unspent system development revenue received.

*Statement of Activities*

The following is a comparison between the June 30, 2021 and 2020 Statement of Activities:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Fees, fines, charges for services	\$ 3,073,584	\$ 2,040,020	\$ 12,400,528	\$ 12,171,885	\$ 15,474,112	\$ 14,211,905
Operating grants and contributions	3,718,031	71,813	57,309	-	3,775,340	71,813
Capital grants and contributions	212,044	959,213	422,375	48,479	634,419	1,007,692
General revenues:						
Property taxes	10,079,248	9,508,193	-	-	10,079,248	9,508,193
Other taxes	2,825,615	4,588,176	-	-	2,825,615	4,588,176
Investment earnings	218,920	349,399	81,274	177,193	300,194	526,592
Miscellaneous	-	77,715	153,157	-	153,157	77,715
Total revenues	<u>20,127,442</u>	<u>17,594,529</u>	<u>13,114,643</u>	<u>12,397,557</u>	<u>33,242,085</u>	<u>29,992,086</u>
Expenses:						
General government	2,896,729	4,538,279	-	-	2,896,729	4,538,279
Public safety	5,333,854	5,890,658	-	-	5,333,854	5,890,658
Highways and Streets	1,561,346	993,516	-	-	1,561,346	993,516
Culture and recreation	1,941,534	2,925,581	-	-	1,941,534	2,925,581
Community planning	1,007,658	2,025,709	-	-	1,007,658	2,025,709
Transit	395,457	457,805	-	-	395,457	457,805
Interest and fiscal charges	997,293	1,138,426	-	-	997,293	1,138,426
Water	-	-	4,715,845	3,985,872	4,715,845	3,985,872
Wastewater	-	-	6,747,746	4,033,326	6,747,746	4,033,326
Storm Drainage	-	-	464,517	148,438	464,517	148,438
Total expenses	<u>14,133,871</u>	<u>17,969,974</u>	<u>11,928,108</u>	<u>8,167,636</u>	<u>26,061,979</u>	<u>26,137,610</u>
Increase/(decrease) in net position before transfers	5,993,571	(375,445)	1,186,535	4,229,921	7,180,106	3,854,476
Transfers in (out)	<u>1,104,181</u>	<u>1,592,291</u>	<u>(1,104,181)</u>	<u>(1,592,291)</u>	<u>-</u>	<u>-</u>
Special item:						
Gain on transfer of operations	-	-	(677,979)	-	(677,979)	-
Increase/(decrease) in net position	7,097,752	1,216,846	(595,625)	2,637,630	6,502,127	3,854,476
Net position, Beginning (Previously reported)	14,656,347	13,439,501	60,149,379	57,511,749	74,805,726	70,951,250
Restatement	<u>(66,716)</u>	<u>-</u>	<u>62,931</u>	<u>-</u>	<u>(3,785)</u>	<u>-</u>
Net position, Beginning Restated	<u>14,589,631</u>	<u>13,439,501</u>	<u>60,212,310</u>	<u>57,511,749</u>	<u>74,801,941</u>	<u>70,951,250</u>
Net position, Ending	<u>\$ 21,687,383</u>	<u>\$ 14,656,347</u>	<u>\$ 59,616,685</u>	<u>\$ 60,149,379</u>	<u>\$ 81,304,068</u>	<u>\$ 74,805,726</u>

**CITY OF LEBANON  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

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Governmental activities increased the City's net position by \$7.0 million in fiscal year 2020-21, as compared to a \$1.2 million increase in the prior fiscal year. Revenue, excluding transfers, increased by \$2.5 million and expenses, excluding transfers, decreased \$3.8 million. Key elements of this change, as illustrated in Table 2 above, is primarily the result of increased property tax revenue from an increase in assessed value, coupled with additional revenue from other governmental agencies (i.e. federal grants for the COVID-19 pandemic).

Business-Type activities total revenues, excluding transfers, increased approximately \$0.7 million from fiscal year 2020-21, due mainly to increases in charges for service and grants and donations.

Business-Type activities expenses, excluding transfers, increased approximately \$3.8 million, which is primarily attributable to increases in capital project costs on improvements to the utility systems in the current year. Additional personnel costs increased as a number of employees were budgeted in these funds instead of transferring funds out to cover their costs.

The government-wide financial statements highlight some of the most important factors about the governmental funds, particularly the General Fund. The primary revenues for governmental funds are taxes, fees and licenses, and intergovernmental revenues. The two largest sources of revenues for the City of Lebanon's General Fund are property taxes and franchise fees.

The State of Oregon does not have a sales tax and there has been a long history of its citizens opposing one. This puts great stress on property taxes, franchise fees, and other revenue in the governmental sector. Property taxes are limited several ways by State law.

- Local governments' total share of property taxes cannot exceed \$10 per thousand of taxable assessed value; for school districts, the limit is \$5 per thousand.
- In 1998, taxpayers voted for a measure which limited assessed value increases from one year to the next to the lower of a 3% increase or the market value unless additional improvements or modifications have been made to a property and each local government was assigned a permanent tax rate. The City's rate is \$5.1364 per \$1,000 assessed value.
- In addition to the City's permanent tax rate the citizens had approved a general obligation bond for building the justice center and the library. This amount can fluctuate year-to-year but does not provide amounts for current operations.

The City has been able to maintain services by budgeting conservatively and providing quality services with lean budgets. The charts showing governmental expenses versus governmental activities demonstrate the funding challenges that Lebanon and other cities face.

Some of the important factors, which make allocation of resources difficult include:

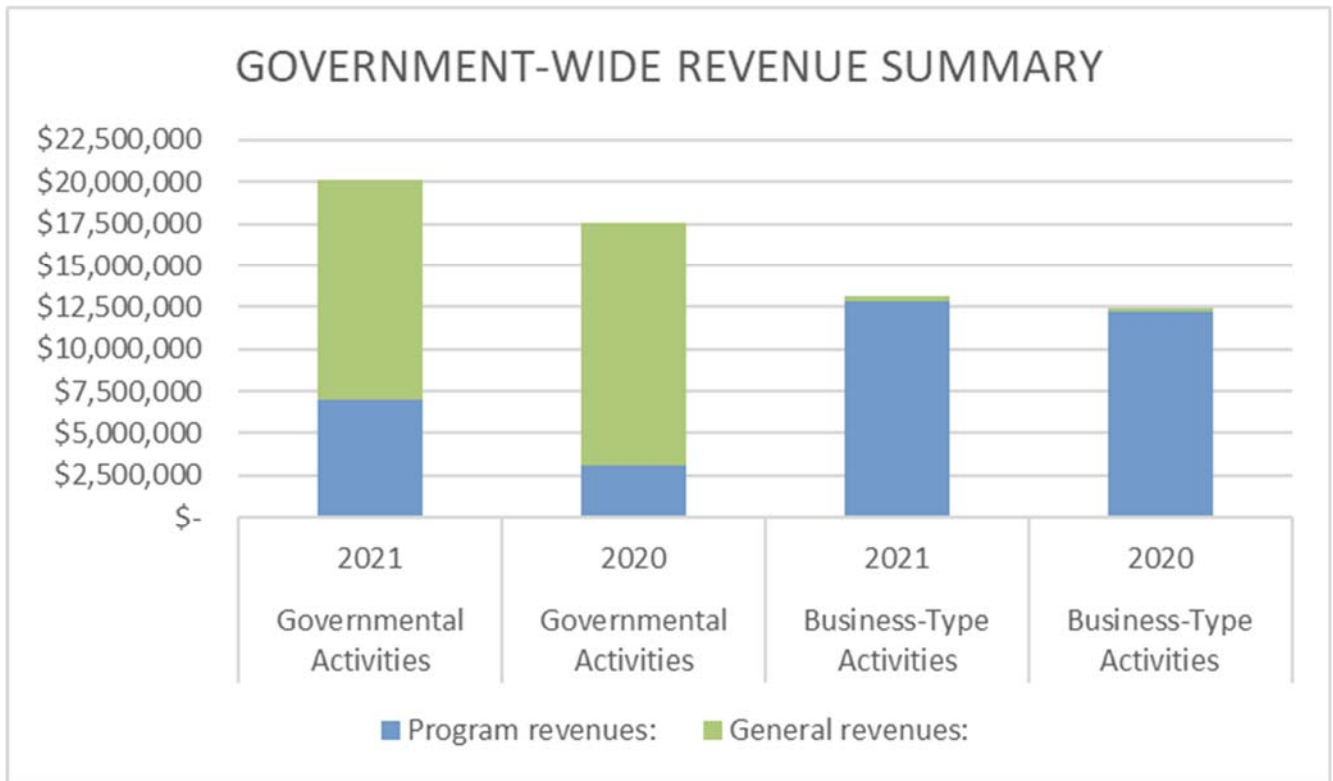
- Governmental resources are restricted in many ways: budgeting, legal and by public opinion.
- Programs funded by general resources typically result in hard choices, such as more police or a better library. Those services which are seen as most important and necessary are almost always least able or likely to assess charges for cost recovery even for direct services.

As continued City growth occurs, it is likely to become more difficult to handle the inevitable rise in the cost of services. Difficult decisions will need to be made on allocating scarce resources.

**CITY OF LEBANON**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
**UNAUDITED**

The dependence on general revenues for general government activities is apparent. For 2020-21, 65.2% of general government activities are supported through general revenues

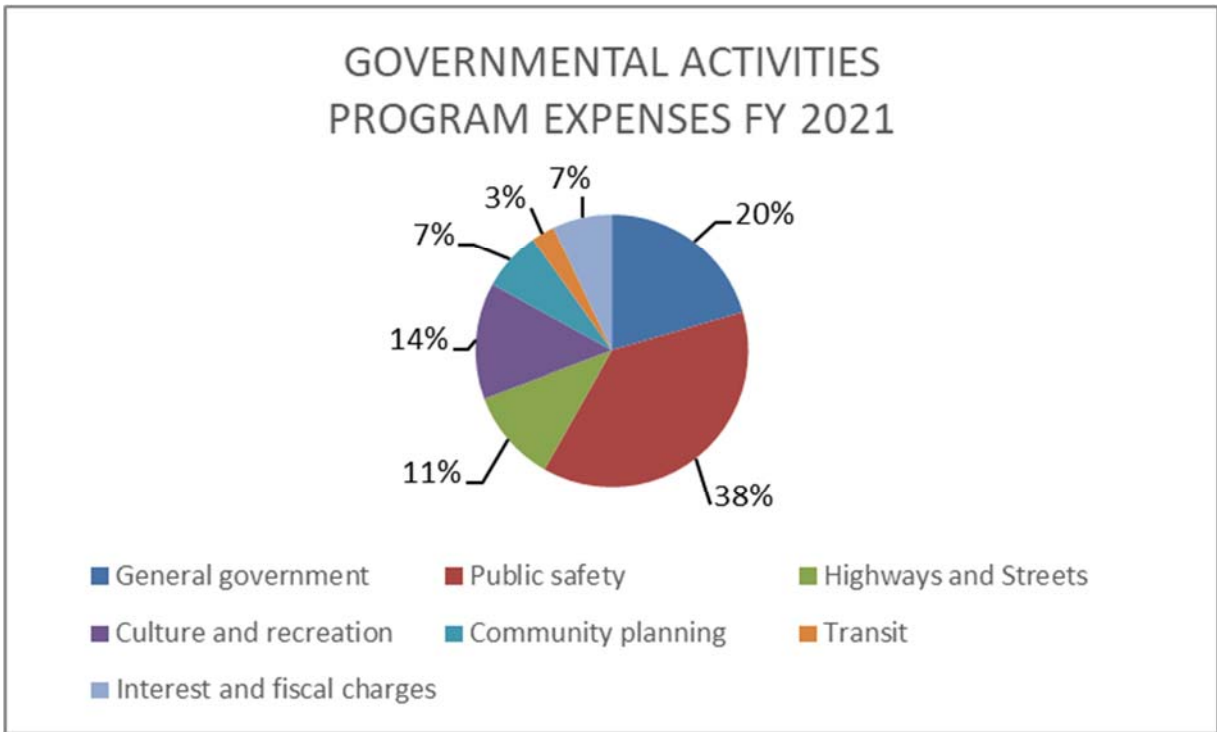
The following chart analyzes the revenue between governmental activities and business-type activities from prior to current year.



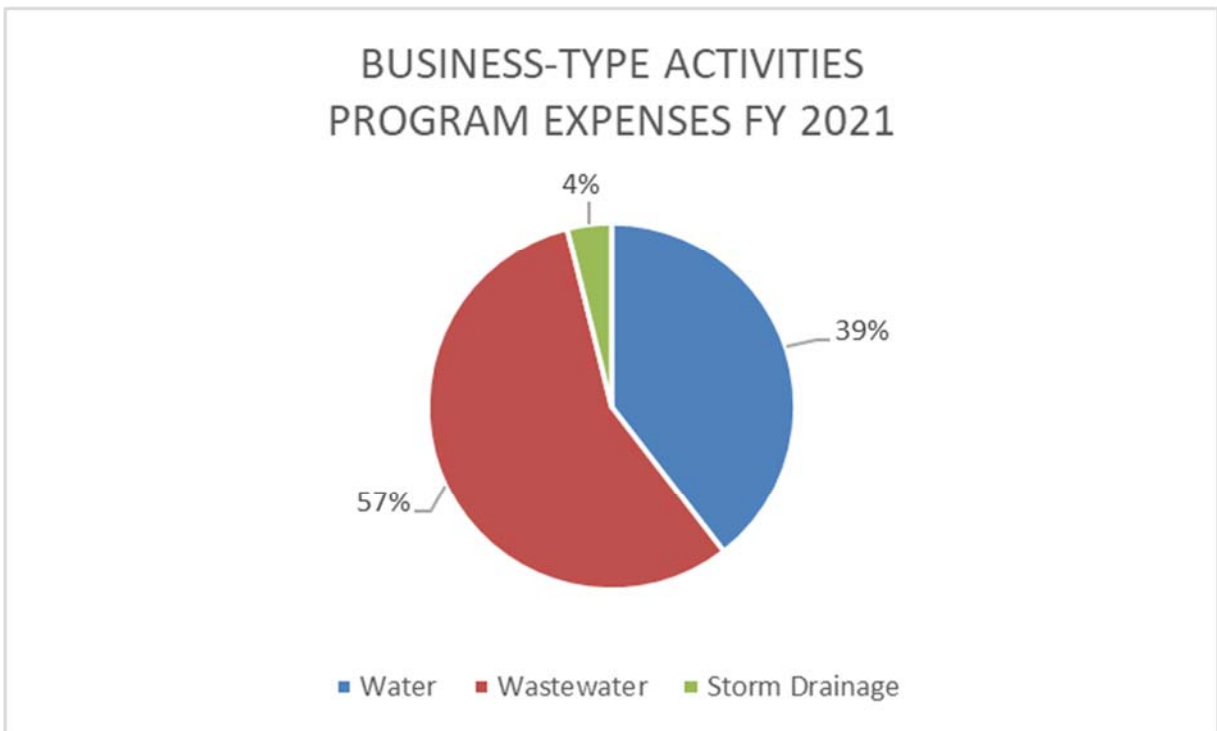


**CITY OF LEBANON  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
 UNAUDITED**

This graph represents the cost of the City's Program expenses by governmental activities.



This graph represents the cost of the City's Program expenses by business-type activities.



**CITY OF LEBANON  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

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**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

***Governmental Funds***

As the City completed the year, its governmental funds reported a combined fund balance of \$19,463,014, an increase of \$3,950,347. The fund balance constitutes restricted, committed, assigned and unassigned amounts. Of the current fund balances, \$234,050 is restricted for debt service, \$21,966 is restricted for public safety, \$5,683,191 is restricted for highway and streets, \$2,943,230 is restricted for culture and recreation, \$798,234 is restricted for building and engineering, \$3,395,830 is restricted for Urban Renewals, \$183,838 is committed for culture and recreation, \$96,885 is committed for building and engineering, \$337,429 is committed for transit, and \$4,872,546 is unassigned and available for spending at the City's discretion.

The General Fund is the principal operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4,879,596, an increase of \$789,809.

***Proprietary Funds***

The City's enterprise funds reported unrestricted net position of \$2,471,445, restricted net position of \$4,281,634 and \$52,863,606 in net investment in capital assets.

**BUDGETARY HIGHLIGHTS**

General Fund resources were budgeted and anticipated to be collected in the amount of \$9,338,794 during the fiscal year. Actual resources of \$10,279,881 were available, \$941,087 more than budgeted. General Fund expenditures budget was under-spent by \$2,673,181. The ending fund balance was greater than the contingency budgeted by \$2,884,040.

The Water and Storm Drainage fund balances increased during the fiscal year, while the Wastewater fund balance decreased. The Water, Wastewater and Storm Drain Funds remained within the expenditure budgets in all appropriation areas. The Water Fund's actual resources were more than budgeted by \$187,880. The Wastewater Fund's actual resources were more than budgeted by \$142,746. The Storm Drain Fund's actual resources were more than budgeted by \$31,710.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2021, the City had invested, before net reduction for accumulated depreciation, \$206,856,178 in capital assets, including buildings, land, vehicles, water, wastewater, and storm drain utility systems, construction in progress and other equipment. This amount represents an increase of \$671,703 from the prior year. Additions to depreciable assets of \$1,590,283 includes additions from construction projects completed during the fiscal year. Additionally, there was an increase in construction in progress of \$798,706 and a write off of \$2,546.

**CITY OF LEBANON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**  
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Total depreciation expense for the year was \$3,688,150 of which \$1,495,359 is associated with general government activities and \$2,192,791 with business type activities. A condensed summary of the City's capital assets is below and additional information on the City's capital assets can be found in the Capital Asset Note of the Notes to the Basic Financial Statements section of this report.

Summary of Capital Assets Net of depreciation	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
	Land	\$ 2,769,703	\$ 2,769,703	\$ 1,278,827	\$ 1,278,827	\$ 4,048,530
Construction in progress	213,606	100,764	1,065,249	381,931	1,278,855	482,695
Buildings	12,971,668	13,363,674	3,392,080	3,510,385	16,363,748	16,874,059
Vehicles	561,712	573,601	821,376	399,115	1,383,088	972,716
Machinery & Equipment	1,058,886	1,155,700	7,339,595	7,772,831	8,398,481	8,928,531
Improvements	767,313	777,688	59,037	-	826,350	777,688
Infrastructure	16,799,101	17,492,113	65,066,925	66,509,395	81,866,026	84,001,508
Intangible	89,077	99,004	-	-	89,077	99,004
Total assets	<u>\$ 35,231,066</u>	<u>\$ 36,332,247</u>	<u>\$ 79,023,089</u>	<u>\$ 79,852,484</u>	<u>\$ 114,254,155</u>	<u>\$ 116,184,731</u>

**Long-Term Debt**

At June 30, 2021 the City had total long-term debt outstanding of \$52,534,311. This amount is comprised of debt backed by general obligation bonds, pension bonds, notes, loans and leases payable. Principal payments made during the current fiscal year were \$8,078,972. Bond premiums decreased by \$326,614 and interest paid on the debt amounted to \$1,499,906. The City added \$3,730,000 of new long-term debt for the 2020-21 fiscal year. A condensed summary of the City's long-term debt is below and additional information on the City's long-term debt can be found in long-term debt note of the notes to the basic financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Bonds payable:						
Revenue bonds	\$ -	\$ -	\$ -	\$ 3,170,000	\$ -	\$ 3,170,000
General obligation bonds	9,050,000	10,210,000	-	-	9,050,000	10,210,000
Full faith and credit obligations	7,805,000	8,735,000	625,000	1,225,000	8,430,000	9,960,000
Pension obligation bonds	1,255,009	1,395,009	-	-	-	-
Premiums	1,162,766	1,309,434	32,114	212,060	1,194,880	1,521,494
Total bonds payable	<u>19,272,775</u>	<u>21,649,443</u>	<u>657,114</u>	<u>4,607,060</u>	<u>19,929,889</u>	<u>26,256,503</u>
Other long-term debt:						
Contracts, notes and loans payable	7,102,053	7,762,832	25,502,369	23,190,562	32,604,422	30,953,394
Total long-term debt	<u>\$ 26,374,828</u>	<u>\$ 29,412,275</u>	<u>\$ 26,159,483</u>	<u>\$ 27,797,622</u>	<u>\$ 52,534,311</u>	<u>\$ 57,209,897</u>

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

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

The Governmental funds largest revenue source are property taxes, charges for service, franchise fees, building permits and state shared revenue. With no sales tax the City must heavily rely on these revenue sources. The State Constitution

**CITY OF LEBANON  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
UNAUDITED**

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allows not more than a 3% increase in a property's assessed value without new development. The City levies the full property tax rate it can.

During the fiscal year the City has seen plenty of new development and there are several other developments underway which will continue to increase the property tax base. The Northwest Lebanon Urban Renewal District, part of the Lebanon Urban Renewal Agency, under levied its property tax rate which returned a portion of the property taxes normally collected by it to the underlying property tax districts including the City.

The COVID-19 pandemic has continued for the entire fiscal year and with new variants coming to light it is expected to continue at least through the winter. The city continues to face the challenge of costs that are rising faster than revenues. With annual inflation currently over 6%, the highest since 1990, we will be faced with many hard decisions on how to keep expenses down.

The City, along with local governments across the State, continues to carefully monitor retirement costs resulting from the State-run pension fund, Oregon Public Employee Retirement System (PERS). Further information on PERS can be found in the notes to the financial statements. Rates increased on July 1, 2021. Preliminary information at this point shows another rate increase by around 3% of payroll in July 2023.

During preparation of the budget for the ensuing year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The City's adopted budget for the July 1, 2021 to June 30, 2022 annual budget reflects total appropriations of \$72,281,268. The following are major assumptions used in developing the annual budget.

- The City continues to levy property taxes at \$5.1364 per \$1,000 of assessed value.
- Assessed property value within the City was expected to grow by 3% plus the amount underfunded by the Northwest Lebanon Urban Renewal District.
- 3.1% rate increase for Utilities.
- Interest rates have decreased since the COVID-19 pandemic. At June 30, 2021 all City investments were within the Local Government Investment Pool (LGIP) at a rate of 0.60%. The LGIP rate has since decreased to 0.45%.
- Cost of Living increases were proposed for all at 1.4%. The Teamsters union contract was renewed after the budget process and had 3% market increases for Police Officers and Sergeants and cost of living increase of 2% for all.
- Health Care benefits have been budgeted to slightly increase but we have since learned they will remain flat.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the resources it receives.

If you have any questions about this report or need additional information, contact the City of Lebanon City Hall at 925 S. Main Street, Lebanon, Oregon 97355.

# **BASIC FINANCIAL STATEMENTS**

- GOVERNMENT-WIDE STATEMENTS
- FUND FINANCIAL STATEMENTS
  - GOVERNMENTAL FUNDS
  - PROPRIETARY FUNDS
- NOTES TO THE BASIC FINANCIAL STATEMENTS



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**CITY OF LEBANON, OREGON**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	Governmental Activities	Business-Type Activities	Total Primary Government
<b>ASSETS</b>			
Cash and investments - unrestricted	\$ 20,228,833	\$ 8,098,594	\$ 28,327,427
Cash and investments - restricted	178,295	-	178,295
Taxes receivable	424,349	-	424,349
Accounts receivable, net	1,202,667	2,035,234	3,237,901
Assessments receivable including interest, net	745,079	453,509	1,198,588
Internal balances	325,168	(325,168)	-
Other assets	143	202,710	202,853
Net other postemployment benefits asset	126,811	43,938	170,749
Capital assets:			
Capital assets not being depreciated	2,983,309	2,344,076	5,327,385
Depreciable capital assets, net of depreciation	32,158,680	76,679,013	108,837,693
Intangible assets, net of amortization	89,077	-	89,077
Total assets	<u>58,462,411</u>	<u>89,531,906</u>	<u>147,994,317</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related deferrals	3,077,897	1,066,442	4,144,339
OPEB related deferrals	49,234	17,059	66,293
Total deferred outflows of resources	<u>3,127,131</u>	<u>1,083,501</u>	<u>4,210,632</u>
Total assets & deferred outflows of resources	<u>\$ 61,589,542</u>	<u>\$ 90,615,407</u>	<u>\$ 152,204,949</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 307,933	\$ 407,548	\$ 715,481
Accrued payroll	156,536	37,898	194,434
Deposits	3,280	243,990	247,270
Unearned revenue	1,813,603	-	1,813,603
Accrued interest payable	169,927	303,968	473,895
Noncurrent liabilities:			
Portion due or payable within one year:			
Compensated absences	144,491	52,106	196,597
Bond premium, net	146,668	3,351	150,019
Loans, bonds, leases and notes payable	3,021,376	1,624,170	4,645,546
Portion due or payable after one year:			
Compensated absences	433,474	156,314	589,788
Bond premium, net	1,016,098	28,763	1,044,861
Loans, bonds, leases and notes payable	22,190,686	24,503,199	46,693,885
Net pension liability	9,387,425	3,252,589	12,640,014
Net OPEB liability	261,708	90,677	352,385
Total liabilities	<u>39,053,205</u>	<u>30,704,573</u>	<u>69,757,778</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related deferrals	807,209	279,685	1,086,894
OPEB related deferrals	41,745	14,464	56,209
Total deferred inflows of resources	<u>848,954</u>	<u>294,149</u>	<u>1,143,103</u>
<b>NET POSITION</b>			
Net investment in capital assets	8,856,238	52,863,606	61,719,844
Restricted:			
Debt service	234,050	-	234,050
Public safety	21,966	-	21,966
Highways and streets	5,683,191	-	5,683,191
Culture and recreation	2,943,230	-	2,943,230
Building & engineering	798,234	-	798,234
Urban renewal projects	3,395,830	-	3,395,830
Utility capital projects	-	4,281,634	4,281,634
Unrestricted	(245,356)	2,471,445	2,226,089
Total net position	<u>21,687,383</u>	<u>59,616,685</u>	<u>81,304,068</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 61,589,542</u>	<u>\$ 90,615,407</u>	<u>\$ 152,204,949</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

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**CITY OF LEBANON, OREGON  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

ACTIVITIES	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Totals
<b>Primary government:</b>							
Governmental activities							
General government	\$ 2,896,729	\$ 793,822	\$ 1,285,013	\$ 35	\$ (817,859)	\$ -	\$ (817,859)
Public safety	5,333,854	608,506	6,178	16,300	(4,702,870)	-	(4,702,870)
Highways and Streets	1,561,346	630,430	1,750,427	148,770	968,281	-	968,281
Culture and recreation	1,941,534	920,956	163,673	44,742	(812,163)	-	(812,163)
Community planning	1,007,658	119,413	-	-	(888,245)	-	(888,245)
Transit	395,457	457	512,740	2,197	119,937	-	119,937
Interest and fiscal charges	997,293	-	-	-	(997,293)	-	(997,293)
Total government activities	14,133,871	3,073,584	3,718,031	212,044	(7,130,212)	-	(7,130,212)
Business-type activities							
Water	4,715,845	5,556,195	37,070	288,634	-	1,166,054	1,166,054
Wastewater	6,747,746	6,290,547	20,082	107,952	-	(329,165)	(329,165)
Storm Drainage	464,517	553,786	157	25,789	-	115,215	115,215
Total business-type activities	11,928,108	12,400,528	57,309	422,375	-	952,104	952,104
Total primary government	26,061,979	15,474,112	3,775,340	634,419	(7,130,212)	952,104	(6,178,108)
<b>GENERAL REVENUES</b>							
Property taxes					10,079,248	-	10,079,248
Other taxes					206,294	-	206,294
Transient lodging taxes					237,622	-	237,622
Franchise Fees					2,381,699	-	2,381,699
Intergovernmental							
Earnings on investments					218,920	81,274	300,194
Miscellaneous					-	153,157	153,157
Asset Transfer IN (OUT)					(17,600)	17,600	-
TRANSFERS IN (OUT)					1,121,781	(1,121,781)	-
Total general revenues and transfers					14,227,964	(869,750)	13,358,214
<b>SPECIAL ITEMS</b>							
Loss on asset disposal					-	(677,979)	(677,979)
<b>CHANGE IN NET POSITION</b>							
					7,097,752	(595,625)	6,502,127
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>							
					14,589,631	60,212,310	74,801,941
<b>NET POSITION, JUNE 30, 2021</b>							
					\$ 21,687,383	\$ 59,616,685	\$ 81,304,068

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF LEBANON, OREGON  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2021**

	General Fund	Northwest Urban Renewal District Fund	General Obligation Bond Fund	System Development Parks Improvement Fund	System Development Street Improvement Fund	Non-Major Governmental Funds	Totals
<b>ASSETS</b>							
Cash and investments	\$ 6,581,004	\$ 2,583,816	\$ 215,446	\$ 2,396,699	\$ 3,792,342	\$ 4,659,526	\$ 20,228,833
Taxes receivable	237,625	60,390	68,578	-	-	57,756	424,349
Accounts receivable	573,150	-	-	-	-	629,517	1,202,667
Assessment receivable	-	-	-	481,012	230,977	33,090	745,079
Due from other funds	-	-	-	-	-	23,393	23,393
Restricted cash and investments	-	-	-	-	-	178,295	178,295
Prepaid items	143	-	-	-	-	-	143
Interfund loan receivable	-	-	-	48,696	325,168	-	373,864
<b>Total assets</b>	<b>\$ 7,391,922</b>	<b>\$ 2,644,206</b>	<b>\$ 284,024</b>	<b>\$ 2,926,407</b>	<b>\$ 4,348,487</b>	<b>\$ 5,581,577</b>	<b>\$ 23,176,623</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 144,876	\$ -	\$ -	\$ -	\$ 5,215	\$ 157,842	\$ 307,933
Accrued payroll	126,658	-	-	-	-	29,878	156,536
Due to other funds	-	-	-	-	-	23,393	23,393
Unearned revenue	1,737,838	-	-	-	-	75,765	1,813,603
Deposits	3,280	-	-	-	-	-	3,280
Interfund loans payable	-	-	-	-	-	48,696	48,696
<b>Total liabilities</b>	<b>2,012,652</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,215</b>	<b>335,574</b>	<b>2,353,441</b>
<b>Deferred Inflows of Resources:</b>							
Unavailable revenue - property taxes	210,435	53,957	60,599	-	-	51,223	376,214
Unavailable revenue - receivables	289,239	-	-	432,356	211,836	50,523	983,954
<b>Total deferred inflows of resources</b>	<b>499,674</b>	<b>53,957</b>	<b>60,599</b>	<b>432,356</b>	<b>211,836</b>	<b>101,746</b>	<b>1,360,168</b>
<b>Fund balances:</b>							
Restricted	-	2,590,249	223,425	2,494,051	4,131,436	4,022,419	13,461,580
Committed	-	-	-	-	-	233,073	233,073
Assigned	-	-	-	-	-	893,628	893,628
Unassigned	4,879,596	-	-	-	-	(4,863)	4,874,733
<b>TOTAL FUND BALANCES</b>	<b>4,879,596</b>	<b>2,590,249</b>	<b>223,425</b>	<b>2,494,051</b>	<b>4,131,436</b>	<b>5,144,257</b>	<b>19,463,014</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>	<b>\$ 7,391,922</b>	<b>\$ 2,644,206</b>	<b>\$ 284,024</b>	<b>\$ 2,926,407</b>	<b>\$ 4,348,487</b>	<b>\$ 5,581,577</b>	<b>\$ 23,176,623</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF LEBANON, OREGON  
RECONCILIATION OF STATEMENT OF GOVERNMENTAL FUNDS  
BALANCE SHEET TO STATEMENT OF NET POSITION  
JUNE 30, 2021**

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<b>TOTAL FUND BALANCE</b>	<b>\$ 19,463,014</b>
Total net position shown in the Statement of Net Position is different because:	
A portion of the City's receivables are collected after year-end but they are not collected soon enough to be available as financial resources for the current year. The revenues related to these receivables are deferred and not reported in the governmental funds.	1,360,168
Capital assets are not financial resources for budgetary purposes and therefore are not reported in the governmental funds.	35,231,066
Other long-term assets are prepaid or are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds:	
Net OPEB asset	126,811
Deferred outflows of resources from pensions - current year pension contributions, changes of assumptions, projected and actual earnings on investments, changes in proportionate share, proportionate share of system contributions	3,077,897
Deferred outflows of resources from OPEB - current year pension contributions, changes in assumptions, changes in proportionate share, investment experience, plan experience	49,234
Other long-term liabilities that are not due and payable in the current period and are not reported in the governmental funds include:	
Accrued interest payable	(169,927)
Compensated absences	(577,965)
Contracts, bonds, notes, and loans payable	(26,374,828)
Net pension liability	(9,387,425)
Net OPEB liability	(261,708)
Other long-term liabilities are acquired and apply to future periods and are not recognized as revenues until that time and, therefore, are deferred in the governmental funds:	
Deferred inflows of resources from pensions - changes in proportionate share, proportionate share of system contributions	(807,209)
Deferred inflows of resources from OPEB - projected and actual earnings on investments	(41,745)
<b>TOTAL NET POSITION</b>	<b><u>\$ 21,687,383</u></b>

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF LEBANON, OREGON  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	General Fund	Northwest Urban Renewal District Fund	General Obligation Bond Fund	System Development Parks Improvement Fund	System Development Street Improvement Fund	Non-Major Governmental Funds	Totals
<b>REVENUES:</b>							
Property taxes	\$ 5,911,329	\$ 973,419	\$ 1,815,538	\$ -	\$ -	\$ 1,415,422	\$ 10,115,708
Other taxes	206,294	-	-	-	-	237,622	443,916
Franchise Fees	2,381,699	-	-	-	-	-	2,381,699
Licenses and permits	65,165	-	-	-	-	578,971	644,136
Fines, forfeitures, and penalties	494,708	-	-	-	-	-	494,708
Special assessment collections	-	-	-	777,996	625,670	92,743	1,496,409
Interest	62,284	23,635	13,177	29,430	41,898	48,496	218,920
Intergovernmental	1,028,370	-	-	-	-	2,689,661	3,718,031
Charges for services	3,540	-	-	-	-	271,875	275,415
Contributions	35	-	-	-	-	63,239	63,274
Rent	16,177	-	-	-	-	-	16,177
Miscellaneous	110,280	-	-	-	-	35,875	146,155
<b>TOTAL REVENUES</b>	<b>10,279,881</b>	<b>997,054</b>	<b>1,828,715</b>	<b>807,426</b>	<b>667,568</b>	<b>5,433,904</b>	<b>20,014,548</b>
<b>EXPENDITURES:</b>							
Current:							
General government	1,848,824	-	-	-	-	949,018	2,797,842
Public safety	5,697,308	-	-	-	-	7,856	5,705,164
Highways and Streets	-	-	-	-	-	957,478	957,478
Culture and recreation	781,988	-	-	-	-	929,607	1,711,595
Community planning	371,244	-	-	-	-	683,656	1,054,900
Transit	-	-	-	-	-	432,273	432,273
Debt service:							
Principal	79,578	128,077	1,535,000	-	-	1,687,835	3,430,490
Interest and fiscal charges	43,613	98,067	452,056	-	-	606,800	1,200,536
Capital outlay	-	-	-	3,001	112,934	355,911	471,846
<b>TOTAL EXPENDITURES</b>	<b>8,822,555</b>	<b>226,144</b>	<b>1,987,056</b>	<b>3,001</b>	<b>112,934</b>	<b>6,610,434</b>	<b>17,762,124</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,457,326</b>	<b>770,910</b>	<b>(158,341)</b>	<b>804,425</b>	<b>554,634</b>	<b>(1,176,530)</b>	<b>2,252,424</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in	760,493	1,108,568	401,900	-	313,645	3,084,441	5,669,047
Transfers out	(1,379,365)	(1,267,823)	-	(6,312)	(6,312)	(1,244,595)	(3,904,407)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(618,872)</b>	<b>(159,255)</b>	<b>401,900</b>	<b>(6,312)</b>	<b>307,333</b>	<b>1,839,846</b>	<b>1,764,640</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>838,454</b>	<b>611,655</b>	<b>243,559</b>	<b>798,113</b>	<b>861,967</b>	<b>663,316</b>	<b>4,017,064</b>
<b>FUND BALANCE, JUNE 30, 2020 (RESTATED)</b>	<b>4,041,142</b>	<b>1,978,594</b>	<b>(20,134)</b>	<b>1,695,938</b>	<b>3,269,469</b>	<b>4,459,051</b>	<b>15,424,060</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ 4,879,596</b>	<b>\$ 2,590,249</b>	<b>\$ 223,425</b>	<b>\$ 2,494,051</b>	<b>\$ 4,131,436</b>	<b>\$ 5,122,367</b>	<b>\$ 19,441,124</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF LEBANON, OREGON  
RECONCILIATION OF STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL  
FUNDS TO STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**NET CHANGE IN FUND BALANCES** \$ 4,017,064

The change in net position reported in the Statement of Activities is different because:

Governmental funds report capital outlay as an expenditure. However, in the Statement of Activities the cost of those assets is capitalized. Their value is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	255,335
Contributed Capital	148,770
Amortization	(9,927)
Depreciation	(1,495,359)

Long-term debt principal payments are recorded as expenditures in the governmental funds and issuance of long-term debt is recorded as an other financing source. In the Statement of Activities issuance of long-term debt reduces net position and the payment of long-term debt principal increases net position.

Transfers in from business-type for debt principal	(600,000)
Payment of long-term debt principal	3,490,779
Bond premium amortization	146,668

Receivables that do not meet the "measurable and available" criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities they are recognized as revenue when levied or earned.

(35,876)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Changes related to long-term liabilities included:

Accrual of interest payable	20,649
Accrual of compensated absences	29,607
Accrual of pension items	346,201
Accrual of net OPEB items	783,841

**CHANGE IN NET POSITION** \$ 7,097,752

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## **FUND FINANCIAL STATEMENTS**

### **PROPRIETARY FUNDS**

#### **ENTERPRISE FUNDS:**

*These funds account for activities and services performed primarily for external users. Charges are based on the cost of services.*

- **WATER, WASTEWATER, AND STORM DRAINAGE FUNDS** – Account for the operation, maintenance, debt service, and capital improvements of water, wastewater, and storm drainage system of the City. The primary source of revenue is user service charges.

**CITY OF LEBANON, OREGON  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021**

	Business Type Activities - Enterprise Funds			
	Water Funds	Wastewater Funds	Storm Drainage Funds	Totals
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 3,186,912	\$ 4,327,542	\$ 584,140	\$ 8,098,594
Accounts receivable, net	600,920	741,025	66,365	1,408,310
Unbilled utilities receivable	262,230	347,239	17,455	626,924
Assessments receivable	228,140	196,380	28,989	453,509
Prepaid	1,146	-	-	1,146
Inventory	201,564	-	-	201,564
<b>Total current assets</b>	<b>4,480,912</b>	<b>5,612,186</b>	<b>696,949</b>	<b>10,790,047</b>
Noncurrent assets:				
Net OPEB asset	20,736	21,316	1,886	43,938
Capital assets:				
Capital assets not being depreciated	784,236	1,559,840	-	2,344,076
Depreciable capital assets, net of depreciation	44,881,055	30,058,348	1,739,610	76,679,013
<b>Total noncurrent assets</b>	<b>45,686,027</b>	<b>31,639,504</b>	<b>1,741,496</b>	<b>79,067,027</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related deferrals	503,295	517,372	45,775	1,066,442
OPEB related deferrals	8,051	8,276	732	17,059
<b>Total deferred outflows of resources</b>	<b>511,346</b>	<b>525,648</b>	<b>46,507</b>	<b>1,083,501</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>50,678,285</b>	<b>37,777,338</b>	<b>2,484,952</b>	<b>90,940,575</b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	36,486	357,936	13,126	407,548
Accrued payroll	18,027	19,191	680	37,898
Compensated absences	27,530	22,735	1,841	52,106
Deposits	243,990	-	-	243,990
Accrued interest payable	286,186	17,782	-	303,968
Current portion of long-term debt:				
Bond premium	3,351	-	-	3,351
Loans and notes payable	899,170	725,000	-	1,624,170
<b>Total current liabilities</b>	<b>1,514,740</b>	<b>1,142,644</b>	<b>15,647</b>	<b>2,673,031</b>
Noncurrent liabilities:				
Compensated absences	82,588	68,203	5,523	156,314
Non-Current portion of long-term debt:				
Bond premium	-	28,763	-	28,763
Loans and notes payable	21,408,199	3,095,000	-	24,503,199
Net pension liability	1,535,021	1,577,958	139,610	3,252,589
Net OPEB liability	42,794	43,991	3,892	90,677
Interfund loan payable	-	-	325,168	325,168
<b>Total noncurrent liabilities</b>	<b>23,068,602</b>	<b>4,813,915</b>	<b>474,193</b>	<b>28,356,710</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferrals	131,994	135,686	12,005	279,685
OPEB related deferrals	6,826	7,017	621	14,464
<b>Total deferred outflows of resources</b>	<b>138,820</b>	<b>142,703</b>	<b>12,626</b>	<b>294,149</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>24,722,162</b>	<b>6,099,262</b>	<b>502,466</b>	<b>31,323,890</b>
<b>NET POSITION</b>				
Net investment in capital assets	23,354,571	27,769,425	1,739,610	52,863,606
Restricted	542,682	3,476,451	262,501	4,281,634
Unrestricted	2,058,870	432,200	(19,625)	2,471,445
<b>TOTAL NET POSITION</b>	<b>\$ 25,956,123</b>	<b>\$ 31,678,076</b>	<b>\$ 1,982,486</b>	<b>\$ 59,616,685</b>

The accompanying notes to the basic financial statements are an integral part of this statement.



**CITY OF LEBANON, OREGON**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Business Type Activities - Enterprise Funds			
	Water Funds	Wastewater Funds	Storm Drainage Funds	Totals
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 5,223,602	\$ 5,782,034	\$ 511,925	\$ 11,517,561
Intergovernmental	37,070	20,082	157	57,309
System development charges	332,593	508,513	41,861	882,967
Other	149,831	2,854	472	153,157
<b>TOTAL OPERATING REVENUE</b>	<b>5,743,096</b>	<b>6,313,483</b>	<b>554,415</b>	<b>12,610,994</b>
<b>OPERATING EXPENSES:</b>				
Personnel Services	2,088,524	2,476,689	239,269	4,804,482
Materials and services	1,115,662	3,302,960	173,759	4,592,381
Depreciation and amortization	1,106,582	1,042,888	43,321	2,192,791
<b>TOTAL OPERATING EXPENSES</b>	<b>4,310,768</b>	<b>6,822,537</b>	<b>456,349</b>	<b>11,589,654</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,432,328</b>	<b>(509,054)</b>	<b>98,066</b>	<b>1,021,340</b>
<b>NONOPERATING INCOME (EXPENSE):</b>				
Interest income	30,320	46,110	4,844	81,274
Interest expense	(405,077)	74,791	(8,168)	(338,454)
Gain (loss) on disposal of assets	-	(677,979)	-	(677,979)
<b>TOTAL NONOPERATING INCOME (EXPENSE)</b>	<b>(374,757)</b>	<b>(557,078)</b>	<b>(3,324)</b>	<b>(935,159)</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<b>1,057,571</b>	<b>(1,066,132)</b>	<b>94,742</b>	<b>86,181</b>
<b>TRANSFERS AND CONTRIBUTIONS</b>				
Capital Contributions	288,634	107,952	25,789	422,375
Transfers in	17,600	-	-	17,600
Transfers out	(778,425)	(301,766)	(41,590)	(1,121,781)
<b>TOTAL TRANSFERS AND CONTRIBUTIONS</b>	<b>(472,191)</b>	<b>(193,814)</b>	<b>(15,801)</b>	<b>(681,806)</b>
<b>CHANGE IN NET POSITION</b>	<b>585,380</b>	<b>(1,259,946)</b>	<b>78,941</b>	<b>(595,625)</b>
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>	<b>25,370,743</b>	<b>32,938,022</b>	<b>1,903,545</b>	<b>60,212,310</b>
<b>NET POSITION, JUNE 30, 2021</b>	<b>\$ 25,956,123</b>	<b>\$ 31,678,076</b>	<b>\$ 1,982,486</b>	<b>\$ 59,616,685</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF LEBANON, OREGON  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Business Type Activities - Enterprise Funds			Totals
	Water Funds	Wastewater Funds	Storm Drainage Funds	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers/tenants	\$ 5,550,875	\$ 6,316,631	\$ 519,759	\$ 12,387,265
Cash paid to suppliers for goods and services	(1,097,174)	(3,068,600)	(169,544)	(4,335,318)
Cash paid to employees for services	(1,419,284)	(1,484,351)	(126,229)	(3,029,864)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3,034,417</b>	<b>1,763,680</b>	<b>223,986</b>	<b>5,022,083</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Principal paid on bonds, contracts and loans payable	(866,225)	(771,734)	-	(1,637,959)
Interest paid on bonds, contracts and loans payable	(528,502)	44,590	(8,168)	(492,080)
Capital contributed	306,234	107,952	25,789	439,975
Acquisition of capital assets	(836,065)	(501,541)	(25,789)	(1,363,395)
Proceeds from sale of capital assets	-	(677,979)	-	(677,979)
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(1,924,558)</b>	<b>(1,798,712)</b>	<b>(8,168)</b>	<b>(3,731,438)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers from (to) other funds	(778,425)	(301,766)	(41,590)	(1,121,781)
<b>NET CASH FROM NONCAPITAL FINANCING ACTIVITIES</b>	<b>(778,425)</b>	<b>(301,766)</b>	<b>(41,590)</b>	<b>(1,121,781)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest received on investments	30,320	46,110	4,844	81,274
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>30,320</b>	<b>46,110</b>	<b>4,844</b>	<b>81,274</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>361,754</b>	<b>(290,688)</b>	<b>179,072</b>	<b>250,138</b>
<b>CASH AND CASH EQUIVALENTS, JUNE 30, 2020</b>	<b>2,825,158</b>	<b>4,618,230</b>	<b>405,068</b>	<b>7,848,456</b>
<b>CASH AND CASH EQUIVALENTS, JUNE 30, 2021</b>	<b>\$ 3,186,912</b>	<b>\$ 4,327,542</b>	<b>\$ 584,140</b>	<b>\$ 8,098,594</b>
<b>RECONCILIATION TO THE STATEMENT OF NET POSITION</b>				
Current assets:				
Cash and cash equivalents	\$ 3,186,912	\$ 4,327,542	\$ 584,140	\$ 8,098,594
	<u>\$ 3,186,912</u>	<u>\$ 4,327,542</u>	<u>\$ 584,140</u>	<u>\$ 8,098,594</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 1,432,328	\$ (509,054)	\$ 98,066	\$ 1,021,340
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation and amortization	1,106,582	1,042,888	43,321	2,192,791
Pension and OPEB expense	606,684	939,750	107,735	1,654,169
Changes in assets and liabilities:				
Accounts and other receivables	(158,326)	(30,273)	2,357	(186,242)
Other assets	9,243	33,421	819	43,483
Accounts and claims payable	8,388	234,360	4,215	246,963
Accrued payroll	(1,501)	6,095	(2,059)	2,535
Compensated absences	64,057	46,493	7,364	117,914
Due to other funds	(43,138)	-	(37,832)	(80,970)
Deposits	10,100	-	-	10,100
Total adjustments	<u>1,602,089</u>	<u>2,272,734</u>	<u>125,920</u>	<u>4,000,743</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 3,034,417</b>	<b>\$ 1,763,680</b>	<b>\$ 223,986</b>	<b>\$ 5,022,083</b>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Contributions of capital from governments, developers, and customers	\$ 306,234	\$ 107,952	\$ 25,789	\$ 439,975

The accompanying notes to the basic financial statements are an integral part of this statement.

**CITY OF LEBANON, OREGON**  
**STATEMENT OF CASH FLOWS (Continued)**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Business Type Activities - Enterprise Funds			
	Water Funds	Wastewater Funds	Storm Drainage Funds	Totals
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 1,432,328	\$ (509,054)	\$ 98,066	\$ 1,021,340
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation and amortization	1,106,582	1,042,888	43,321	2,192,791
Pension and OPEB expense	606,684	939,750	107,735	1,654,169
Changes in assets and liabilities:				
Accounts and other receivables	(158,326)	(30,273)	2,357	(186,242)
Other assets	9,243	33,421	819	43,483
Accounts and claims payable	8,388	234,360	4,215	246,963
Accrued payroll	(1,501)	6,095	(2,059)	2,535
Compensated absences	64,057	46,493	7,364	117,914
Due to other funds	(43,138)	-	(37,832)	(80,970)
Deposits	10,100	-	-	10,100
Total adjustments	1,602,089	2,272,734	125,920	4,000,743
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 3,034,417</b>	<b>\$ 1,763,680</b>	<b>\$ 223,986</b>	<b>\$ 5,022,083</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

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# Notes to the Basic Financial Statements



**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2021

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The City of Lebanon, Oregon (City) is a municipal corporation incorporated under the laws of the State of Oregon. The City is governed by an elected Mayor and an elected six-member council. Administration officials are appointed by the council and are responsible for the day-to-day operations of the City.

The financial statements of the City have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). GAAP Statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The following is a summary of the more significant policies of the City:

Reporting Entity

In determining the financial reporting entity, the City of Lebanon complies with Governmental Accounting Standards Board Statement 14 as amended, "The Financial Reporting Entity." The criteria for including organizations as component units within the City's reporting entity, include whether 1) the organization is legally separate (can sue and be sued in their own name); 2) the City holds the corporate powers of the organization; 3) the City appoints a voting majority of the organization's board; 4) the City is able to impose its will on the organization; 5) the organization has the potential to impose a financial benefit/burden on the City; and 6) there is fiscal dependency by the organization on the City. Based on the aforementioned criteria, the City of Lebanon has one component unit: Lebanon Urban Renewal Agency.

*Blended Component Unit* – The City has included the financial operations of the four funds of Lebanon Urban Renewal Agency as blended component unit in the basic financial statements.

- *Northwest Urban Renewal District*
- *Cheadle Lake Urban Renewal District*
- *North Gateway Urban Renewal District*
- *Downtown Urban Renewal District*

The Agency is a legally separate entity, which is governed by a board comprised of the members of the City Council as stipulated in the Agency's bylaws. The City Council has the ability to impose its will on the Agency as determined on the basis of budget adoption, taxing authority, and funding for the Agency. The Agency funds are reported as special revenue funds. The Agency issues separate financial statements, which can be obtained from the Finance Department of the City.

Basis of Presentation

*Government-wide Statements:* The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the overall City. Eliminations have been made to minimize the double counting of internal activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT):**

Basis of Presentation (Cont.)

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

Net position is reported as restricted when constraints placed on net asset use are either externally restricted, imposed by creditors (such as through grantors, contributors or laws) or through constitutional provisions or enabling resolutions.

*Fund Financial Statements:* The fund financial statements provide information about the city's funds including those of a fiduciary nature, if applicable. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

**Governmental Funds** are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City reports the following major governmental funds:

General Fund - The General Fund is the main operating fund of the City. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Northwest Lebanon Urban Renewal District – In 1989, the City established the Northwest Urban Renewal District. The purpose of the District is to provide for the development of infrastructure to serve industrially zoned property within the District boundaries. The area is located west of Highway 20 and north of Highway 34. The primary source of revenue is property taxes.

G.O. Full Faith & Credit Bond Fund – This fund is used for the to account for the revenue and debt payments owed on the 2013 Full Faith and Credit Bonds. The primary source of revenues for this fund includes interfund transfers from the Water Fund and the Northwest Urban Renewal District Fund for their respective shares of debt.

SDC – Parks Improvements Fund – This fund is used to account for the revenues and expenditures associated with the purchase or construction of major repairs and improvements to the City's Parks. The primary sources of revenue are system development charges and interest.

SDC – Street Improvements Fund – This fund is used to account for the revenues and expenditures associated with the purchase, construction, and major repair of street improvements. The primary sources of revenue are system development charges and interest.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

Basis of Presentation (Cont.)

**Proprietary Funds** are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary funds:

Water Fund - The Water Fund is used to account for the provision of water services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water system and billing and collection activities.

Wastewater Fund - The Wastewater Fund is used to account for the provision of wastewater services to the residents of the City. Activities of the fund include administration, operations and maintenance of the wastewater system and billing and collection activities.

Storm Drain Fund - The Storm Drain Fund is used to account for the provision of storm drainage services to the residents of the City. Activities of the fund include administration, operations and maintenance of the storm drainage system and billing and collection activities.

Measurement Focus/Basis of Accounting

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 at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the city receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the city funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the city's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they are measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The city considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when the obligations are expected to be liquidated with expendable available financial resources. Property taxes, interest and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when the cash is received by the government and are recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if the "susceptible to accrual" criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the city's Wastewater, Water, and Storm Drainage funds are charges to customers for sales and services. These funds also recognize fees intended to recover the cost of connecting new customers to the city's utility systems as operating revenue. Operating expenses for enterprise funds include the cost of sales



**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2021

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

Measurement Focus/Basis of Accounting (Cont.)

and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budgeting

A budget is prepared for each city fund in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon local budget law. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personnel services, materials and services, capital outlay, contingencies, and debt service by fund are the levels of control. The budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories. Appropriations lapse on June 30. Unexpected additional resources may be added to the budget by a supplemental budget and appropriations resolution. A supplemental budget may require hearings before the public, publications in newspapers, and approval by the city council. Original and supplemental budgets may be modified by using appropriations transfers between the levels of control. Such transfers require approval by the city council. The city does not utilize encumbrance accounting for budgeted funds.

Cash and Investments

For purposes of the statement of cash flows, cash and cash equivalents include cash on hand, checking, savings and money market accounts and any short-term, highly liquid investments with initial maturity dates of three months or less.

The City has adopted an investment policy requiring compliance with Oregon statutes, which authorizes the City to invest in obligations of the United States, the agencies and instrumentalities of the United States and the State of Oregon, and numerous other investment instruments.

The City's investments may consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The City's investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings. The LGIP is stated at cost, which approximates fair value. Fair value of the LGIP is the same as the City's value in the pool shares.

The Oregon State Treasury administers the LGIP. It is an open-ended, non-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 included in the Oregon Short Term Fund (OSTF) which was established by the State Treasurer.

In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

Accumulated Compensated Absences

Accumulated vested vacation and compensatory pay is accrued as it is earned. For governmental funds, compensation not expected to be liquidated with the current resources are reported as liabilities in the government-wide statements and represent a reconciling item between the fund level and government-wide presentations. In business-type funds both the current and long-term liabilities are recorded. Sick pay, which does not vest, is recognized in applicable funds when leave is taken.

Receivables

Amounts due from individuals, organizations or other governmental units are recorded as receivables at year-end. These amounts include charges for services rendered, or for goods and material provided by the City. Included in accounts receivable are court fines and assessments. These charges often go unpaid, the City has setup an allowance account that reduces

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

the account receivable balance down to an amount that is reasonably expected to be received. Besides court receivables, all other receivables are expected to be collected. The receivables amount is shown net of the allowance for uncollectable accounts.

Receivables are also recognized for property taxes and intergovernmental grants. Property taxes receivable consist of uncollected taxes levied and payable at the end of the fiscal year. All taxes are considered collectible. Consequently, no allowance for uncollectible taxes has been established. In the governmental fund financial statements, property taxes not collected within sixty days of the end of the fiscal year are reported as a deferred inflow or resources.

**Deferred Inflows/Outflows of Resources:**

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, deferred pension contributions and OPEB related deferrals. In the governmental funds balance sheet, different categories of deferred inflow of resources are reported, unavailable revenues from property taxes, court fines, bike path and special assessments.

Property taxes levied and considered receivable at the end of the fiscal year, but not collected within sixty days of the end of the fiscal year are reported in this category. These amounts are recognized as an inflow of resources (revenue) in the period that the amounts become available.

**Inventory**

Inventory in the Water fund is determined by physical count and is stated at the lower of cost (first in, first out) or market. Expenses are recognized when inventories are consumed. Other inventories are taken for control purposes only with no dollar value assigned.

**Restricted Assets and Liabilities**

Certain resources are set aside and restricted for future bond payments and the related liability; these resources are segregated in the statement of net position and are classified as restricted assets on the Statement of Net Position because their use is limited.

**Long-Term Debt**

All bonds and capital leases to be paid from governmental and business-type resources are reported as liabilities in the government-wide financial statements. Amounts of the long-term debt due within the following fiscal year are included in the current liabilities section of the Statement of Net Position.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide statements.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2021

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Purchased or constructed capital assets are reported at cost, or estimated cost when original cost is not available. Donated capital assets are valued at their estimated fair market value on the date received. Maintenance and repairs of capital assets that do not significantly extend the useful life of an asset are not capitalized, but rather are charged to expenditures in the funds.

Assets capitalized have an original cost of \$5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method.

The estimated useful lives are as follows:

Buildings and Improvements	10-50 years
Machinery and Equipment	5-20 years
Vehicles	5-10 years
Water and Wastewater Systems	20-50 years
Infrastructure	25-50 years

Use of Estimates

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

Equity Classifications:

*Government-wide Statements and Proprietary Fund Financial Statements*

Equity is classified as net position, which represents the difference between assets and liabilities, and deferred accounts. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantor, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The City’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

*Governmental Fund Financial Statements*

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable**: This classification includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. The City did not have any nonspendable resources as of June 30, 2021.
- **Restricted**: This classification includes fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The City has restricted funds for public works projects, capital projects and debt service.
- **Committed**: This classification includes fund balance amounts that are constrained for specific purpose that are internally imposed by the government through resolution of the highest level of decision-making authority, the City Council, and does not lapse at year-end. The City has committed resources as of June 30, 2021.
- **Assigned**: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to selected staff members or through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- **Unassigned**: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories, and negative fund balances of other governmental funds.

The City's policy is to use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of the constrained fund balances.

**Property Taxes**

The assessment date for the tax year is July 1. Personal and real property taxes are a lien on July 1. Total personal property tax becomes due and is delinquent when any installment is not paid by its due date. Real property tax is due and payable on November 15. However, a taxpayer may pay real property taxes in three equal installments, due the 15th day of November, February, and May. Real property taxes become delinquent if not paid by May 15.

**Inter-Fund Transactions**

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers in the fund financial statements. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

**Pensions**

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

**Other Post-Employment Benefits (OPEB)**

The City reports two components of post-employment benefits other than pensions (OPEB) - Oregon Public Employees Retirement System Retiree Health Insurance Account (OPERS RHIA) and a single-employer defined benefit post-employment health plan.

OPEB – Retirement Health Insurance Account (RHIA) - For purposes of measuring the net OPEB asset (liability), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS), and additions to/deductions from OPERS's fiduciary 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 market value.

OPEB – Retiree Healthcare Insurance Premiums Subsidy - The City reports an OPEB liability related to the implicit subsidy arising from the City's single-employer defined benefit post-employment health plan. For the purpose of measuring the City's OPEB liability related to OPEB, and OPEB expense, information has been determined based on an Alternative Measurement Method by an actuarial valuation tool. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

**CASH AND INVESTMENTS:**

For discussion of deposit and investment policies and other related information, see Cash and Investments note under the Summary of Significant Accounting Policies.

The City follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Various restrictions on deposits and investments are imposed by state statutes. These restrictions are summarized at Cash and Investments note on under Investments, including amounts held in pool cash and investments are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, 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 prices, 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.

**Deposits** - All cash is deposited in compliance with Oregon statutes. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. FDIC insurance of \$250,000 applies to the deposits in each depository. ORS 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Oregon Public Funds Collateralization Program (PFCP). Where balances continually exceed \$250,000, ORS 295 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the state treasurer's website.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2021

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

*Custodial Credit Risk for Deposits* - Custodial credit risk for deposits exists when, in the event of a depository failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk.

As of June 30, 2021, the reported amount of the City's deposits was \$655,744 and the bank balance was \$1,000,616 and \$1,700 is in petty cash. Of the bank balance, the entire amount was insured by the FDIC or covered by the collateral held in a multiple financial institutions collateral pool administered by the Oregon State Treasurer. The restricted for debt service balance reported on the Statement of Net Position is \$178,264.

**Investments** - Oregon statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, banker's 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 Governmental Investment Pool. The City has no credit risk policy or investment policy that would further limit its investment choices.

*Credit Risk* - Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. The City's policy, which adheres to state law, is to limit its investments to the following: issuers within Oregon must be rated "A" (bonds) or A-2/P-2 (commercial paper) or better by Standard & Poor's or Moody's Investors Service or any other national recognized statistical rating organization. Issuers not in Oregon must be rated AA/Aa (bonds) or A-1/P-1 (commercial paper) or better.

At June 30, 2021, the City's investments consisted of the following:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Oregon State Treasurer's Local Government Investment Pool (LGIP)	\$ 27,669,983	N/A
Total Investments	<u>\$ 27,669,983</u>	

*Concentration of Credit Risk* – The City's policy for investing in individual issuers varies depending on the type of investments. U.S. Treasury and agency securities do not have restrictions regarding concentration with any one issuer.

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

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

- Level 1 – Unadjusted quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.
- Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

The Local Government Investment Pool is not in the leveling hierarchy.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2021

**CAPITAL ASSETS:**

The following is a summary of capital asset activity for the fiscal year ended June 30, 2021:

<b>Governmental Activities</b>	<b>June 30, 2020</b>	<b>Additions</b>	<b>Deletions</b>	<b>June 30, 2021</b>
<b>Assets not being depreciated:</b>				
Land	\$ 2,769,703	\$ -	\$ -	\$ 2,769,703
Construction In Progress	100,764	112,842		213,606
Total assets not being depreciated	2,870,467	112,842	-	2,983,309
<b>Assets being depreciated:</b>				
Buildings	19,119,295	-		19,119,295
Vehicles	2,791,909	61,108		2,853,017
Machinery & Equipment	4,750,180	65,937		4,816,117
Improvements	781,780	15,448		797,228
Infrastructure	70,736,504	148,770		70,885,274
Total Depreciable Assets	98,179,668	291,263	-	98,470,931
<b>Less: Accumulated Depreciation</b>				
Buildings	5,755,621	392,006	-	6,147,627
Vehicles	2,218,308	72,997	-	2,291,305
Machinery & Equipment	3,594,480	162,751	-	3,757,231
Improvements	4,092	25,823	-	29,915
Infrastructure	53,244,391	841,782	-	54,086,173
Total Accumulated Depreciation	64,816,892	1,495,359	-	66,312,251
Net Value of Capital Assets Being Depreciated	33,362,776	(1,204,096)	-	32,158,680
<b>Assets being amortized:</b>				
Intangible Assets	99,004	-	-	99,004
<b>Less:</b>				
Amortization	-	9,927	-	9,927
Net Value of Capital Assets being Amortized	99,004	(9,927)	-	89,077
Total Governmental Activities--Net Value of Capital Assets	<u>\$ 39,101,950</u>	<u>\$ (1,101,181)</u>	<u>\$ -</u>	<u>\$ 38,000,769</u>

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2021

**CAPITAL ASSETS (Cont.):**

<u>Business-type Activities</u>	<u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>
<b>Assets not being depreciated:</b>				
Land	\$ 1,278,827	\$ -	\$ -	\$ 1,278,827
Construction In Progress	381,931	685,864	2,546	1,065,249
Total assets not being depreciated	1,660,758	685,864	2,546	2,349,168
<b>Assets being depreciated:</b>				
Buildings	8,267,076	-	-	8,267,076
Vehicles	1,402,431	468,137	-	1,870,568
Machinery & Equipment	12,612,021	107,393	509,040	12,210,374
Improvements	-	59,037	-	59,037
Infrastructure	45,848,613	723,490	-	46,572,103
Water/Sewer Assets	35,244,437	-	1,205,700	34,038,737
Total Depreciable Assets	103,374,578	1,358,057	1,714,740	103,017,895
<b>Less: Accumulated Depreciation</b>				
Buildings	4,756,691	118,305	-	4,874,996
Vehicles	1,003,316	45,876	-	1,049,192
Machinery & Equipment	4,839,190	337,013	305,424	4,870,779
Infrastructure	1,572,315	917,262	-	2,489,577
Water/Sewer Assets	13,011,340	774,335	731,337	13,054,338
Total Accumulated Depreciation	25,182,852	2,192,791	1,036,761	26,338,882
Net Value of Capital Assets Being Depreciated	78,191,726	(834,734)	677,979	76,679,013
Total Business-type Activities--Net Value of Capital Assets	<u>\$ 79,852,484</u>	<u>\$ (148,870)</u>	<u>\$ 680,525</u>	<u>\$ 79,023,089</u>
<b>Total Net Value of Capital Assets of Primary Government</b>	<u>\$ 116,184,731</u>	<u>\$ (1,250,051)</u>	<u>\$ 680,525</u>	<u>\$ 114,254,155</u>

**Depreciation expense was charged to functions of the primary government as follows:**

Governmental Activities:		Business-Type Activities:	
General Government	\$ 297,936	Water	\$ 1,106,582
Public Safety	270,747	Sewer	1,042,888
Community Planning	2,984	Storm Drain	43,321
Transit	14,222	Total depreciation expense	<u>\$ 2,192,791</u>
Highways and Street	680,746		
Culture and Rec	218,797		
Total depreciation expense	<u>\$ 1,485,432</u>		

**Amortization expense was charged to functions of primary government as follows:**

Public Safety	\$ 9,927
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**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2021

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**LONG-TERM DEBT:**

In the following paragraphs, long-term debt information is presented separately with respect to governmental and business-type activities. The table below presents current year changes in those obligations and the current portions due for each issue.

**GOVERNMENTAL ACTIVITIES:**

NW URD - November 2, 2010, the City issued General Obligation Bonds for the Northwest URD. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is \$3,310,000 with an Interest rate between 2.0% and 3.5%. #LebanonUR10.

March 3, 2002, the City issued Pension Obligation Bonds, Series 2002 which are held by Wells Fargo Corporate Trust Services. The original balance of the bonds is \$2,081,188 with an interest rate between 2.0% and 7.36%. #2002 Pension Obligation Bonds, Series 2002 #12371007.

July 31, 2013 the City issued Full Faith and Credit and Refunding Obligations Bonds. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is \$15,235,000 with an interest rate between 2.0% and 4.0%. The amounts for these bonds are divide by the City for Northwest URD, Water and Wastewater. The amount allocated for this portion of the bonds is \$11,855,000. #LebanonFFC2013.

October 13, 2015 the City issued General Obligation Refunding Bonds, Series 2015 with Key Bank/ Zion Bank. The original balance of the bonds is \$12,800,000 and carry an annual interest rate between 1.65% and 5.0%. #Lebanon GO Ref. Bonds, Series 2015.

NW URD - May 13,2005, the City entered into a loan agreement with Business Oregon (IFA) for the Northwest Urban Renewal District. The original balance of the loan is \$3,699,984 with an interest rate between 4.0 - 4.375%. On April 10, 2018, a reduction of the loan amount set forth in the agreement occurred in exchange for a higher nominal interest rate, less certain issuance costs. This was done through Oregon Bond Bank Revenue Bonds, 2018. # B05003.

N GATEWAY URD - January 1, 2011, the City entered a Note Payable agreement with Samaritan Health Services for the N Gateway URD. The original balance of the loan is \$2,283,572. The loan carries an interest rate of 5.0% that was changed by the lender to 4.25% during the 2017-18 fiscal year.

May 29, 2009, the City entered into a Promissory Note agreement with Bank of New York Mellon. The original balance of the note is \$1,779,833 with an annual interest rate between 3.0% and 5.25%. On April 10, 2018, a reduction of the loan amount set forth in the agreement occurred in exchange for a higher nominal interest rate, less certain issuance costs. This was done through Oregon Bond Bank Revenue Bonds, 2018. Special Public Works Fund Loan #B07002.

CHEADLE LAKE URD - May 18, 2018, the City entered into a loan agreement with Opus Bank for Cheadle Lake URD. The original balance of the loan is \$4,232,723 and has a fixed annual interest rate of 2.88%. #530000006441.

September 19, 2017, the City entered into a Municipal Lease and Option agreement with Auto Leasing Specialist, LLC for the purchase of three 2018 Ford Interceptor SUV's for the Police Department. The agreement requires four payments of \$32,687, one upon acceptance and annually thereafter, interest included, beginning November 6, 2017.

September 19, 2017, the City entered into a Municipal Lease and Option agreement with Auto Leasing Specialist, LLC for the purchase of two 2017 Dodge Durango SUV's for the Police Department. The original amount financed was \$150,2000. The agreement requires four payments of \$34,534, one upon acceptance and annually, thereafter, interest included, beginning September 29, 2017.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**LONG-TERM DEBT (Cont.):**

**TOTAL GOVERNMENTAL ACTIVITIES DEBT AGREEMENTS:**

	<u>6/30/2020</u>			<u>6/30/2021</u>	<u>Due in</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>1 Year</u>
<b>Governmental Activities</b>					
Principal Transactions:					
Governmental Bonds					
Go Debt Bond Series 2015	\$ 10,210,000	\$ -	\$ 1,160,000	\$ 9,050,000	\$ 1,235,000
2002 Pension Obligation Bond	1,395,009	-	140,000	1,255,009	160,000
NW URD LebanonFFC2013	8,735,000	-	930,000	7,805,000	975,000
Total Governmental Bonds	<u>20,340,009</u>	<u>-</u>	<u>2,230,000</u>	<u>18,110,009</u>	<u>2,370,000</u>
Governmental Loans/Notes					
Cheadle Lake URD Opus Bank	3,527,495	-	250,254	3,277,241	257,461
GO Debt Loan B07002	893,621	-	79,578	814,043	85,161
NW URD B05003	2,007,869	-	128,077	1,879,792	134,047
N. Gateway URD Samaritan Health	1,241,432	-	142,581	1,098,851	142,581
Total Governmental Loans	<u>7,670,417</u>	<u>-</u>	<u>600,490</u>	<u>7,069,927</u>	<u>619,250</u>
Governmental Leases					
Police Lease 2798	30,406	-	30,406	-	-
Police Lease 2799	62,009	-	29,883	32,126	32,126
Police Lease 2743	-	-	-	-	-
Total Governmental Leases	<u>92,415</u>	<u>-</u>	<u>60,289</u>	<u>32,126</u>	<u>32,126</u>
Net Pension Liability	9,979,156	-	591,731	9,387,425	-
Net OPEB Liability	995,436	-	733,728	261,708	-
Compensated Absences	607,572	435,624	465,231	577,965	144,491
Total Governmental	<u>\$ 39,685,005</u>	<u>\$ 435,624</u>	<u>\$ 4,681,469</u>	<u>\$ 35,439,160</u>	<u>\$ 3,165,867</u>

The General Fund is the governmental fund which has paid the largest share in prior years for both the pension and OPEBG liabilities based on the high level of public safety staff that are funded from this source.

**BUSINESS-TYPE ACTIVITIES:**

July 31, 2013 the City issued Full Faith and Credit and Refunding Obligations Bonds. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is \$15,235,000 with an interest rate between 2.0% and 4.0%. The amounts for these bonds are divide by the City for Northwest URD, Water and Wastewater. The amount allocated for this portion of the bonds is \$1,168,000. #LebanonFFC2013 (Water).

July 31, 2013 the City issued Full Faith and Credit and Refunding Obligations Bonds. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is \$15,235,000 with an interest rate between 2.0% and 4.0%. The amounts for these bonds are divide by the City for Northwest URD, Water and Wastewater. The amount allocated for this portion of the bonds is \$1,695,000. #LebanonFFC2013 (Wastewater).

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October 13, 2015, the City issued Full Faith and Credit Bonds for Wastewater. The bonds are held by Key Bank/ Zion Bank. The original balance of the bonds is \$2,385,000 and carry an annual interest rate between 2.00% and 4.00%. LebanonFFC2015 (Wastewater).

October 27, 2010, the City issued Revenue Bonds for the construction of a wastewater system. The bonds are held by Bank of New York Mellon/ Zion Bank. The original balance of the bonds is \$7,010,000 and carry an annual interest rate between 2.4% and 2.5%. #LEBANONWW10.

March 2, 2006, the City entered into a loan agreement with the Oregon Department of Environmental Quality Special Projects Fund for wastewater improvement projects. The original balance of the note is \$900,000 and carries an interest rate of 2.93% and a .5% service fee. Payments are due the first day of April and October of each year. #R56200

October 16, 2015, the City entered into a loan agreement with IFA Business Oregon for financing of the Special Public Works Fund Development Project. The original balance of the loan is \$11,000,000 with an interest rate of 3.51%. #L16003.

September 13, 2020 the City entered into a loan agreement with JPMorgan Chase Bank in a Full Faith and Credit Funding Series 2020. The original balance of the loan is \$3,730,000 with an interest rate 1.47%. This loan was used to refund and refinance the Series 2010 Bonds at a lower interest rate, saving the city future interest expense.

October 16, 2015, the City entered into a loan agreement for financing of the Safe Drinking Water Revolving Loan Fund. The loan is held by IFA Business Oregon. The original balance of the note is \$13,000,000 and carries an interest rate of 1.0%. #S16004.

**TOTAL BUSINESS-TYPE ACTIVITIES:**

	<b>6/30/2020</b>			<b>6/30/2021</b>	
	<b>Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance</b>	<b>Due in 1 Year</b>
Enterprise Bonds					
Water LebanonFFC2013	\$ 460,000	\$ -	\$ 225,000	\$ 235,000	\$ 235,000
Wastewater Lebanon FFC 2015	765,000	-	375,000	390,000	390,000
Revenue Bond LebanonWW10	3,170,000	-	3,170,000	-	-
<b>Total Enterprise Bonds</b>	<b>4,395,000</b>	<b>-</b>	<b>3,770,000</b>	<b>625,000</b>	<b>625,000</b>
Enterprise Loans/Notes					
Water Loan L16003	11,000,000	-	287,855	10,712,145	310,469
Water Loan L16004	11,710,423	-	350,199	11,360,224	353,701
Sewer R56200	480,139	-	480,139	-	-
Wastewater JP Morgan Refunding	-	3,730,000	300,000	3,430,000	335,000
<b>Total Enterprise Loans</b>	<b>23,190,562</b>	<b>3,730,000</b>	<b>1,418,193</b>	<b>25,502,369</b>	<b>999,170</b>
Net Pension Liability	1,019,829	2,232,760	-	3,252,589	-
Net OPEB Liability	101,729	-	11,052	90,677	-
Compensated Absences	90,506	216,114	98,200	208,420	52,105
<b>Total Enterprise</b>	<b>\$28,797,626</b>	<b>\$ 6,178,874</b>	<b>\$ 5,297,445</b>	<b>\$ 29,679,055</b>	<b>\$ 1,676,275</b>

The City has no unused lines of credit.

The City has no assets that are specifically pledged as collateral for any of the debt.

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**LONG-TERM DEBT (Cont.):**

The debt service requirements on the above debt is as follows:

**Governmental Activities:**

**Total Governmental Bonds**

	Principal	Interest
2022	\$ 2,370,000	\$ 790,774
2023	2,525,000	701,164
2024	2,710,000	591,691
2025	2,650,000	490,593
2026	3,100,000	369,193
2027-2031	<u>4,755,009</u>	<u>282,308</u>
Total	<u>\$ 18,110,009</u>	<u>\$ 3,225,723</u>

**Total Governmental Loans**

	Principal	Interest
2022	\$ 619,250	\$ 280,519
2023	638,445	256,378
2024	652,934	231,449
2025	672,575	205,948
2026	692,711	179,611
2027-2031	<u>3,235,229</u>	<u>461,447</u>
2032-2036	<u>558,783</u>	<u>20,460</u>
Total	<u>\$ 7,069,927</u>	<u>\$ 1,635,812</u>

**Total Governmental Leases**

	Principal	Interest
2022	\$ 32,126	\$ 2,409
Total	<u>\$ 32,126</u>	<u>\$ 2,409</u>

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**LONG-TERM DEBT (Cont.):**

The debt service requirements on the above debt is as follows:

**Business-Type Activities:**

**Total Enterprise Bonds**

	Principal	Interest
2022	<u>\$ 625,000</u>	<u>\$ 18,750</u>
Total	<u>\$ 625,000</u>	<u>\$ 18,750</u>

**Total Enterprise Loans**

	Principal	Interest
2022	\$ 999,170	\$ 540,019
2023	1,018,604	520,661
2024	1,038,457	500,811
2025	1,053,741	480,455
2026	1,074,471	459,654
2027-2031	5,589,971	1,967,668
2032-2036	4,344,210	1,424,632
2037-2041	4,888,513	880,331
2042-2046	4,124,667	271,581
2047-2051	<u>1,370,565</u>	<u>27,464</u>
Total	<u>\$ 25,502,369</u>	<u>\$ 7,073,276</u>

**PENSION PLAN:**

Name of Pension Plan

The Oregon Public Employees Retirement System (OPERS) consists of a cost-sharing multiple-employer defined benefit pension plan.

Description of Benefit Terms

Plan Benefits

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A.

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

*Pension Benefits*

The OPERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years, or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

*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 an OPERS employer at the time of death,
- the member died within 120 days after termination of OPERS-covered employment,
- the member died as a result of injury sustained while employed in an OPERS-covered job, or
- the member was on an official leave of absence from an OPERS-covered job at the time of death.

*Disability Benefits*

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-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.

**CITY OF LEBANON**  
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**PENSION PLAN (Cont.):**

*Benefit Changes After Retirement*

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2019 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000. The COLA is capped at 2.0 percent.

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

*Pension Benefits*

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

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

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

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

*Death Benefits*

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

*Disability Benefits*

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

*Benefit Changes After Retirement*

Under ORS 238A.210, monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2019 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000. The COLA is capped at 2.0 percent.

**Pension Plan CAFR**

Oregon PERS produces an independently audited CAFR which can be found at:  
<https://www.oregon.gov/PERS/Pages/Financials/Actuarial-Financial-Information.aspx>

**Actuarial Valuations**

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

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**PENSION PLAN (Cont.):**

For the OPSRP Pension Program component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an 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.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2018
Measurement Date	June 30, 2019
Experience Study Report	2018, published July 24, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Long-Term Expected Rate of Return	7.20 percent
Discount Rate	7.20 percent
Projected Salary Increases	3.50 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service.
Mortality	<p><b>Healthy retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in</p> <p><b>Active Members:</b> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Disabled retirees:</b> Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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 2018 Experience Study which reviewed experience for the four-year period ending on December 31, 2018.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.20 percent 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 fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.



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**PENSION PLAN (Cont.):**

*Depletion Date Projection*

GASB 67 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 67 (paragraph 43) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for OPERS:

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

Based on these circumstances, it is our independent actuary’s opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

*Assumed Asset Allocation*

<u>Asset Class/Strategy</u>	<u>Assumed Asset Allocation</u>		
	<u>Low Range</u>	<u>High Range</u>	<u>Target</u>
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	32.5%
Private Equity	14.0%	21.0%	17.5%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	0.0%	12.5%	15.0%
Risk Parity*	0.0%	3.0%	2.5%
Total			<u>100.0%</u>

*Long-Term Expected Rate of Return*

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

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**PENSION PLAN (Cont.):**

Asset Class	Target Allocation	Annual Arithmetic Return **	20-Year Annualized Geometric Mean	Annual Standard Deviation
Core Fixed Income	9.60%	4.14%	4.07%	3.90%
Short-Term Bonds	9.60%	3.70%	3.68%	2.10%
Bank/Leveraged Loans	3.60%	5.40%	5.19%	6.85%
High Yield Bonds	1.20%	6.13%	5.74%	9.35%
Large/Mid Cap US Equities	16.17%	7.35%	6.30%	15.50%
Small Cap US Equities	1.35%	8.35%	6.68%	19.75%
Micro Cap US Equities	1.35%	8.86%	6.79%	22.10%
Developed Foreign Equities	13.48%	8.30%	6.91%	17.95%
Emerging Market Equities	4.24%	10.35%	7.69%	25.35%
Non-US Small Cap Equities	1.93%	8.81%	7.25%	19.10%
Private Equities	17.50%	11.95%	8.33%	30.00%
Real Estate (Property)	10.00%	6.19%	5.55%	12.00%
Real Estate (REITS)	2.50%	8.29%	6.69%	21.00%
Hedge Fund of Funds - Diversified	1.50%	4.28%	4.06%	6.90%
Hedge Fund - Event-Driven	0.38%	5.89%	5.59%	8.10%
Timber	1.13%	6.36%	5.61%	13.00%
Farmland	1.13%	6.87%	6.12%	13.00%
Infrastructure	2.25%	7.51%	6.67%	13.85%
Commodities	1.13%	5.34%	3.79%	18.70%
Assumed Inflation - Mean			2.50%	1.65%

\*Base on the Oregon Investment Council's (OIC) Statement Objectives and Policy Framework for the Oregon Public Employees Retirement Fund as most recently revised April 24, 2019

\*\* The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

**Sensitivity Analysis**

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

	<u>1% Decrease (6.20%)</u>	<u>Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
City's proportionate share of the net pension liability	\$ 18,769,377	\$ 12,640,014	\$ 7,500,259

**Changes Subsequent to the Measurement Date**

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

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

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**PENSION PLAN (Cont.):**

*Deferred Items*

Deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. For the measurement period ending June 30, 2020, employers will report the following deferred items:

- Deferred items also include changes in assumptions, net difference between projected and actual investment earnings, changes in employer proportion since the prior measurement date, difference between employer contributions, and employer's proportionate share of system contributions, and contributions subsequent to the measurement date.

Employer Contributions

OPERS includes accrued contributions when due pursuant to legal requirements, as of June 30 in its Statement of Changes in Fiduciary Net Position.

Beginning with fiscal year 2016, OPERS will be able to report cash contributions and UAL side account amortization by employer and will publish this information on the OPERS Website. Prior to fiscal year 2016, contributions to the OPSRP Defined Benefit plan were not accounted for by employer, as all employers were pooled for actuarial purposes.

Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 76, of the June 30, 2020 Oregon PERS CAFR.

*Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions*

At June 30, 2020, the employer reported a liability of \$12,640,014 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2020, the employer's proportion share was 0.05791944% which is a decrease from the proportion of .06358675% measured as of June 30, 2019.

For the year ended June 30, 2021, the employer recognized pension expense of \$2,883,342. On June 30, 2021, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 556,314	\$ -
Changes of assumptions	678,350	23,768
Net difference between projected and actual earnings on investments	1,486,301	-
Changes in proportion	159,694	699,203
Differences between employer contributions and proportionate share of contributions	6,035	363,923
Total (prior to post-MD contributions)	<u>2,886,694</u>	<u>1,086,894</u>
Contributions subsequent to the MD	<u>1,257,645</u>	<u>-</u>
Total	<u>\$ 4,144,339</u>	<u>\$ 1,086,894</u>

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**PENSION PLAN (Cont.):**

The City reported \$1,257,645 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer Subsequent Fiscal Years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date)
1st Fiscal Year	\$ 401,044
2nd Fiscal Year	600,579
3rd Fiscal Year	525,818
4th Fiscal Year	320,267
5th Fiscal Year	(47,908)
Thereafter	-
Total	\$ 1,799,800

**3. IAP Plan Description:**

**OPSRP Individual Account Program (OPSRP IAP)**

*Pension Benefits*

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

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

*Death Benefits*

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

*Recordkeeping*

OPERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the OPERS Defined Benefit Plan and the Other Postemployment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivisions have made lump sum payments to establish side accounts, and their rates have been reduced.

Members of OPSRP are required to contribute six percent of their salary covered under the plan which is invested in the IAP. The Employer makes this contribution on behalf of its employees.

Employer contributions for the year ended June 30, 2021 were \$1,257,645 excluding amounts to fund employer specific liabilities.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:**

*Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA)*

Plan Description

The City contributes to the Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the Oregon Public Employees Retirement Board (OPERB). The plan, which was established under Oregon Revised Statutes 238.420, provides a payment of up to \$60 per month towards the costs of health insurance for eligible OPERS retirees. RHIA post-employment benefits are set by state statute. The plan was closed to new entrants hired on or after August 29, 2003.

To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

A comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling (503) 598-7377, or by accessing the OPERS web site at <https://www.oregon.gov/PERS/Pages/Financials/Actuarial-Financial-Information.aspx>.

Funding Policy

Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB, currently 0.50% of annual covered OPERS payroll and 0.43% for OPSRP payroll. The OPERB sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

Contributions

The City's contributions to OPERS' RHIA for the years ended June 30, 2021, was \$1,314.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost Sharing Multiple Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2020. That independently audited report was dated December 1, 2020 and can be found at:

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

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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Valuation Date	December 31, 2018
Measurement Date	June 30, 2020
Experience Study Report	2018, published July 24, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Long-Term Expected Rate of Return	7.20 percent
Discount Rate	7.20 percent
Projected Salary Increases	3.50 percent overall payroll growth
Retiree Healthcare Participation	Healthy retirees : 32% Disabled retirees: 20%
Healthcare cost trend rate	A healthcare cost trend rate is not utilized in the actuarial valuation as statute stipulates a \$60 monthly payment to retirees for health insurance.
Mortality	<b><i>Healthy retirees and beneficiaries</i></b> : Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. <b><i>Active Members</i></b> : Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. adjustments and set-backs as described in the valuation. <b><i>Disabled retirees</i></b> : Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

Discount Rate

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

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):**

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long term expected rate of return assumption, in July 2017 the Oregon PERS Board reviewed long term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Milliman's assumptions for each of the asset classes in which the plan was invested at that time are based on the OIC long term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major class, calculated using both arithmetic and geometric means, see Pension Plan note disclosure above or the PERS' audited financial statements at:

<https://www.oregon.gov/PERS/Documents/Financials/CAFR/2020-CAFR.pdf>

Sensitivity Analysis

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

	<u>1% Decrease (6.20%)</u>	<u>Discount Rate (7.20%)</u>	<u>1% Increase (8.20%)</u>
City's proportionate share of the net pension liability (asset)	\$ (137,851)	\$ (170,749)	\$ (198,878)

OPEB Liabilities/(Assets), OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB

At June 30, 2021, the City reported a net OPEB liability/(asset) of \$(170,749) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2020, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2018. Consistent with GASB Statement No. 75, paragraph 59(a), The City's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2020, the City's proportion was 0.083798867% which is an increase from June 30, 2019 at .05469207%. OPEB expense/(income) for the year ended June 30, 2021 was \$(27,463).

At June 30, 2021, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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**OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 17,455
Changes of assumptions	-	9,076
Net difference between projected and actual earnings on investments	18,989	-
Changes in proportion	650	29,678
Differences between employer contributions and proportionate share of contributions	-	-
Total (prior to post-MD contributions)	<u>19,639</u>	<u>56,209</u>
Contributions subsequent to the MD	<u>1,314</u>	<u>-</u>
Total	<u>\$ 20,953</u>	<u>\$ 56,209</u>

Contributions of \$1,314 were made subsequent to the measurement date, but prior to the end of the City's reporting period. These contributions, which are reported as deferred outflows of resources related to OPEB, will be included as a reduction of the net OPEB liability in the next fiscal year.

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

Employer Subsequent Fiscal Years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date)
1st Fiscal Year	\$ (32,046)
2nd Fiscal Year	(17,534)
3rd Fiscal Year	7,019
4th Fiscal Year	5,990
5th Fiscal Year	-
Thereafter	-
Total	\$ (36,571)

**Changes Subsequent to the Measurement Date**

We are not aware of any changes subsequent to the June 30, 2020 Measurement Date that meet this requirement and thus require a brief description under the GASB standard.

The other postemployment benefits (OPEB) for the City combines two separate plans. The City provides an implicit rate subsidy and explicit benefit for retiree health insurance continuation premiums, and contributions to the PERS RHIA OPEB plan.

**Plan Description**

The City operates a single-employer defined benefit plan as established through negotiations between the City and collective bargaining units. The healthcare plan provides post-retirement medical, dental vision and life insurance benefits to eligible employees, spouses, and their dependents. The City is required by Oregon Revised Statutes 243.303 to provide retirees and their dependents with group health insurance from the date of retirement to age 65 at the same rate provided to current employees. Premiums for retirees are tiered and based upon the premium rates available to active employees. The retiree is



**CITY OF LEBANON**  
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**OTHER POST-EMPLOYMENT BENEFITS (OPEB):**

responsible for the premiums. The implicit employer subsidy is measured as the expected health care cost per retiree and dependent, less the gross premiums charged by the insurance carrier for that coverage. The subsidy is only measured for retirees and spouses younger than age 65, at which point such retirees and spouses typically become eligible for Medicare.

In accordance the GASB Statement No. 75, Account and Financial Reporting for Post-employment Benefits Other Than Pensions, the City reports its liability for the other post-employment benefits consistent with established generally accepted accounting principles and reflects an actuarially determined liability for the present value of projected future benefits for retired and active employees on the financial statements. This “plan” is not a stand-alone plan, and therefore, does not issue its own financial statements.

Funding Policy and Liability

The annual other postemployment benefits (OPEB) cost is calculated based on the Total OPEB Liability, as amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The following table shows the components of the City’s annual OPEB costs and liabilities for the fiscal year ending June 30, 2021:

<b>Changes in Total OPEB Liability</b>	<b>Increase (Decrease) Total OPEB Liability</b>
Balance as of June 30, 2020, as restated	\$ 317,559
Changes for the year:	
Service cost	16,352
Interest on total OPEB liability	11,324
Effect of changes to benefit terms	-
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	28,093
Benefit payments	<u>(20,943)</u>
Balance as of June 30, 2021	<u>\$ 352,385</u>

The City has previously used the Alternate Measurement Method to measure the other postemployment benefits liability. In addition, the Agency utilized information measured the same date as the financial statements. At June 30, 2020, the City engaged Milliman to prepare the actuarial valuation of the plan with a measurement date of June 30, 2019 utilizing the Entry Age Actuarial Cost Method.

Due to the change in measurement of the liability and the change in the measurement date of the information reported in the financial statements, the beginning July 1, 2019 balance of the other postemployment benefits liability in the other post-employment benefit note was restated and the schedule of changes in the Agency's total other postemployment benefits liability and related ratios has been revised. The financial impact of \$317,559, however, is included in the change in net position on the statement of activities.

Actuarial Methods and Assumptions – The City’s total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all period included in the measurement, unless otherwise specified.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2021

**OTHER POST-EMPLOYMENT BENEFITS (OPEB):**

Valuation date	July 1, 2020
Measurement date	June 30, 2020
Inflation	2.50%
Salary increases	3.50%
Withdrawal, retirement, and mortality rates	12/31/2019 Oregon PERS valuation
Election and Lapse Rates	40% of eligible employees. 60% of male members and 35% of female members will elect spouse coverage. 5% annual lapse rate
Actuarial cost method	Entry age normal

Discount Rate

Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The assumptions in this report reflect the Bond Buyer 20-Year General Obligation Bond Index. The discount rate in effect for the June 30, 2021 reporting date is 2.21%.

Health Care Cost Trend

The medical trend assumptions used in this valuation are based on long-term healthcare trend rates generated by the Society of Actuaries' Getzen Trend Model. The model considers current trends in health care costs, and long-term constraints on trend such as growth in per capita income. Inputs to the model are consistent with other assumptions used in the valuation.

Sensitivity Analysis

The following presents the total OPEB liability of the Plan, calculated using the disclosure discount rate as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

	1%	Current	1%
	<u>Decrease</u>	<u>Discount Rate</u>	<u>Increase</u>
Total OPEB liability, 2021	\$ 348,862	\$ 352,386	\$ 355,910
	1%	Current Trend	1%
	<u>Decrease</u>	<u>Rate</u>	<u>Increase</u>
Total OPEB liability, 2021	\$ 348,862	\$ 352,386	\$ 355,910

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**OTHER POST-EMPLOYMENT BENEFITS (OPEB):**

Participation

The following table represents the number of the City's covered eligible participants:

	<b><u>July 1, 2020</u></b>
Active Employees	56
Eligible Retirees	3
Spouses of Ineligible Retirees	<u>0</u>
Total Participants	59
Spouses of Eligible Retirees	1

Components of OPEB Expense

<b>OPEB Expense</b>	<b>July 1, 2020 to June 30, 2021</b>
Service costs	\$ 16,352
Interest on total OPEB liability	11,324
Effect of plan changes	-
Recognition of Deferred (Inflows)/Outflows of Resources	
Recognition of economic/demographic (gains) or losses	-
Recognition of assumption changes	3,697
Administrative Expense	<u>n/a*</u>
OPEB Expense	\$ 31,373

Deferred (Inflows) and Outflows of Resources

At June 30, 2021, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<b>Fiscal Year Ending June 30, 2021</b>	<b>Deferred (Inflows) of Resources</b>	<b>Deferred outflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions or inputs	-	24,397
Benefits Payments	-	<u>20,943</u>
Total as of June 30, 2021	<u>\$ -</u>	<u>\$ 45,340</u>

Other amounts currently reported as deferred outflows of resources and deferred (inflows) of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

<b>Year Ended June 30:</b>	<b>Annual Recognition</b>
2022	\$ 3,697
2023	\$ 3,697
2024	\$ 3,697
2025	\$ 3,697
2026	\$ 3,697
Thereafter	\$ 5,912

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**OTHER POST-EMPLOYMENT BENEFITS (OPEB):**

Changes Subsequent to the Measurement Date

We are not aware of any changes subsequent to the June 30, 2020 Measurement Date that meet this requirement and thus require a brief description under the GASB No. 75 Standard.

**CONTINGENT LIABILITIES:**

Amounts received or receivable from grantor agencies are subject to review and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amount, if any, to be immaterial.

The City of Lebanon has elected the "reimbursement" basis for unemployment claims to the State of Oregon Department of Human Resources Employment Division. If a terminated employee collects unemployment compensation based upon earnings from the City, the City will be required to reimburse the State of Oregon for the amount of unemployment compensation paid. Amounts billed by the State of Oregon are charged to expenditures but amounts for which the City is potentially liable as a result of claims not yet filed are unknown.

**RISK MANAGEMENT:**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of City-County Insurance Services (CIS), a public entity risk pool currently operating a common risk management and insurance program. The City pays an annual premium to CIS for insurance coverage.

Based on the experience of the City and pool, the City may be liable for an additional premium of up to approximately 20% of its initial premium or it may receive a refund. The City has never had to pay an additional premium. Predetermined limits and deductible amounts are stated in the policy. There have been no significant reductions in coverage from the prior years and settlements have not exceeded insurance coverage in the past three years.

**COMMITMENT:**

The City has entered into an agreement with Samaritan Health Services under which the City will repay amounts invested by Samaritan Health Services to improve or add infrastructure within the North Gateway Urban Renewal District. The total costs allowed to be repaid under the agreement are \$5,105,900. Improvements must be in place no later than 2029. Amounts invested by Samaritan Health Services are added to an existing loan agreement as described in the Long-Term Debt Note. As of June 30, 2021, the balance of the loan was \$1,098,851.

The City has entered a CMGC contract with Emery & Sons to put in the next phase of the wastewater trunk line on the west side of town. The project has an estimated cost of \$21.5 million.

In June 2021 the City signed an agreement for a construction project for Primrose St and River Drive for \$781,000. Work began in July 2021.

**CITY OF LEBANON**  
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**INTERFUND TRANSFERS:**

Interfund transfers for the year ended June 30, 2021 were as follows:

	<b>Transfer In</b>	<b>Transfer Out</b>
	<u>          </u>	<u>          </u>
General Fund	\$ 760,493	\$ 1,379,365
G.O. Full Faith & Credit Bond Fund	401,900	-
2013 Full Faith & Credit Bond Fund	1,508,782	-
Pension Bond Series 2002 Fund	235,558	-
Water Utility Fund	17,600	1,019,384
Storm Drain Utility Fund	-	35,278
Wastewater Utility Fund	-	697,354
Building Inspection Fund	-	58,619
Parks Grant Fund	495,720	5,926
GIS Fund	194,601	4,615
Info System Service Fund	380,159	6,955
Custodial & Maint Services Fund	44,803	2,242
Eng Development Review Fund	-	5,177
Street Maintenance Fund	46,980	113,657
Dial-A-Bus Fund	-	18,803
Northwest Urban Renewal District Fund	1,108,568	1,267,823
Cheadle Lake Urban Renewal District Fund	-	171,057
North Gateway Urban Renewal District Fund	-	536,275
State Hwy Signal Maint Fund	-	1,863
Equipment Acquisition & Replacement Fund	117,000	276,168
Streets Capital Projects Fund	60,838	-
Infrastructure Deferral Fund	-	60,838
SDC - Parks Improvements Fund	-	6,312
SDC - Street Improvements Fund	313,645	6,312
SDC - Drainage Improvements Fund	-	6,312
SDC - Wastewater Improvements Fund	-	6,312
	<u>\$ 5,686,647</u>	<u>\$ 5,686,647</u>

These transfers occur on a routine basis and are used by the recipient funds for the normal operations of the funds.

**PROPERTY TAX ABATEMENTS:**

City of Lebanon received reduced revenue from property taxes as a result of a tax abatements program - Enterprise Zones agreements. These tax abatement agreements are negotiated with Linn County, Oregon under Oregon Revised Statutes (ORS) 285C.175 regarding Enterprise Zones.

For the fiscal year ended June 30, 2021 the City had no property tax abatements.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**SUBSEQUENT EVENTS**

As of February 28, 2022, the City had the following subsequent events:

September 2021 the City received a \$12,000,000 lawsuit settlement in a legal suit against CH2M Hill. These funds are going to be used by the wastewater fund. With a majority for improvements at the wastewater treatment plant.

**DEFICIT FUND BALANCE:**

The following funds ended the year with a negative fund balance:

Information System Service Fund has a negative fund balance of \$7,050. The fund has receivables that were not received within the 60 days. These amounts should be received and correct the negative fund balance as this fund will close as the Information Technology department becomes an internal service fund.

**RESTATEMENT OF MODIFIED ACCRUAL BEGINNING FUND BALANCES:**

The beginning fund balances as of July 1, 2020, were restated to reflect corrections the to the Governmental Activities. The restatement amounts and explanations are as follows:

	<u>General Fund</u>	<u>NW URD</u>	<u>Non-Major Governmental Funds</u>	<u>Sub-total</u>
Fund Balances, as reported June 30, 2020	\$ 4,084,924	\$ 1,979,638	\$ 1,588,534	\$ 7,653,096
Restatement increase (decrease) for:				
Payroll expense accrued	(89,721)	-	(21,890)	(111,611)
Police insurance reserve	45,939	-	-	45,939
Accounts receivable	-	(1,044)	-	(1,044)
Inventory balance	-	-	-	-
Fund Balance, as restated at June 30, 2020	<u>\$ 4,041,142</u>	<u>\$ 1,978,594</u>	<u>\$ 7,586,380</u>	<u>\$ 7,586,380</u>

The beginning fund balance as of July 1, 2020, were restated to reflect corrections the Water Funds, the Wastewater Funds, the Storm Drain Funds. The restatement amounts and explanations are as follows:

	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Storm Drainage Fund</u>	<u>Sub-total</u>
Net Position, as reported June 30, 2020	\$ 25,188,707	\$ 33,055,068	\$ 1,905,604	\$ 60,149,379
Restatement increase (decrease) for:				
Payroll expense accrued	(19,528)	(13,096)	(2,059)	(34,683)
Entry error from prior year	-	(103,950)	-	(103,950)
Inventory balance	201,564	-	-	201,564
Net Position, as restated at June 30, 2020	<u>25,370,743</u>	<u>32,938,022</u>	<u>1,903,545</u>	<u>60,212,310</u>

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**RESTATEMENT OF BEGINNING NET POSITION:**

The beginning net position as of July 1, 2020, were restated to reflect corrections the to the Governmental Activities and Business Type Activities. The restatement amounts and explanations are as follows:

	<b>Governmental Activities</b>	<b>Business Type Activities</b>
Net Position, as reported June 30, 2020	\$ 14,656,347	\$ 60,149,379
Restatement increase (decrease) for:		
Payroll expense accrued	(111,611)	(34,683)
Police insurance reserve	45,939	-
Entry error from prior year		(103,950)
Accounts receivable	(1,044)	-
Inventory	-	201,564
Net Position, as restated at June 30, 2020	<u>\$ 14,589,631</u>	<u>\$ 60,212,310</u>

**INTERFUND BALANCES:**

Interfund balances at June 30, 2021 consisted of individual fund due to/due from amounts and interfund loans as follows:

	<b>Due From Other Funds</b>	<b>Due to Other Funds</b>
North Gateway Urban Renewal District	\$ 23,393	\$ -
Cheadle Lake Urban Renewal District	-	23,939
	<u>\$ 23,393</u>	<u>\$ 23,939</u>
	<b>Interfund Loan Receivable</b>	<b>Interfund Loan Payable</b>
Storm Drain Utility Fund	\$ -	\$ 325,168
Motel Tax Fund	-	48,696
SDC - Parks Improvements Fund	48,696	-
SDC- Street Improvements Fund	325,168	-
	<u>\$ 373,864</u>	<u>\$ 373,864</u>

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**FUND BALANCE:**

Below is a schedule of ending fund balances at June 30, 2021, based on GASB Statements No. 54:

<b>Fund Balances:</b>	<b>General Fund</b>	<b>Northwest Urban Renewal District Fund</b>	<b>General Oligation Fund</b>	<b>System Development Parks Improvement Fund</b>	<b>System Development Street Improvement Fund</b>	<b>Non-Major Governmental Funds</b>	<b>Total</b>
<b>Restricted for:</b>							
Urban renewal projects	\$ -	\$ 2,590,249	\$ -	\$ -	\$ -	\$ 805,581	\$ 3,395,830
Debt service	-	-	223,425	-	-	10,625	234,050
Capital projects, system development	-	-	-	2,494,051	4,131,436	-	6,625,487
Parks	-	-	-	-	-	437	437
Tourism	-	-	-	-	-	47,650	47,650
Building and planning	-	-	-	-	-	798,234	798,234
State foot & bike path	-	-	-	-	-	13,870	13,870
Highways and streets	-	-	-	-	-	1,537,885	1,537,885
Transit	-	-	-	-	-	337,429	337,429
Boat ramps	-	-	-	-	-	27,959	27,959
Police programs	-	-	-	-	-	21,966	21,966
Library services	-	-	-	-	-	237,862	237,862
Senior services	-	-	-	-	-	172,774	172,774
Cemetery	-	-	-	-	-	10,147	10,147
	-	2,590,249	223,425	2,494,051	4,131,436	4,022,419	13,461,580
<b>Committed to:</b>							
Park Projects	-	-	-	-	-	136,188	136,188
Engineering	-	-	-	-	-	96,885	96,885
						233,073	233,073
<b>Assigned to:</b>							
Capital assets	-	-	-	-	-	893,628	893,628
	-	-	-	-	-	893,628	893,628
<b>Unassigned</b>	4,879,596	-	-	-	-	(4,863)	4,874,733
	<u>\$ 4,879,596</u>	<u>\$ 2,590,249</u>	<u>\$ 223,425</u>	<u>\$ 2,494,051</u>	<u>\$ 4,131,436</u>	<u>\$ 5,144,257</u>	<u>\$ 19,463,014</u>

**NET POSITION:**

Restricted net position from enabling legislation as of June 30, 2021 was \$185,076.



# REQUIRED SUPPLEMENTARY INFORMATION

- SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND CONTRIBUTIONS
- SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPERS LIABILITY (ASSET) OPERS AND CONTRIBUTIONS
- SCHEDULE OF CHANGES IN OPEB LIABILITY AND REALTED RATIOS
- STATEMENT OF REVENUES, EXPEDITURES, AND CHANGES IN FUND BALANCES – BUGET TO ACTUAL FOR MAJOR FUNDS
  - GENERAL FUND
  - NORTHWEST URBAN RENEWAL DISTRICT FUND



**CITY OF LEBANON, OREGON**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY OPERS**  
**FOR THE LAST TEN FISCAL YEARS\***

Measurement Date June 30,	Proportion of the net pension liability (asset)**	Proportionate share of the net pension liability (asset)**	Covered payroll	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
2020	0.57919440%	\$ 12,640,014	\$ 6,679,426	189.24%	75.80%
2019	0.06358675%	10,998,985	6,267,704	175.49%	80.20%
2018	0.06255912%	9,476,883	5,999,153	157.97%	82.10%
2017	0.06167821%	8,314,246	6,315,051	131.66%	83.10%
2016	0.05938091%	8,914,453	5,517,665	161.56%	80.50%
2015	0.06818515%	3,914,823	5,044,543	77.61%	91.90%
2014	0.06443958%	(1,460,660)	5,207,764	-28.05%	103.60%

**CITY OF LEBANON, OREGON**  
**SCHEDULE OF CONTRIBUTIONS OPERS**  
**FOR THE LAST TEN FISCAL YEARS\***

Year Ended June 30,	Statutorily required contribution**	Contributions in relation to the statutorily required contribution**	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
2021	\$ 1,257,645	\$ 1,257,645	\$ -	\$ 7,417,793	16.95%
2020	1,129,644	1,129,644	-	6,679,426	16.91%
2019	832,862	832,862	-	6,267,704	13.29%
2018	823,096	823,096	-	5,999,153	13.72%
2017	638,089	638,089	-	6,315,051	10.10%
2016	595,431	595,431	-	5,517,665	10.79%
2015	457,865	457,865	-	5,044,543	9.08%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

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

\*\* The actuarial information for each fiscal year was provided by the actuary for Oregon Public Employees Retirement System

**CITY OF LEBANON, OREGON  
SCHEDULE OF PROPRTIONATE SHARE OF NET OPEB LIABILITY (ASSET) OPERS RETIREMENT HEALTH  
INSURANCE ACCOUNT  
FOR THE LAST TEN FISCAL YEARS\***

Measurement Date June 30,	Proportion of the net OPEB liability (asset)**	Proportionate share of the net pension liability (asset)**	Covered payroll	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
2020	0.08379886%	\$ (170,749)	\$ 6,679,426	-2.56%	150.10%
2019	0.05469207%	(105,685)	6,267,704	-1.69%	144.40%
2018	0.05663266%	(63,217)	5,999,153	-1.05%	124.00%
2017	0.06114702%	(25,519)	6,315,051	-0.40%	108.90%
2016	0.05669862%	15,397	5,517,665	0.28%	94.20%

**CITY OF LEBANON, OREGON  
SCHEDULE OF CONTRIBUTIONS OPERS RETIREMENT HEALTH INSURANCE ACCOUNT  
FOR THE LAST TEN FISCAL YEARS\***

Year Ended June 30,	Actuarially determined contribution	Contributions in relation to the actuarially required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
2021	\$ 1,314	\$ 1,314	\$ -	\$ 7,417,793	0.02%
2020	5,329	5,329	-	6,679,426	0.08%
2019	5,984	5,984	-	6,267,704	0.10%
2018	27,106	27,106	-	5,999,153	0.45%
2017	27,422	27,422	-	6,315,051	0.43%

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

\*\* The actuarial information for each fiscal year was provided by the actuary for Oregon Public Employees Retirement System

**CITY OF LEBANON, OREGON**  
**SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS - HEALTH INSURANCE**  
**FOR THE LAST TEN FISCAL YEARS\***

<b>Year ended June 30,</b>	<b>Beginning total OPEB liability</b>	<b>Service Cost</b>	<b>Interest on total OPEB liability</b>	<b>Effect of economic/demographic changes or inputs</b>	<b>Effect of assumptions changes or inputs</b>	<b>Benefit payments</b>	<b>Ending total OPEB liability</b>	<b>Covered Payrol</b>	<b>Liability as a percent of covered payroll</b>
2021	\$ 317,559	\$ 16,352	\$ 11,323	\$ -	\$ 28,094	\$ (20,943)	\$ 352,385	\$ 7,417,793	4.7506%
2020	-	-	-	-	-	-	317,559	6,679,426	4.7543%

\*This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported. Until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Due to the change in valuation method from the alternative measurement method to the actuarial valuation, prior years would not be reported correctly and are therefore omitted from this schedule.

The actuarial information for each fiscal year was provided by the actuary Milliman.

# GENERAL AND MAJOR SPECIAL REVENUE FUNDS PRESENTED AS REQUIRED SUPPLEMENTARY INFORMATION

**GENERAL FUNDS** – Accounts for all of the financial resources of the City which are not accounted for in any other fund. Principle sources of revenues are property taxes, franchise fees, licenses, permits and state share revenues. Primary expenditures in the General Fund are for administration, police, parks and recreation, library, planning, and municipal court.

**NORTHWEST URBAN RENEWAL DISTRICT FUNDS** – Accounts for one of five Urban Renewal Districts within the City. Principle source of revenues are property taxes. Primary expenditures in the Northwest Urban Renewal District Fund are debt payments.

**CITY OF LEBANON, OREGON  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 5,575,000	\$ 5,575,000	\$ 6,117,623	\$ 542,623
Intergovernmental	663,326	813,326	1,028,370	215,044
Charges for services	2,297,238	2,297,238	2,401,416	104,178
Licenses and permits	28,230	28,230	65,165	36,935
Fines, forfeitures, and penalties	494,500	494,500	494,708	208
Miscellaneous	130,500	130,500	172,599	42,099
<b>TOTAL REVENUES</b>	<b>9,188,794</b>	<b>9,338,794</b>	<b>10,279,881</b>	<b>941,087</b>
<b>EXPENDITURES:</b>				
Current:				
Administration	137,305	137,305	84,836	52,469
Human Resources	113,750	115,750	115,351	399
City Attorney	230,000	230,000	213,250	16,750
Planning and Economic Development	268,475	420,475	371,244	49,231
Finance	205,390	205,390	195,387	10,003
Mayor, City Council & City Recorder	162,850	162,850	145,113	17,737
Library	617,095	617,095	559,934	57,161
Municipal Court	547,685	547,685	451,319	96,366
Police	6,130,900	5,975,900	5,697,308	278,592
Senior Services	259,750	259,750	222,054	37,696
Non-Departmental:				
Personnel services				-
Materials & services	554,789	704,789	643,568	61,221
Debt service	123,191	123,191	123,191	-
Contingency	1,995,556	1,995,556	-	1,995,556
Total general government	11,346,736	11,495,736	8,822,555	2,673,181
<b>TOTAL EXPENDITURES</b>	<b>11,346,736</b>	<b>11,495,736</b>	<b>8,822,555</b>	<b>2,673,181</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,157,942)</b>	<b>(2,156,942)</b>	<b>1,457,326</b>	<b>3,614,268</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	760,610	760,610	760,493	(117)
Transfers out	(1,706,646)	(1,706,646)	(1,379,365)	327,281
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(946,036)</b>	<b>(946,036)</b>	<b>(618,872)</b>	<b>327,164</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(3,103,978)</b>	<b>(3,102,978)</b>	<b>838,454</b>	<b>3,941,432</b>
Fund balances	(3,103,978)	(3,103,978)	(3,974,969)	(870,991)
<b>FUND BALANCE, JUNE 30, 2020 (RESTATED)</b>	<b>3,103,978</b>	<b>3,102,978</b>	<b>4,041,142</b>	<b>938,164</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,879,596</b>	<b>\$ 4,879,596</b>

**CITY OF LEBANON, OREGON  
NORTHWEST URBAN RENEWAL DISTRICT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 950,000	\$ 950,000	\$ 973,419	\$ 23,419
Miscellaneous	10,000	10,000	23,635	13,635
<b>TOTAL REVENUES</b>	<b>960,000</b>	<b>960,000</b>	<b>997,054</b>	<b>37,054</b>
<b>EXPENDITURES:</b>				
Debt Service	226,144	226,144	226,144	-
Contingency	2,500,059	2,500,059	-	2,500,059
<b>TOTAL EXPENDITURES</b>	<b>2,726,203</b>	<b>2,726,203</b>	<b>226,144</b>	<b>2,500,059</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,766,203)</b>	<b>(1,766,203)</b>	<b>770,910</b>	<b>2,537,113</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,108,568	1,108,568	1,108,568	-
Transfers out	(1,267,823)	(1,267,823)	(1,267,823)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(159,255)</b>	<b>(159,255)</b>	<b>(159,255)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,925,458)</b>	<b>(1,925,458)</b>	<b>611,655</b>	<b>2,537,113</b>
<b>FUND BALANCE, JUNE 30, 2020 (RESTATED)</b>	<b>1,925,458</b>	<b>1,925,458</b>	<b>1,978,594</b>	<b>53,136</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,590,249</b>	<b>\$ 2,590,249</b>

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# **SUPPLEMENTARY INFORMATION**

- MAJOR DEBT SERVICE AND CAPITAL PROJECT FUNDS
- NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENTS
- NON-MAJOR SPECIAL REVENUE FUNDS, DEBT SERVICE, CAPITAL PROJECTS FUNDS, AND PROPRIETARY FUND STATEMENTS AND SCHEDULES



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## MAJOR DEBT SERVICE AND CAPITAL PROJECT FUNDS

**G.O. Full Faith & Credit Bond Fund** – The principal sources of revenues are property taxes levied to payer for voter approved bonds and to pay the scheduled debt service. There is an interfund transfer from the Wastewater Fund to pay the debt service on the 2015 bonds which refunded the debt for the Siemens agreement.

**SDC – PARKS IMPROVEMENT FUND** – Accounts for revenue and expenses for Parks System Development Charges (SDC), in order to fund approved park projects as indicated in the Parks Master Plan and Parks SDC Plan. Principle source of revenue is System Development Charges. Principle expenses were minimal and most of the funds are being reserved to purchase property at Cheadle Lake to fully develop the Cheadle Lake Regional Park.

**SDC – STREETS IMPROVEMENT FUND** – Accounts for the revenues from System Development Charges (SDC's). Principle revenues included System Development Charges and interest from those charges. Principle expenses include street capital projects throughout the City.

**CITY OF LEBANON, OREGON  
G.O. FULL FAITH & CREDIT BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 1,720,156	\$ 1,720,156	\$ 1,815,538	\$ 95,382
Miscellaneous	1,000	1,000	13,177	12,177
<b>TOTAL REVENUES</b>	<u>1,721,156</u>	<u>1,721,156</u>	<u>1,828,715</u>	<u>107,559</u>
<b>EXPENDITURES:</b>				
Debt	<u>1,991,328</u>	<u>1,550,000</u>	<u>1,987,056</u>	<u>4,272</u>
<b>TOTAL EXPENDITURES</b>	<u>1,991,328</u>	<u>1,991,328</u>	<u>1,987,056</u>	<u>4,272</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(270,172)</u>	<u>(270,172)</u>	<u>(158,341)</u>	<u>111,831</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	<u>402,000</u>	<u>402,000</u>	<u>401,900</u>	<u>(100)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>402,000</u>	<u>402,000</u>	<u>401,900</u>	<u>(100)</u>
<b>NET CHANGE IN FUND BALANCE</b>	131,828	131,828	243,559	111,731
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>(51,828)</u>	<u>(51,828)</u>	<u>(20,134)</u>	<u>31,694</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ 80,000</u>	<u>\$ 80,000</u>	<u>\$ 223,425</u>	<u>\$ 143,425</u>

**CITY OF LEBANON, OREGON  
SDC - PARKS IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 270,000	\$ 270,000	\$ 777,996	\$ 507,996
Interest	7,200	7,200	28,878	21,678
<b>TOTAL REVENUES</b>	<u>277,200</u>	<u>277,200</u>	<u>806,874</u>	<u>529,674</u>
<b>EXPENDITURES:</b>				
Parks:				
Materials and services	7,500	7,500	-	7,500
Capital outlay	1,500,000	1,500,000	3,001	1,496,999
Total Parks	<u>1,507,500</u>	<u>1,507,500</u>	<u>3,001</u>	<u>1,504,499</u>
Contingency	153,946	153,946	-	153,946
<b>TOTAL EXPENDITURES</b>	<u>1,661,446</u>	<u>1,661,446</u>	<u>3,001</u>	<u>1,658,445</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,384,246)</u>	<u>(1,384,246)</u>	<u>803,873</u>	<u>2,188,119</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	62,000	62,000	62,000	-
Transfers out	<u>(6,312)</u>	<u>(6,312)</u>	<u>(6,312)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>55,688</u>	<u>55,688</u>	<u>55,688</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(1,328,558)</u>	<u>(1,328,558)</u>	<u>859,561</u>	<u>2,188,119</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>1,328,558</u>	<u>1,328,558</u>	<u>1,585,794</u>	<u>257,236</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>2,445,355</u>	<u>\$ 2,445,355</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Interfund Loan Receivable			<u>48,696</u>	
<b>FUND BALANCE - GAAP BASIS, JUNE 30, 2021</b>			<u>\$ 2,494,051</u>	

**CITY OF LEBANON, OREGON  
SDC - STREET IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 135,000	\$ 135,000	\$ 625,670	\$ 490,670
Interest	27,500	27,500	33,730	6,230
<b>TOTAL REVENUES</b>	<u>162,500</u>	<u>162,500</u>	<u>659,400</u>	<u>496,900</u>
<b>EXPENDITURES:</b>				
Streets:				
Capital outlay	3,075,000	3,075,000	112,934	2,962,066
Contingency	272,974	272,974	-	272,974
<b>TOTAL EXPENDITURES</b>	<u>3,347,974</u>	<u>3,347,974</u>	<u>112,934</u>	<u>3,235,040</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(3,185,474)</u>	<u>(3,185,474)</u>	<u>546,466</u>	<u>3,731,940</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	359,645	359,645	359,645	-
Transfers out	(6,312)	(6,312)	(6,312)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>353,333</u>	<u>353,333</u>	<u>353,333</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(2,832,141)</u>	<u>(2,832,141)</u>	<u>899,799</u>	<u>3,731,940</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>2,832,141</u>	<u>2,832,141</u>	<u>2,906,469</u>	<u>74,328</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>3,806,268</u>	<u>\$ 3,806,268</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Interfund Loan Receivable			<u>325,168</u>	
<b>FUND BALANCE - GAAP BASIS, JUNE 30, 2021</b>			<u>\$ 4,131,436</u>	

# NON-MAJOR GOVERNMENTAL FUNDS



**CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>ASSETS</b>				
Cash and investments	\$ 3,007,283	\$ 10,625	\$ 1,641,618	\$ 4,659,526
Taxes receivable	57,756	-	-	57,756
Accounts receivable	629,517	-	-	629,517
Assessment receivable	-	-	33,090	33,090
Due from other funds	23,393	-	-	23,393
Restricted cash and investments	178,295	-	-	178,295
<b>TOTAL ASSETS</b>	<b>\$ 3,896,244</b>	<b>\$ 10,625</b>	<b>\$ 1,674,708</b>	<b>\$ 5,581,577</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 157,842	\$ -	\$ -	\$ 157,842
Accrued payroll	29,878	-	-	29,878
Due to other funds	23,393	-	-	23,393
Unearned revenue	75,765	-	-	75,765
Interfund loans payable	48,696	-	-	48,696
<b>TOTAL LIABILITIES</b>	<b>335,574</b>	<b>-</b>	<b>-</b>	<b>335,574</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue - property taxes	51,223	-	-	51,223
Unavailable revenue - receivables	20,173	-	30,350	50,523
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>71,396</b>	<b>-</b>	<b>30,350</b>	<b>101,746</b>
<b>Fund balances:</b>				
Restricted	3,261,064	10,625	750,730	4,022,419
Committed	233,073	-	-	233,073
Assigned	-	-	893,628	893,628
Unassigned	(4,863)	-	-	(4,863)
<b>TOTAL FUND BALANCES</b>	<b>3,489,274</b>	<b>10,625</b>	<b>1,644,358</b>	<b>5,144,257</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>	<b>\$ 3,896,244</b>	<b>\$ 10,625</b>	<b>\$ 1,674,708</b>	<b>\$ 5,581,577</b>



**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>REVENUES:</b>				
Property taxes	\$ 1,415,422	\$ -	\$ -	\$ 1,415,422
Other taxes	237,622	-	-	237,622
Licenses and permits	578,971	-	-	578,971
Special assessment collections	-	-	92,743	92,743
Interest	34,969	91	13,436	48,496
Intergovernmental	2,479,689	-	209,972	2,689,661
Charges for services	271,875	-	-	271,875
Contributions	63,239	-	-	63,239
Miscellaneous	30,687	-	5,188	35,875
<b>TOTAL REVENUES</b>	<b>5,112,474</b>	<b>91</b>	<b>321,339</b>	<b>5,433,904</b>
<b>EXPENDITURES:</b>				
Current:				
General government	949,018	-	-	949,018
Public safety	7,856	-	-	7,856
Highways and Streets	948,398	-	9,080	957,478
Culture and recreation	929,607	-	-	929,607
Community Planning	683,656	-	-	683,656
Transportation	432,273	-	-	432,273
Debt service:				
Principal	392,835	1,295,000	-	1,687,835
Interest and fiscal charges	155,142	451,658	-	606,800
Capital outlay	126,231	-	229,680	355,911
<b>TOTAL EXPENDITURES</b>	<b>4,625,016</b>	<b>1,746,658</b>	<b>238,760</b>	<b>6,610,434</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>487,458</b>	<b>(1,746,567)</b>	<b>82,579</b>	<b>(1,176,530)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,162,263	1,744,340	177,838	3,084,441
Transfers out	(923,326)	-	(321,269)	(1,244,595)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>238,937</b>	<b>1,744,340</b>	<b>(143,431)</b>	<b>1,839,846</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>726,395</b>	<b>(2,227)</b>	<b>(60,852)</b>	<b>663,316</b>
<b>FUND BALANCE, JUNE 30, 2020 (RESTATED)</b>	<b>2,762,879</b>	<b>12,852</b>	<b>1,705,210</b>	<b>4,480,941</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ 3,489,274</b>	<b>\$ 10,625</b>	<b>\$ 1,644,358</b>	<b>\$ 5,144,257</b>

CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2021

	Motel Tax Fund	Building Inpsection Fund	Park Enterprise Fund	GIS Fund	Information System Service Fund	Custodial & Maintenance Services Fund	State Foot & Bike Path Fund
<b>ASSETS</b>							
Cash and investments	\$ 64,319	\$ 821,349	\$ 147,046	\$ 241	\$ 54,599	\$ 1,542	\$ 12,814
Taxes receivable	-	-	-	-	-	-	-
Accounts receivable	69,511	-	544	-	38,657	-	2,680
Due from other funds	-	-	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 133,830</b>	<b>\$ 821,349</b>	<b>\$ 147,590</b>	<b>\$ 241</b>	<b>\$ 93,256</b>	<b>\$ 1,542</b>	<b>\$ 15,494</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 37,484	\$ 21,116	\$ 6,996	\$ 241	\$ 72,440	\$ 1,542	\$ 91
Accrued payroll	-	1,999	4,406	-	9,226	-	-
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Interfund loan Payable	48,696	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>86,180</b>	<b>23,115</b>	<b>11,402</b>	<b>241</b>	<b>81,666</b>	<b>1,542</b>	<b>91</b>
<b>Deferred Inflows of Resources:</b>							
Unavailable revenue - property taxes	-	-	-	-	-	-	-
Unavailable revenue - receivables	-	-	-	-	18,640	-	1,533
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,640</b>	<b>-</b>	<b>1,533</b>
<b>Fund balances:</b>							
Restricted	47,650	798,234	-	-	-	-	13,870
Committed	-	-	136,188	-	-	-	-
Unassigned	-	-	-	-	(7,050)	-	-
<b>TOTAL FUND BALANCES</b>	<b>47,650</b>	<b>798,234</b>	<b>136,188</b>	<b>-</b>	<b>(7,050)</b>	<b>-</b>	<b>13,870</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>	<b>\$ 133,830</b>	<b>\$ 821,349</b>	<b>\$ 147,590</b>	<b>\$ 241</b>	<b>\$ 93,256</b>	<b>\$ 1,542</b>	<b>\$ 15,494</b>

**CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2021**

	Engineering Development Review Fund	Street Maintenance Fund	LINX Transit Fund	STP Street Project Fund	Boat Ramps Fund	Police Donations Fund	Library Donations Fund
<b>ASSETS</b>							
Cash and investments	\$ 98,457	\$ 422,144	\$ 199,148	\$ 24,797	\$ 103,264	\$ 21,966	\$ 219,389
Taxes receivable	-	-	-	-	-	-	-
Accounts receivable	-	370,674	147,451	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 98,457</u>	<u>\$ 792,818</u>	<u>\$ 346,599</u>	<u>\$ 24,797</u>	<u>\$ 103,264</u>	<u>\$ 21,966</u>	<u>\$ 219,389</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 63	\$ 12,833	\$ 3,475	\$ -	\$ 305	\$ -	\$ 935
Accrued payroll	1,509	7,043	5,695	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	75,000	-	765
Interfund loan Payable	-	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>1,572</u>	<u>19,876</u>	<u>9,170</u>	<u>-</u>	<u>75,305</u>	<u>-</u>	<u>1,700</u>
<b>Deferred Inflows of Resources:</b>							
Unavailable revenue - property taxes	-	-	-	-	-	-	-
Unavailable revenue - receivables	-	-	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>							
Restricted	-	772,942	337,429	24,797	27,959	21,966	217,689
Committed	96,885	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>96,885</u>	<u>772,942</u>	<u>337,429</u>	<u>24,797</u>	<u>27,959</u>	<u>21,966</u>	<u>217,689</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>	<u>\$ 98,457</u>	<u>\$ 792,818</u>	<u>\$ 346,599</u>	<u>\$ 24,797</u>	<u>\$ 103,264</u>	<u>\$ 21,966</u>	<u>\$ 219,389</u>

**CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2021**

	Senior Services Donations Fund	Snedaker Donations Fund	Cheadle Lake Urban Renewal District Fund	North Gateway Urban Renewal District Fund	Downtown Urban Renewal District Fund	Total
<b>ASSETS</b>						
Cash and investments	\$ 173,095	\$ 20,173	\$ -	\$ 610,449	\$ 12,491	\$ 3,007,283
Taxes receivable	-	-	18,567	38,922	267	57,756
Accounts receivable	-	-	-	-	-	629,517
Due from other funds	-	-	-	23,393	-	23,393
Restricted cash and investments	-	-	178,295	-	-	178,295
<b>TOTAL ASSETS</b>	<b>\$ 173,095</b>	<b>\$ 20,173</b>	<b>\$ 196,862</b>	<b>\$ 672,764</b>	<b>\$ 12,758</b>	<b>\$ 3,896,244</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 321	\$ -	\$ -	\$ -	\$ -	\$ 157,842
Accrued payroll	-	-	-	-	-	29,878
Due to other funds	-	-	23,393	-	-	23,393
Unearned revenue	-	-	-	-	-	75,765
Interfund loan Payable	-	-	-	-	-	48,696
<b>TOTAL LIABILITIES</b>	<b>321</b>	<b>-</b>	<b>23,393</b>	<b>-</b>	<b>-</b>	<b>335,574</b>
<b>Deferred Inflows of Resources:</b>						
Unavailable revenue - property taxes	-	-	16,488	34,501	234	51,223
Unavailable revenue - receivables	-	-	-	-	-	20,173
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>-</b>	<b>16,488</b>	<b>34,501</b>	<b>234</b>	<b>71,396</b>
<b>Fund balances:</b>						
Restricted	172,774	20,173	154,794	638,263	12,524	3,261,064
Committed	-	-	-	-	-	233,073
Unassigned	-	-	2,187	-	-	(4,863)
<b>TOTAL FUND BALANCES</b>	<b>172,774</b>	<b>20,173</b>	<b>156,981</b>	<b>638,263</b>	<b>12,524</b>	<b>3,489,274</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>	<b>\$ 173,095</b>	<b>\$ 20,173</b>	<b>\$ 196,862</b>	<b>\$ 672,764</b>	<b>\$ 12,758</b>	<b>\$ 3,896,244</b>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Motel Tax Fund	Building Inspection Fund	Park Enterprise Fund	GIS Fund	Information System Service Fund	Custodial & Maintenance Services Fund	State Foot & Bike Path Fund
<b>REVENUES:</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	237,619	-	3	-	-	-	-
Licenses and permits	-	568,586	-	-	-	-	-
Interest	637	7,091	1,154	390	2,508	1,024	45
Intergovernmental	-	6,178	154,834	-	254,037	2,606	12,125
Charges for services	-	2,416	142,430	-	22,500	-	-
Contributions	-	-	-	-	-	-	-
Miscellaneous	-	11	1,388	52	160	264	-
<b>TOTAL REVENUES</b>	<b>238,256</b>	<b>584,282</b>	<b>299,809</b>	<b>442</b>	<b>279,205</b>	<b>3,894</b>	<b>12,170</b>
<b>EXPENDITURES:</b>							
Current:							
General government	-	-	-	-	775,053	173,965	-
Public Safety	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	-
Culture, education and recreation	119,080	-	772,587	-	-	-	-
Community Planning	-	320,665	-	226,051	-	-	-
Transportation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	551	-	-	-	-	-	-
Capital outlay	-	-	-	4,084	112,566	-	91
<b>TOTAL EXPENDITURES</b>	<b>119,631</b>	<b>320,665</b>	<b>772,587</b>	<b>230,135</b>	<b>887,619</b>	<b>173,965</b>	<b>91</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>118,625</b>	<b>263,617</b>	<b>(472,778)</b>	<b>(229,693)</b>	<b>(608,414)</b>	<b>(170,071)</b>	<b>12,079</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Interfund loan payment	-	-	-	-	-	-	-
Transfers in	-	-	495,720	194,601	380,159	44,803	-
Transfers out	-	(58,619)	(5,926)	(4,615)	(6,955)	(2,242)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(58,619)</b>	<b>489,794</b>	<b>189,986</b>	<b>373,204</b>	<b>42,561</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>118,625</b>	<b>204,998</b>	<b>17,016</b>	<b>(39,707)</b>	<b>(235,210)</b>	<b>(127,510)</b>	<b>12,079</b>
<b>FUND BALANCE, JUNE 30, 2020 (RESTATED)</b>	<b>(70,975)</b>	<b>593,236</b>	<b>119,172</b>	<b>39,707</b>	<b>228,160</b>	<b>127,510</b>	<b>1,791</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ 47,650</b>	<b>\$ 798,234</b>	<b>\$ 136,188</b>	<b>\$ -</b>	<b>\$ (7,050)</b>	<b>\$ -</b>	<b>\$ 13,870</b>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30,**

	Engineering Development Review Fund	Street Maintenance Fund	LINX Transit Fund	STP Street Project Fund	Boat Ramps Fund	Police Donations Fund	Library Donations Fund
<b>REVENUES:</b>							
Property taxes	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
Licenses and permits	10,385	-	-	-	-	-	-
Interest	1,016	2,241	1,454	194	394	160	1,529
Intergovernmental	-	1,528,330	512,740	-	8,000	-	-
Charges for services	104,529	-	-	-	-	-	-
Contributions	-	-	2,197	-	-	16,300	42,508
Miscellaneous	4,447	22,606	457	-	-	-	-
<b>TOTAL REVENUES</b>	<b>120,377</b>	<b>1,553,177</b>	<b>516,848</b>	<b>194</b>	<b>8,394</b>	<b>16,460</b>	<b>44,037</b>
<b>EXPENDITURES:</b>							
Current:							
General government	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	7,856	-
Highways and Streets	-	948,398	-	-	-	-	-
Culture, education and recreation	-	-	-	-	9,758	-	22,839
Community Planning	136,940	-	-	-	-	-	-
Transportation	-	-	432,273	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Capital outlay	-	-	952	8,000	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>136,940</b>	<b>948,398</b>	<b>433,225</b>	<b>8,000</b>	<b>9,758</b>	<b>7,856</b>	<b>22,839</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(16,563)</b>	<b>604,779</b>	<b>83,623</b>	<b>(7,806)</b>	<b>(1,364)</b>	<b>8,604</b>	<b>21,198</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Interfund loan payment	-	-	-	-	-	-	-
Transfers in	-	46,980	-	-	-	-	-
Transfers out	(5,177)	(113,657)	(18,803)	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(5,177)</b>	<b>(66,677)</b>	<b>(18,803)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(21,740)</b>	<b>538,102</b>	<b>64,820</b>	<b>(7,806)</b>	<b>(1,364)</b>	<b>8,604</b>	<b>21,198</b>
<b>FUND BALANCE, JUNE 30, 2020 (RESTATED)</b>	<b>118,625</b>	<b>234,840</b>	<b>272,609</b>	<b>32,603</b>	<b>29,323</b>	<b>13,362</b>	<b>196,491</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ 96,885</b>	<b>\$ 772,942</b>	<b>\$ 337,429</b>	<b>\$ 24,797</b>	<b>\$ 27,959</b>	<b>\$ 21,966</b>	<b>\$ 217,689</b>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30,**

	Senior Services Donations Fund	Snedaker Donations Fund	Cheadle Lake Urban Renewal District Fund	North Gateway Urban Renewal District Fund	Downtown Urban Renewal District Fund	Total
<b>REVENUES:</b>						
Property taxes	\$ -	\$ -	\$ 451,058	\$ 952,628	\$ 11,736	\$ 1,415,422
Other taxes	-	-	-	-	-	237,622
Licenses and permits	-	-	-	-	-	578,971
Interest	1,297	154	5,274	8,304	103	34,969
Intergovernmental	839	-	-	-	-	2,479,689
Charges for services	-	-	-	-	-	271,875
Contributions	2,234	-	-	-	-	63,239
Miscellaneous	1,302	-	-	-	-	30,687
<b>TOTAL REVENUES</b>	<b>5,672</b>	<b>154</b>	<b>456,332</b>	<b>960,932</b>	<b>11,839</b>	<b>5,112,474</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	949,018
Public Safety	-	-	-	-	-	7,856
Highways and Streets	-	-	-	-	-	948,398
Culture, education and recreation	4,667	676	-	-	-	929,607
Community Planning	-	-	-	-	-	683,656
Transportation	-	-	-	-	-	432,273
Debt service:						
Principal	-	-	250,254	142,581	-	392,835
Interest and fiscal charges	-	-	101,592	52,999	-	155,142
Capital outlay	-	-	-	269	269	126,231
<b>TOTAL EXPENDITURES</b>	<b>4,667</b>	<b>676</b>	<b>351,846</b>	<b>195,849</b>	<b>269</b>	<b>4,625,016</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,005</b>	<b>(522)</b>	<b>104,486</b>	<b>765,083</b>	<b>11,570</b>	<b>487,458</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	1,162,263
Transfers out	-	-	(171,057)	(536,275)	-	(923,326)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>(171,057)</b>	<b>(536,275)</b>	<b>-</b>	<b>238,937</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>1,005</b>	<b>(522)</b>	<b>(66,571)</b>	<b>228,808</b>	<b>11,570</b>	<b>726,395</b>
<b>FUND BALANCE, JUNE 30, 2020 (RESTATED)</b>	<b>171,769</b>	<b>20,695</b>	<b>223,552</b>	<b>409,455</b>	<b>954</b>	<b>2,762,879</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ 172,774</b>	<b>\$ 20,173</b>	<b>\$ 156,981</b>	<b>\$ 638,263</b>	<b>\$ 12,524</b>	<b>\$ 3,489,274</b>

**CITY OF LEBANON, OREGON  
MOTEL TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Hotel and motel occupancy tax	\$ 113,334	\$ 113,334	\$ 237,619	\$ 124,285
Interest	-	-	637	637
<b>TOTAL REVENUES</b>	<u>113,334</u>	<u>113,334</u>	<u>238,256</u>	<u>124,922</u>
<b>EXPENDITURES:</b>				
Tourism:				
Materials and services	<u>92,084</u>	<u>142,084</u>	<u>119,080</u>	<u>23,004</u>
<b>TOTAL EXPENDITURES</b>	<u>92,084</u>	<u>142,084</u>	<u>119,080</u>	<u>23,004</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>21,250</u>	<u>(28,750)</u>	<u>119,176</u>	<u>147,926</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund loan payment	<u>(62,000)</u>	<u>(62,000)</u>	<u>(62,000)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(62,000)</u>	<u>(62,000)</u>	<u>(62,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(40,750)</u>	<u>(90,750)</u>	<u>57,176</u>	<u>147,926</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>-</u>	<u>-</u>	<u>39,170</u>	<u>39,170</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ (40,750)</u>	<u>\$ (90,750)</u>	<u>96,346</u>	<u>\$ 187,096</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Interfund loan payable			<u>(48,696)</u>	
<b>FUND BALANCE - GAAP BASIS, JUNE 30, 2021</b>			<u>\$ 47,650</u>	



**CITY OF LEBANON, OREGON  
BUILDING INSPECTION FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Federal	\$ -	\$ -	\$ 6,178	\$ 6,178
Charges for services	-	-	2,416	2,416
Miscellaneous	-	-	11	11
Licenses and permits	250,000	250,000	568,586	318,586
Interest	-	-	7,091	7,091
<b>TOTAL REVENUES</b>	<b>250,000</b>	<b>250,000</b>	<b>584,282</b>	<b>334,282</b>
<b>EXPENDITURES:</b>				
Building Inspection				
Personal services	159,000	159,000	149,203	9,797
Materials and services	178,500	178,500	171,462	7,038
Subtotal Building Inspection	337,500	337,500	320,665	16,835
Contingency	227,542	227,542	-	227,542
<b>TOTAL EXPENDITURES</b>	<b>565,042</b>	<b>565,042</b>	<b>320,665</b>	<b>244,377</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(315,042)</b>	<b>(315,042)</b>	<b>263,617</b>	<b>578,659</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(82,268)	(82,268)	(58,619)	23,649
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(82,268)</b>	<b>(82,268)</b>	<b>(58,619)</b>	<b>23,649</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(397,310)</b>	<b>(397,310)</b>	<b>204,998</b>	<b>602,308</b>
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>	<b>397,310</b>	<b>397,310</b>	<b>593,236</b>	<b>195,926</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 798,234</b>	<b>\$ 798,234</b>

**NET POSITION, JUNE 30, 2020 (RESTATED)**  
**PARK ENTERPRISE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Hotel and motel occupancy tax	\$ -	\$ -	\$ 3	\$ 3
Intergovernmental	150,000	150,000	154,834	4,834
Charges for services	109,500	109,500	142,430	32,930
Miscellaneous	-	-	1,388	1,388
Interest	-	-	1,154	1,154
<b>TOTAL REVENUES</b>	<b>259,500</b>	<b>259,500</b>	<b>299,809</b>	<b>40,309</b>
<b>EXPENDITURES:</b>				
Parks:				
Personal services	325,500	325,500	303,482	22,018
Materials and services	498,250	498,250	469,105	29,145
<b>TOTAL EXPENDITURES</b>	<b>823,750</b>	<b>823,750</b>	<b>772,587</b>	<b>51,163</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(564,250)</b>	<b>(564,250)</b>	<b>(472,778)</b>	<b>91,472</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	495,722	495,722	495,720	(2)
Transfers out	(5,898)	(5,898)	(5,926)	(28)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>489,824</b>	<b>489,824</b>	<b>489,794</b>	<b>(30)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(74,426)</b>	<b>(74,426)</b>	<b>17,016</b>	<b>91,442</b>
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>	<b>74,426</b>	<b>74,426</b>	<b>119,172</b>	<b>44,746</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 136,188</b>	<b>\$ 136,188</b>

**CITY OF LEBANON, OREGON  
GIS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 390	\$ 390
Miscellaneous	-	-	52	52
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>442</u>	<u>442</u>
<b>EXPENDITURES:</b>				
GIS				
Personal services	162,000	162,000	159,416	2,584
Materials and services	106,600	106,600	66,635	39,965
Capital outlay	3,500	3,500	4,084	(584)
Subtotal GIS	<u>272,100</u>	<u>272,100</u>	<u>230,135</u>	<u>41,965</u>
Contingency	<u>9,899</u>	<u>9,899</u>	<u>-</u>	<u>9,899</u>
<b>TOTAL EXPENDITURES</b>	<u>281,999</u>	<u>281,999</u>	<u>230,135</u>	<u>51,864</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(281,999)</u>	<u>(281,999)</u>	<u>(229,693)</u>	<u>52,306</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	258,000	258,000	194,601	(63,399)
Transfers out	<u>(4,620)</u>	<u>(4,620)</u>	<u>(4,615)</u>	<u>5</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>253,380</u>	<u>253,380</u>	<u>189,986</u>	<u>(63,394)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(28,619)</u>	<u>(28,619)</u>	<u>(39,707)</u>	<u>(11,088)</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>28,619</u>	<u>28,619</u>	<u>39,707</u>	<u>11,088</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF LEBANON, OREGON  
INFORMATION SYSTEM SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 22,950	\$ 122,950	\$ 254,037	\$ 131,087
Rentals	-	-	22,500	22,500
Interest	-	-	2,508	2,508
Miscellaneous	-	-	160	160
<b>TOTAL REVENUES</b>	<u>22,950</u>	<u>122,950</u>	<u>279,205</u>	<u>156,255</u>
<b>EXPENDITURES:</b>				
Information System Service Fund:				
Personal services	355,500	355,500	358,170	(2,670)
Materials and services	421,271	521,221	416,883	104,338
Capital outlay	60,000	60,000	112,566	(52,566)
Subtotal Information System Service	836,771	936,721	887,619	49,102
Contingency	1,804	1,804	-	1,804
<b>TOTAL EXPENDITURES</b>	<u>838,575</u>	<u>938,525</u>	<u>887,619</u>	<u>50,906</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(815,625)</u>	<u>(815,575)</u>	<u>(608,414)</u>	<u>207,161</u>
<b>OTHER FINANCING SOURCES(USES):</b>				
Transfers in	734,000	734,000	380,159	(353,841)
Transfers out	(6,934)	(6,984)	(6,955)	29
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>727,066</u>	<u>727,016</u>	<u>373,204</u>	<u>(353,812)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(88,559)</u>	<u>(88,559)</u>	<u>(235,210)</u>	<u>(146,651)</u>
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>	<u>88,559</u>	<u>88,559</u>	<u>228,160</u>	<u>139,601</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,050)</u>	<u>\$ (7,050)</u>

**CITY OF LEBANON, OREGON  
CUSTODIAL & MAINTENANCE SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 2,606	\$ 2,606
Interest	-	-	1,024	1,024
Miscellaneous	-	-	264	264
<b>TOTAL REVENUES</b>	<b>-</b>	<b>-</b>	<b>3,894</b>	<b>3,894</b>
<b>EXPENDITURES:</b>				
Custodial & Maintenance Service:				
Personal services	118,000	118,000	116,646	1,354
Materials and services	122,500	122,450	57,319	65,131
Subtotal Custodial & Maintenance Service	240,500	240,450	173,965	66,485
Contingency	20,824	20,824	-	20,824
<b>TOTAL EXPENDITURES</b>	<b>261,324</b>	<b>261,274</b>	<b>173,965</b>	<b>87,309</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(261,324)</b>	<b>(261,274)</b>	<b>(170,071)</b>	<b>91,203</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	184,053	184,053	44,803	(139,250)
Transfers out	(2,235)	(2,285)	(2,242)	43
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>181,818</b>	<b>181,768</b>	<b>42,561</b>	<b>(139,207)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(79,506)</b>	<b>(79,506)</b>	<b>(127,510)</b>	<b>(48,004)</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>79,506</b>	<b>79,506</b>	<b>127,510</b>	<b>48,004</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**CITY OF LEBANON, OREGON  
STATE FOOT & BIKE PATH  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 6,000	\$ 6,000	\$ 12,125	\$ 6,125
Interest	-	-	45	45
<b>TOTAL REVENUES</b>	<b>6,000</b>	<b>6,000</b>	<b>12,170</b>	<b>6,170</b>
<b>EXPENDITURES:</b>				
Foot & Bike:				
Capital outlay	6,000	6,000	91	5,909
<b>TOTAL EXPENDITURES</b>	<b>6,000</b>	<b>6,000</b>	<b>91</b>	<b>5,909</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>12,079</b>	<b>12,079</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>12,079</b>	<b>12,079</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>-</b>	<b>-</b>	<b>1,791</b>	<b>1,791</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,870</b>	<b>\$ 13,870</b>

**CITY OF LEBANON, OREGON  
ENGINEERING DEVELOPMENT REVIEW FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 57,000	\$ 57,000	\$ 104,529	\$ 47,529
Licenses and permits	-	-	10,385	10,385
Interest	-	-	1,016	1,016
Miscellaneous	-	-	4,447	4,447
<b>TOTAL REVENUES</b>	<u>57,000</u>	<u>57,000</u>	<u>120,377</u>	<u>63,377</u>
<b>EXPENDITURES:</b>				
Development Review:				
Personal services	115,000	115,000	111,049	3,951
Materials and services	23,000	23,000	25,891	(2,891)
Subtotal Development Review	<u>138,000</u>	<u>138,000</u>	<u>136,940</u>	<u>1,060</u>
Contingency	4,497	4,497	-	4,497
<b>TOTAL EXPENDITURES</b>	<u>142,497</u>	<u>142,497</u>	<u>136,940</u>	<u>5,557</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(85,497)</u>	<u>(85,497)</u>	<u>(16,563)</u>	<u>68,934</u>
<b>OTHER FINANCING SOURCES(USES):</b>				
Transfers out	<u>(8,387)</u>	<u>(8,387)</u>	<u>(5,177)</u>	<u>3,210</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(8,387)</u>	<u>(8,387)</u>	<u>(5,177)</u>	<u>3,210</u>
<b>NET CHANGE IN FUND BALANCE</b>	(93,884)	(93,884)	(21,740)	72,144
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>	<u>93,884</u>	<u>93,884</u>	<u>118,625</u>	<u>24,741</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,885</u>	<u>\$ 96,885</u>

**CITY OF LEBANON, OREGON  
STREET MAINTENANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ 1,528,330	\$ 528,330
Rentals		-	9,700	9,700
Interest	-	-	2,241	2,241
Miscellaneous	7,500	7,500	12,906	5,406
<b>TOTAL REVENUES</b>	<b>1,007,500</b>	<b>1,007,500</b>	<b>1,553,177</b>	<b>545,677</b>
<b>EXPENDITURES:</b>				
Streets:				
Personal services	656,400	656,400	598,343	58,057
Materials and services	408,864	408,864	350,055	58,809
<b>TOTAL EXPENDITURES</b>	<b>1,065,264</b>	<b>1,065,264</b>	<b>948,398</b>	<b>116,866</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(57,764)</b>	<b>(57,764)</b>	<b>604,779</b>	<b>662,543</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	47,000	47,000	46,980	(20)
Transfers out	(123,484)	(123,484)	(113,657)	9,827
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(76,484)</b>	<b>(76,484)</b>	<b>(66,677)</b>	<b>9,807</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(134,248)</b>	<b>(134,248)</b>	<b>538,102</b>	<b>672,350</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>134,248</b>	<b>134,248</b>	<b>234,840</b>	<b>100,592</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 772,942</b>	<b>\$ 772,942</b>



**CITY OF LEBANON, OREGON  
 LINX TRANSIT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 552,360	\$ 552,360	\$ 512,740	\$ (39,620)
Interest	1,000	1,000	1,454	454
Contributions	10,000	10,000	2,197	(7,803)
Miscellaneous	2,500	2,500	457	(2,043)
<b>TOTAL REVENUES</b>	<b>565,860</b>	<b>565,860</b>	<b>516,848</b>	<b>(49,012)</b>
<b>EXPENDITURES:</b>				
LINX:				
Personal services	461,500	461,500	370,074	91,426
Materials and services	125,412	125,412	62,199	63,213
Capital outlay	143,000	143,000	952	142,048
Subtotal LINX	729,912	729,912	433,225	296,687
Contingency	6,236	6,236	-	6,236
<b>TOTAL EXPENDITURES</b>	<b>736,148</b>	<b>736,148</b>	<b>433,225</b>	<b>302,923</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(170,288)</b>	<b>(170,288)</b>	<b>83,623</b>	<b>253,911</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(29,042)	(29,042)	(18,803)	10,239
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(29,042)</b>	<b>(29,042)</b>	<b>(18,803)</b>	<b>10,239</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(199,330)</b>	<b>(199,330)</b>	<b>64,820</b>	<b>264,150</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>199,330</b>	<b>199,330</b>	<b>272,609</b>	<b>73,279</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 337,429</b>	<b>\$ 337,429</b>

**CITY OF LEBANON, OREGON  
STP STREET PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental Interest	\$ 191,000	\$ 191,000	\$ -	\$ (191,000)
	-	-	194	194
<b>TOTAL REVENUES</b>	<u>191,000</u>	<u>191,000</u>	<u>194</u>	<u>(190,806)</u>
<b>EXPENDITURES:</b>				
Surface Transportation Program:				
Capital outlay	220,000	220,000	8,000	212,000
Contingency	3,652	3,652	-	3,652
<b>TOTAL EXPENDITURES</b>	<u>223,652</u>	<u>223,652</u>	<u>8,000</u>	<u>215,652</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(32,652)</u>	<u>(32,652)</u>	<u>(7,806)</u>	<u>24,846</u>
<b>NET CHANGE IN FUND BALANCE</b>	(32,652)	(32,652)	(7,806)	24,846
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>32,652</u>	<u>32,652</u>	<u>32,603</u>	<u>(49)</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,797</u>	<u>\$ 24,797</u>

**CITY OF LEBANON, OREGON  
BOAT RAMP FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 108,000	\$ 108,000	\$ 8,000	\$ (100,000)
Interest	-	-	394	394
<b>TOTAL REVENUES</b>	<b>108,000</b>	<b>108,000</b>	<b>8,394</b>	<b>(99,606)</b>
<b>EXPENDITURES:</b>				
Boat Ramp:				
Materials and services	5,000	5,000	9,758	(4,758)
Capital outlay	112,431	112,431	-	112,431
<b>TOTAL EXPENDITURES</b>	<b>117,431</b>	<b>117,431</b>	<b>9,758</b>	<b>107,673</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(9,431)</b>	<b>(9,431)</b>	<b>(1,364)</b>	<b>8,067</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(9,431)</b>	<b>(9,431)</b>	<b>(1,364)</b>	<b>8,067</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>9,431</b>	<b>9,431</b>	<b>29,323</b>	<b>19,892</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,959</b>	<b>\$ 27,959</b>

**CITY OF LEBANON, OREGON  
POLICE DONATIONS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 160	\$ 160
Contributions	9,035	9,035	16,300	7,265
<b>TOTAL REVENUES</b>	<b>9,035</b>	<b>9,035</b>	<b>16,460</b>	<b>7,425</b>
<b>EXPENDITURES:</b>				
Police Trust:				
Materials and services	22,261	22,261	7,856	14,405
<b>TOTAL EXPENDITURES</b>	<b>22,261</b>	<b>22,261</b>	<b>7,856</b>	<b>14,405</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(13,226)</b>	<b>(13,226)</b>	<b>8,604</b>	<b>21,830</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(13,226)</b>	<b>(13,226)</b>	<b>8,604</b>	<b>21,830</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>13,226</b>	<b>13,226</b>	<b>13,362</b>	<b>136</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,966</b>	<b>\$ 21,966</b>

**CITY OF LEBANON, OREGON  
LIBRARY DONATIONS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 1,529	\$ 1,529
Contributions	-	-	42,508	42,508
<b>TOTAL REVENUES</b>	<b>-</b>	<b>-</b>	<b>44,037</b>	<b>44,037</b>
<b>EXPENDITURES:</b>				
Library Trust:				
Materials and services	202,617	202,617	22,839	179,778
<b>TOTAL EXPENDITURES</b>	<b>202,617</b>	<b>202,617</b>	<b>22,839</b>	<b>179,778</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(202,617)</b>	<b>(202,617)</b>	<b>21,198</b>	<b>223,815</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(202,617)</b>	<b>(202,617)</b>	<b>21,198</b>	<b>223,815</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>202,617</b>	<b>202,617</b>	<b>196,491</b>	<b>(6,126)</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 217,689</b>	<b>\$ 217,689</b>

**CITY OF LEBANON, OREGON  
SENIOR SERVICES DONATIONS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 839	\$ 839
Rentals	2,290	2,290	1,110	(1,180)
Interest	1,000	1,000	1,297	297
Contributions	6,500	6,500	2,234	(4,266)
Other	1,000	1,000	192	(808)
<b>TOTAL REVENUES</b>	<b>10,790</b>	<b>10,790</b>	<b>5,672</b>	<b>(5,118)</b>
<b>EXPENDITURES:</b>				
Senior Trust:				
Materials and services	15,500	15,500	4,667	10,833
Capital outlay	161,402	161,402	-	161,402
<b>TOTAL EXPENDITURES</b>	<b>176,902</b>	<b>176,902</b>	<b>4,667</b>	<b>172,235</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(166,112)</b>	<b>(166,112)</b>	<b>1,005</b>	<b>167,117</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(166,112)</b>	<b>(166,112)</b>	<b>1,005</b>	<b>167,117</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>166,112</b>	<b>166,112</b>	<b>171,769</b>	<b>5,657</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 172,774</b>	<b>\$ 172,774</b>

**CITY OF LEBANON, OREGON  
 SNEDAKER DONATIONS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 154	\$ 154
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>154</u>	<u>154</u>
<b>EXPENDITURES:</b>				
Library Trust:				
Materials and services	<u>20,456</u>	<u>20,456</u>	<u>676</u>	<u>19,780</u>
<b>TOTAL EXPENDITURES</b>	<u>20,456</u>	<u>20,456</u>	<u>676</u>	<u>19,780</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(20,456)</u>	<u>(20,456)</u>	<u>(522)</u>	<u>19,934</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(20,456)</u>	<u>(20,456)</u>	<u>(522)</u>	<u>19,934</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>20,456</u>	<u>20,456</u>	<u>20,695</u>	<u>239</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,173</u>	<u>\$ 20,173</u>

**CITY OF LEBANON, OREGON  
 CHEADLE LAKE URBAN RENEWAL DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 408,000	\$ 408,000	\$ 451,058	\$ 43,058
Interest	1,500	1,500	5,274	3,774
<b>TOTAL REVENUES</b>	<b>409,500</b>	<b>409,500</b>	<b>456,332</b>	<b>46,832</b>
<b>EXPENDITURES:</b>				
Cheadle Lake Urban Renewal District Activities:				
Capital outlay	261,057	90,000	-	90,000
Debt service:	352,300	352,300	351,846	454
Contingency	15,143	15,143	-	15,143
<b>TOTAL EXPENDITURES</b>	<b>628,500</b>	<b>457,443</b>	<b>351,846</b>	<b>105,597</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(219,000)</b>	<b>(47,943)</b>	<b>104,486</b>	<b>152,429</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(171,057)	(171,057)	(171,057)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(171,057)</b>	<b>(171,057)</b>	<b>(171,057)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(390,057)</b>	<b>(219,000)</b>	<b>(66,571)</b>	<b>152,429</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>219,000</b>	<b>219,000</b>	<b>223,552</b>	<b>4,552</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ (171,057)</b>	<b>\$ -</b>	<b>\$ 156,981</b>	<b>\$ 156,981</b>



**CITY OF LEBANON, OREGON  
NORTH GATEWAY URBAN RENEWAL DISTRICT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 872,221	\$ 872,221	\$ 952,628	\$ 80,407
Interest	2,500	2,500	8,304	5,804
<b>TOTAL REVENUES</b>	<b>874,721</b>	<b>874,721</b>	<b>960,932</b>	<b>86,211</b>
<b>EXPENDITURES:</b>				
North Gateway Urban Renewal District Activities:				
Capital outlay	551,275	551,275	269	551,006
Debt service:	209,134	209,134	195,580	13,554
Contingency	500,000	500,000	-	500,000
<b>TOTAL EXPENDITURES</b>	<b>1,260,409</b>	<b>1,469,543</b>	<b>391,429</b>	<b>1,078,114</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(385,688)</b>	<b>(594,822)</b>	<b>569,503</b>	<b>1,164,325</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(536,275)	(536,275)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>(536,275)</b>	<b>(536,275)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(385,688)</b>	<b>(594,822)</b>	<b>33,228</b>	<b>628,050</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>385,688</b>	<b>385,688</b>	<b>409,455</b>	<b>23,767</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ (209,134)</b>	<b>\$ 442,683</b>	<b>\$ 651,817</b>

**CITY OF LEBANON, OREGON  
DOWNTOWN URBAN RENEWAL AGENCY FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 2,000	\$ 2,000	\$ 11,736	\$ 9,736
Interest	-	-	103	103
<b>TOTAL REVENUES</b>	<u>2,000</u>	<u>2,000</u>	<u>11,839</u>	<u>9,839</u>
<b>EXPENDITURES:</b>				
Downtown Urban Renewal District Activites:				
Capital outlay	<u>3,250</u>	<u>3,250</u>	<u>269</u>	<u>2,981</u>
<b>TOTAL EXPENDITURES</b>	<u>3,250</u>	<u>3,250</u>	<u>269</u>	<u>2,981</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,250)	(1,250)	11,570	12,820
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>1,250</u>	<u>1,250</u>	<u>954</u>	<u>(296)</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,524</u>	<u>\$ 12,524</u>

# Non-Major Governmental Debt Service Funds



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## DEBT SERVICE FUNDS

*The Debt Service Funds account for the accumulation of resources for the payment of general obligation and special assessment debt including principle, interest and realted costs. Included are:*

### **Non-Marjor Funds:**

**2013 Full Faith & Credit Bond Fund** – Accounts for the revenue and debt payments owed on the 2013 FF&C Bonds.

**Pension Bond Series Fund** – Accounts for Pension Bond Debt. This fund is set to close in fiscal year 2022.

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**CITY OF LEBANON, OREGON  
 COMBINING BALANCE SHEET  
 NONMAJOR DEBT SERVICE FUNDS  
 JUNE 30, 2021**

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	2013 Full Faith & Credit Bond Fund	Pension Bond Series 2002	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>			
Cash and Investments	\$ 10,625	\$ -	\$ 10,625
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>	<u>\$ 10,625</u>	<u>\$ -</u>	<u>\$ 10,625</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>FUND BALANCES</b>			
Restricted	10,625	-	10,625
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUND BALANCES</b>	<u>10,625</u>	<u>-</u>	<u>10,625</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 10,625</u>	<u>\$ -</u>	<u>\$ 10,625</u>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

---

	2013 Full Faith & Credit Bond Fund	Pension Bond Series 2002	Total
<b>REVENUES:</b>			
Interest	\$ 91	\$ -	\$ 91
<b>TOTAL REVENUES</b>	<u>91</u>	<u>-</u>	<u>91</u>
<b>EXPENDITURES:</b>			
Debt service			
Principal	1,155,000	140,000	1,295,000
Interest and fiscal charges	356,100	95,558	451,658
<b>TOTAL EXPENDITURES</b>	<u>1,511,100</u>	<u>235,558</u>	<u>1,746,658</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,511,009)</u>	<u>(235,558)</u>	<u>(1,746,567)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	1,508,782	235,558	1,744,340
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,508,782</u>	<u>235,558</u>	<u>1,744,340</u>
<b>NET CHANGE IN FUND BALANCE</b>	(2,227)	-	(2,227)
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>12,852</u>	<u>-</u>	<u>12,852</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ 10,625</u>	<u>\$ -</u>	<u>\$ 10,625</u>



**CITY OF LEBANON, OREGON  
2013 FULL FAITH & CREDIT BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 91	\$ 91
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>91</u>	<u>91</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	1,155,000	1,155,000	1,155,000	-
Interest and fiscal charges	356,100	356,100	356,100	-
<b>TOTAL EXPENDITURES</b>	<u>1,511,100</u>	<u>1,511,100</u>	<u>1,511,100</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,511,100)</u>	<u>(1,511,100)</u>	<u>(1,511,009)</u>	<u>91</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,508,873	1,508,873	1,508,782	(91)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,508,873</u>	<u>1,508,873</u>	<u>1,508,782</u>	<u>(91)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(2,227)</u>	<u>(2,227)</u>	<u>(2,227)</u>	<u>-</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>2,227</u>	<u>2,227</u>	<u>12,852</u>	<u>10,625</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,625</u>	<u>\$ 10,625</u>

**CITY OF LEBANON, OREGON  
PENSION BOND SERIES 2002  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>EXPENDITURES:</b>				
Debt Service:				
Principal	\$ 140,000	\$ 140,000	\$ 140,000	-
Interest and fiscal charges	95,558	95,558	95,558	-
<b>TOTAL EXPENDITURES</b>	<b>235,558</b>	<b>235,558</b>	<b>235,558</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(235,558)</b>	<b>(235,558)</b>	<b>(235,558)</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	234,830	234,830	235,558	728
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>234,830</b>	<b>234,830</b>	<b>235,558</b>	<b>728</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(728)</b>	<b>(728)</b>	<b>-</b>	<b>728</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>728</b>	<b>728</b>	<b>-</b>	<b>(728)</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Capital Projects Funds



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## CAPITAL PROJECTS FUNDS

*The Capital Projects Fund is used to account for acquisition and construction of major capital facilities. Included are:*

### **Non-Major Funds:**

**State Highway Signal Maintenance Fund** – Accounts for monies received from developers for future improvements – Infrastructure Deferral.

**Equipment Acquisition & Replacement Fund** – Is used to save to replace equipment, buildings, and software.

**Pioneer Cemetery Fund** – Accounts for the revenue and debt payments owed on the 2013 FF&C Bonds.

**Streets Capital Project Fund** – Accounts for revenues and expenses for Street Development Charges (SDC).

**Infrastructure Deferral Fund** – Accounts for street capital projects. This fund will be combined with the Street Capital Project Fund in the fiscal year of 2022.

**SDC - Parks Fund** – Accounts for the revenues and expenses for Parks System Development Charge (SDC).

**SDC – Street Reimbursement Fund** – Accounts for the Street Reimbursement System Development Charges (SDC).

**CITY OF LEBANON, OREGON  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2021**

	State Highway Signal Maintenance Fund	Equipment Acquisition & Replacement Fund	Pioneer Cemetery Restoration Trust Fund	Streets Capital Project Fund	Infrastructure Deferral Fund	SDC - Parks Reimbursement Fund	SDC - Street Reimbursement Fund	Total
<b>ASSETS</b>								
Cash and investments	\$ -	\$ 893,628	\$ 10,147	\$ 603,157	\$ -	\$ 437	\$ 134,249	\$ 1,641,618
Assessment receivable	-	-	-	-	-	-	33,090	33,090
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 893,628</u>	<u>\$ 10,147</u>	<u>\$ 603,157</u>	<u>\$ -</u>	<u>\$ 437</u>	<u>\$ 167,339</u>	<u>\$ 1,674,708</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>Deferred Inflows of Resources:</b>								
Unavailable revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,350	\$ 30,350
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,350</u>	<u>30,350</u>
<b>Fund balances:</b>								
Restricted	-	-	10,147	603,157	-	437	136,989	750,730
Assigned	-	893,628	-	-	-	-	-	893,628
<b>TOTAL FUND BALANCES</b>	<u>-</u>	<u>893,628</u>	<u>10,147</u>	<u>603,157</u>	<u>-</u>	<u>437</u>	<u>136,989</u>	<u>1,644,358</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>	<u>\$ -</u>	<u>\$ 893,628</u>	<u>\$ 10,147</u>	<u>\$ 603,157</u>	<u>\$ -</u>	<u>\$ 437</u>	<u>\$ 167,339</u>	<u>\$ 1,674,708</u>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	State Highway Signal Maintenance Fund	Equipment Acquisition & Replacement Fund	Pioneer Cemetery Restoration Trust Fund	Streets Capital Project Fund	Infrastructure Deferral Fund	SDC - Parks Reimbursement Fund	SDC - Street Reimbursement Fund	Total
<b>REVENUES:</b>								
Intergovernmental	\$ -	\$ -	\$ -	\$ 209,972	\$ -	\$ -	\$ -	\$ 209,972
Special assessment collections	-	-	-	-	-	-	92,743	92,743
Interest	7	8,276	76	3,183	5	3	1,886	13,436
Miscellaneous	-	5,188	-	-	-	-	-	5,188
<b>TOTAL REVENUES</b>	<b>7</b>	<b>13,464</b>	<b>76</b>	<b>213,155</b>	<b>5</b>	<b>3</b>	<b>94,629</b>	<b>321,339</b>
<b>EXPENDITURES:</b>								
Current:								
Materials and services	-	-	-	9,080	-	-	-	9,080
Capital outlay	-	229,680	-	-	-	-	-	229,680
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>229,680</b>	<b>-</b>	<b>9,080</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>238,760</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>7</b>	<b>(216,216)</b>	<b>76</b>	<b>204,075</b>	<b>5</b>	<b>3</b>	<b>94,629</b>	<b>82,579</b>
<b>OTHER FINANCING SOURCES (USES):</b>								
Transfers in	-	117,000	-	60,838	-	-	-	177,838
Transfers out	(1,863)	(258,568)	-	-	(60,838)	-	-	(321,269)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,863)</b>	<b>(141,568)</b>	<b>-</b>	<b>60,838</b>	<b>(60,838)</b>	<b>-</b>	<b>-</b>	<b>(143,431)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,856)</b>	<b>(357,784)</b>	<b>76</b>	<b>264,913</b>	<b>(60,833)</b>	<b>3</b>	<b>94,629</b>	<b>(60,852)</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>1,856</b>	<b>1,251,412</b>	<b>10,071</b>	<b>338,244</b>	<b>60,833</b>	<b>434</b>	<b>42,360</b>	<b>1,705,210</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ 893,628</b>	<b>\$ 10,147</b>	<b>\$ 603,157</b>	<b>\$ -</b>	<b>\$ 437</b>	<b>\$ 136,989</b>	<b>\$ 1,644,358</b>

**CITY OF LEBANON, OREGON  
STATE HIGHWAY SIGNAL MAINTENANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 7	\$ 7
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(2,000)</u>	<u>(2,000)</u>	<u>(1,863)</u>	<u>137</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,000)</u>	<u>(2,000)</u>	<u>(1,863)</u>	<u>137</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(2,000)</u>	<u>(2,000)</u>	<u>(1,856)</u>	<u>144</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>2,000</u>	<u>2,000</u>	<u>1,856</u>	<u>(144)</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**CITY OF LEBANON, OREGON  
EQUIPMENT ACQUISITION & REPLACEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ 5,000	\$ 5,000	\$ 8,276	\$ 3,276
Miscellaneous Revenue	-	-	5,188	5,188
<b>TOTAL REVENUES</b>	<u>5,000</u>	<u>5,000</u>	<u>13,464</u>	<u>8,464</u>
<b>EXPENDITURES:</b>				
Equipment:				
Capital outlay	833,529	833,529	229,680	603,849
Contingency	189,508	189,508	-	189,508
<b>TOTAL EXPENDITURES</b>	<u>1,023,037</u>	<u>1,023,037</u>	<u>229,680</u>	<u>793,357</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,018,037)</u>	<u>(1,018,037)</u>	<u>(216,216)</u>	<u>801,821</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	117,000	117,000	117,000	-
Transfers out	(258,568)	(258,568)	(258,568)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(141,568)</u>	<u>(141,568)</u>	<u>(141,568)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(1,159,605)</u>	<u>(1,159,605)</u>	<u>(357,784)</u>	<u>801,821</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>1,159,605</u>	<u>1,159,605</u>	<u>1,251,412</u>	<u>91,807</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 893,628</u>	<u>\$ 893,628</u>

**CITY OF LEBANON, OREGON  
PIONEER CEMETERY RESTORATION TRUST FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 76	\$ 76
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>76</u>	<u>76</u>
<b>EXPENDITURES:</b>				
Cemetery:				
Capital outlay	9,966	9,966	-	9,966
<b>TOTAL EXPENDITURES</b>	<u>9,966</u>	<u>9,966</u>	<u>-</u>	<u>9,966</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(9,966)</u>	<u>(9,966)</u>	<u>76</u>	<u>10,042</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(9,966)</u>	<u>(9,966)</u>	<u>76</u>	<u>10,042</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>9,966</u>	<u>9,966</u>	<u>10,071</u>	<u>105</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>10,147</u>	<u>\$ 10,147</u>

**CITY OF LEBANON, OREGON  
STREETS CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Interest	-	-	3,183	3,183
Grants and Contributions	-	-	209,972	209,972
<b>TOTAL REVENUES</b>	<u>100,000</u>	<u>100,000</u>	<u>213,155</u>	<u>113,155</u>
<b>EXPENDITURES:</b>				
Streets:				
Materials and Services	12,000	12,000	9,080	2,920
Contingency	470,564	470,564	-	470,564
<b>TOTAL EXPENDITURES</b>	<u>482,564</u>	<u>482,564</u>	<u>9,080</u>	<u>473,484</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(382,564)</u>	<u>(382,564)</u>	<u>204,075</u>	<u>586,639</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	60,101	60,101	60,838	737
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>60,101</u>	<u>60,101</u>	<u>60,838</u>	<u>737</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(322,463)</u>	<u>(322,463)</u>	<u>264,913</u>	<u>587,376</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>322,463</u>	<u>322,463</u>	<u>338,244</u>	<u>15,781</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>603,157</u>	<u>\$ 603,157</u>

**CITY OF LEBANON, OREGON  
 INFRASTRUCTURE DEFERRAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 5	\$ 5
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
<b>EXPENDITURES:</b>				
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(60,101)</u>	<u>(61,101)</u>	<u>(60,838)</u>	<u>263</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(60,101)</u>	<u>(61,101)</u>	<u>(60,838)</u>	<u>263</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(60,101)</u>	<u>(61,101)</u>	<u>(60,833)</u>	<u>268</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>60,101</u>	<u>61,101</u>	<u>60,833</u>	<u>(268)</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>

**CITY OF LEBANON, OREGON  
SDC - PARKS REIMBURSEMENTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 3	\$ 3
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
<b>EXPENDITURES:</b>				
Parks:				
Capital outlay	533	533	-	533
<b>TOTAL EXPENDITURES</b>	<u>533</u>	<u>533</u>	<u>-</u>	<u>533</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(533)</u>	<u>(533)</u>	<u>3</u>	<u>536</u>
<b>NET CHANGE IN FUND BALANCE</b>	(533)	(533)	3	536
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>533</u>	<u>533</u>	<u>434</u>	<u>(99)</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 437</u>	<u>\$ 437</u>

**CITY OF LEBANON, OREGON  
SDC - STREET REIMBURSEMENTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
System development charges	\$ 20,500	\$ 20,500	\$ 92,743	\$ 72,243
Interest Earnings	1,800	1,800	1,886	86
<b>TOTAL REVENUES</b>	<u>22,300</u>	<u>22,300</u>	<u>94,629</u>	<u>72,329</u>
<b>EXPENDITURES:</b>				
Streets:				
Capital outlay	22,500	22,500	-	22,500
Contingency	20,041	20,041	-	20,041
<b>TOTAL EXPENDITURES</b>	<u>42,541</u>	<u>42,541</u>	<u>-</u>	<u>42,541</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(20,241)</u>	<u>(20,241)</u>	<u>94,629</u>	<u>114,870</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(20,241)</u>	<u>(20,241)</u>	<u>94,629</u>	<u>114,870</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>20,241</u>	<u>20,241</u>	<u>42,360</u>	<u>22,119</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,989</u>	<u>\$ 136,989</u>

# Enterprise Funds



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## ENTERPRISE FUNDS

*Enterprise Funds are used to account for the acquisition, operation, maintenance and debt service of governmental facilities and services which are entirely or predominantly self-supporting by user charges. Enterprise funds use the economic resources measurement focus and accrual accounting to report the results of operation.*

**Water, Wasterwater and Storm Drainage Funds** – Accounts for the operation, maintenance, debt service, capital improvements of the water, wastewater, and storm drainage of the City. The primary source of revenues is user service charges.

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF NET POSITION**  
**WATER FUNDS**  
**JUNE 30, 2021**

	Water Utility Fund	SDC - Water Improvement Fund	SDC - Water Reimbursement Fund	Total Water Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 2,872,370	\$ 293,659	\$ 20,883	\$ 3,186,912
Accounts receivable, net	600,920	-	-	600,920
Unbilled utilities	262,230	-	-	262,230
Assessments receivable	-	226,795	1,345	228,140
Prepays	1,146	-	-	1,146
Inventory	201,564	-	-	201,564
<b>Total current assets</b>	<b>3,938,230</b>	<b>520,454</b>	<b>22,228</b>	<b>4,480,912</b>
Noncurrent assets:				
Net OPEB asset	20,736	-	-	20,736
Capital assets:				
Capital assets not being depreciated	784,236	-	-	784,236
Depreciable capital assets, net of depreciation	44,881,055	-	-	44,881,055
<b>Total noncurrent assets</b>	<b>45,686,027</b>	<b>-</b>	<b>-</b>	<b>45,686,027</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related deferrals	503,295	-	-	503,295
OPEB related deferrals	8,051	-	-	8,051
<b>Total deferred outflows of resources</b>	<b>511,346</b>	<b>-</b>	<b>-</b>	<b>511,346</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
	<b>\$ 50,135,603</b>	<b>\$ 520,454</b>	<b>\$ 22,228</b>	<b>\$ 50,678,285</b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and claims payable	\$ 36,486	\$ -	\$ -	\$ 36,486
Accrued payroll	18,027	-	-	18,027
Compensated absences	27,530	-	-	27,530
Deposits	243,990	-	-	243,990
Accrued interest payable	286,186	-	-	286,186
Current portion of long-term debt:				
Bonds premium	3,351	-	-	3,351
Loans and notes payable	899,170	-	-	899,170
<b>Total current liabilities</b>	<b>1,514,740</b>	<b>-</b>	<b>-</b>	<b>1,514,740</b>
Noncurrent liabilities:				
Compensated absences	82,588	-	-	82,588
Noncurrent portion of long-term debt:				
Loans and notes payable	21,408,199	-	-	21,408,199
Net pension liability	1,535,021	-	-	1,535,021
Total OPEB liability	42,794	-	-	42,794
<b>Total noncurrent liabilities</b>	<b>23,068,602</b>	<b>-</b>	<b>-</b>	<b>23,068,602</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferrals	131,994	-	-	131,994
OPEB related deferrals	6,826	-	-	6,826
<b>Total deferred inflows of resources</b>	<b>138,820</b>	<b>-</b>	<b>-</b>	<b>138,820</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>				
	<b>24,722,162</b>	<b>-</b>	<b>-</b>	<b>24,722,162</b>
<b>NET POSITION</b>				
Net investment in capital assets	23,354,571	-	-	23,354,571
Restricted	-	520,454	22,228	542,682
Unrestricted	2,058,870	-	-	2,058,870
<b>Total net position</b>	<b>25,413,441</b>	<b>520,454</b>	<b>22,228</b>	<b>25,956,123</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>				
	<b>\$ 50,135,603</b>	<b>\$ 520,454</b>	<b>\$ 22,228</b>	<b>\$ 50,678,285</b>

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**WATER FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Water Utility Fund	SDC - Water Improvement Fund	SDC - Water Reimbursement Fund	Total Water Funds
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 5,223,602	\$ -	\$ -	\$ 5,223,602
Intergovernmental	37,070	-	-	37,070
System development charges	-	330,694	1,899	332,593
Other	149,831	-	-	149,831
<b>TOTAL OPERATING REVENUES</b>	<b>5,410,503</b>	<b>330,694</b>	<b>1,899</b>	<b>5,743,096</b>
<b>OPERATING EXPENSES:</b>				
Personnel Services	2,088,524	-	-	2,088,524
Materials and services	1,115,662	-	-	1,115,662
Depreciation and amortization	1,106,582	-	-	1,106,582
<b>TOTAL OPERATING EXPENSES</b>	<b>4,310,768</b>	<b>-</b>	<b>-</b>	<b>4,310,768</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,099,735</b>	<b>330,694</b>	<b>1,899</b>	<b>1,432,328</b>
<b>NONOPERATING INCOME (EXPENSE):</b>				
Interest income	22,377	7,754	189	30,320
Interest expense	(405,077)	-	-	(405,077)
<b>TOTAL NONOPERATING INCOME (EXPENSE)</b>	<b>(382,700)</b>	<b>7,754</b>	<b>189</b>	<b>(374,757)</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<b>717,035</b>	<b>338,448</b>	<b>2,088</b>	<b>1,057,571</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Capital contributions	288,634	-	-	288,634
Transfers in	17,600	-	-	17,600
Transfers out	(778,425)	-	-	(778,425)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(472,191)</b>	<b>-</b>	<b>-</b>	<b>(472,191)</b>
<b>CHANGE IN NET POSITION</b>	<b>244,844</b>	<b>338,448</b>	<b>2,088</b>	<b>585,380</b>
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>	<b>25,168,597</b>	<b>182,006</b>	<b>20,140</b>	<b>25,370,743</b>
<b>NET POSITION, JUNE 30, 2021</b>	<b>\$ 25,413,441</b>	<b>\$ 520,454</b>	<b>\$ 22,228</b>	<b>\$ 25,956,123</b>

**CITY OF LEBANON, OREGON  
WATER UTILITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Fees and Charges	\$ 5,140,000	\$ 5,140,000	\$ 5,223,602	\$ 83,602
Interest	5,000	5,000	22,377	17,377
Intergovernmental revenue	-	-	37,070	37,070
Miscellaneous	100,000	100,000	149,831	49,831
<b>TOTAL REVENUES</b>	<b>5,245,000</b>	<b>5,245,000</b>	<b>5,432,880</b>	<b>187,880</b>
<b>EXPENDITURES:</b>				
Water:				
Personnel Services	1,505,900	1,505,900	1,417,780	88,120
Materials and services	1,189,621	1,189,621	993,781	195,840
Capital Outlay	2,083,500	2,083,500	651,712	1,431,788
Subtotal for Water	4,779,021	4,779,021	3,063,273	1,715,748
Debt Service	-	1,153,768	1,153,768	-
Principal	-	638,054	638,054	-
Interest and fiscal charges	-	515,714	515,714	-
Contingency	157,740	157,740	-	157,740
<b>TOTAL EXPENDITURES</b>	<b>4,936,761</b>	<b>6,090,529</b>	<b>4,217,041</b>	<b>1,873,488</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>308,239</b>	<b>(845,529)</b>	<b>1,215,839</b>	<b>2,061,368</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers Out	(1,088,471)	(1,088,471)	(1,019,384)	69,087
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,088,471)</b>	<b>(1,088,471)</b>	<b>(1,019,384)</b>	<b>69,087</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(780,232)</b>	<b>(1,934,000)</b>	<b>196,455</b>	<b>2,130,455</b>
<b>FUND BALANCE, JUNE 30, 2020 (RESTATED)</b>	<b>2,739,000</b>	<b>2,739,000</b>	<b>3,443,272</b>	<b>704,272</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ 1,958,768</b>	<b>\$ 805,000</b>	<b>3,639,727</b>	<b>\$ 2,834,727</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Capital Assets, net accumulated depreciation			45,665,291	
Net OPEB Asset			20,736	
Deferred outflows from OPEB - RHIA			8,051	
Deferred outflows from Pension			503,295	
Accrued compensated absences payable, current			(27,530)	
Accrued compensated absences payable			(82,588)	
Long-Term Liabilities, current			(899,170)	
Long-Term Liabilities, non-current			(21,408,199)	
Bond premium payable			(3,351)	
Interest payable			(286,186)	
OPEB Liability			(42,794)	
Net Pension liability			(1,535,021)	
Deferred inflows from OPEB			(6,826)	
Deferred inflows from Pension			(131,994)	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2021</b>			<b>\$ 25,413,441</b>	

**CITY OF LEBANON, OREGON  
SDC - WATER IMPROVEMENTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
System development charges	\$ 111,897	\$ 111,897	\$ 309,707	\$ 197,810
Interest	-	-	7,754	7,754
<b>TOTAL REVENUES</b>	<u>111,897</u>	<u>111,897</u>	<u>317,461</u>	<u>205,564</u>
<b>NET CHANGE IN FUND BALANCE</b>	111,897	111,897	317,461	205,564
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>(111,897)</u>	<u>(111,897)</u>	<u>(8,972)</u>	<u>102,925</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	308,489	<u>\$ 308,489</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable Revenue			<u>211,965</u>	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2021</b>			<u>\$ 520,454</u>	

**CITY OF LEBANON, OREGON  
SDC - WATER REIMBURSEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
System development charges	\$ 650	\$ 650	\$ 1,775	\$ 1,125
Interest	150	150	189	39
<b>TOTAL REVENUES</b>	<b>800</b>	<b>800</b>	<b>1,964</b>	<b>1,164</b>
<b>EXPENDITURES:</b>				
Water:				
Capital Outlay	17,500	17,500	-	17,500
Contingency	1,485	1,485	-	1,485
<b>TOTAL EXPENDITURES</b>	<b>18,985</b>	<b>18,985</b>	<b>-</b>	<b>18,985</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(18,185)</b>	<b>(18,185)</b>	<b>1,964</b>	<b>20,149</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(18,185)</b>	<b>(18,185)</b>	<b>1,964</b>	<b>20,149</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>18,185</b>	<b>18,185</b>	<b>19,004</b>	<b>819</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>20,968</b>	<b>\$ 20,968</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable Revenue			1,260	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2021</b>			<b>\$ 22,228</b>	

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF NET POSITION**  
**WASTEWATER FUNDS**  
**JUNE 30, 2021**

	Wastewater Utility Fund	SDC- Wastewater Improvement Fund	SDC - Wastewater Reimbursement Fund	Total Wastewater Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 1,198,330	\$ 2,591,592	\$ 537,620	\$ 4,327,542
Accounts receivable, net	741,025	-	-	741,025
Unbilled Revenue	196,380	-	-	196,380
Assessments receivable	-	295,301	51,938	347,239
Total current assets	<u>2,135,735</u>	<u>2,886,893</u>	<u>589,558</u>	<u>5,612,186</u>
Noncurrent assets:				
Capital assets:				
Capital assets not being depreciated	1,559,840	-	-	1,559,840
Depreciable capital assets, net of depreciation	30,058,348	-	-	30,058,348
Net OPEB asset	21,316	-	-	21,316
Total noncurrent assets	<u>31,639,504</u>	<u>-</u>	<u>-</u>	<u>31,639,504</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related deferrals	517,372	-	-	517,372
OPEB related deferrals	8,276	-	-	8,276
Total deferred outflows of resources	<u>525,648</u>	<u>-</u>	<u>-</u>	<u>525,648</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
	<u>\$ 34,300,887</u>	<u>\$ 2,886,893</u>	<u>\$ 589,558</u>	<u>\$ 37,777,338</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 357,936	\$ -	\$ -	\$ 357,936
Accrued payroll	19,191	-	-	19,191
Compensated Absences, current portion	22,735	-	-	22,735
Accrued interest payable	17,782	-	-	17,782
Current portion of long-term debt:				
Contracts, notes and loans payable	725,000	-	-	725,000
Total current liabilities	<u>1,142,644</u>	<u>-</u>	<u>-</u>	<u>1,142,644</u>
Noncurrent liabilities:				
Compensated absences, non current portion	68,203	-	-	68,203
Long-term liabilities	3,095,000	-	-	3,095,000
Bonds premium	28,763	-	-	28,763
Net pension liability	1,577,958	-	-	1,577,958
Total OPEB liability	43,991	-	-	43,991
Total noncurrent liabilities	<u>4,813,915</u>	<u>-</u>	<u>-</u>	<u>4,813,915</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferrals	135,686	-	-	135,686
OPEB related deferrals	7,017	-	-	7,017
Total deferred inflows of resources	<u>142,703</u>	<u>-</u>	<u>-</u>	<u>142,703</u>
<b>TOTAL LIABILITIES DEFERRED INFLOWS OF RESOURCES</b>				
	<u>6,099,262</u>	<u>-</u>	<u>-</u>	<u>6,099,262</u>
<b>NET POSITION</b>				
Net investment in capital assets	27,769,425	-	-	27,769,425
Restricted	-	2,886,893	589,558	3,476,451
Unrestricted	432,200	-	-	432,200
Total net position	<u>28,201,625</u>	<u>2,886,893</u>	<u>589,558</u>	<u>31,678,076</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>				
	<u>\$ 34,300,887</u>	<u>\$ 2,886,893</u>	<u>\$ 589,558</u>	<u>\$ 37,777,338</u>

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**WASTEWATER FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Wastewater Utility Fund	SDC- Wastewater Improvement Fund	SDC - Wastewater Reimbursement Fund	Total Wastewater Funds
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 5,782,034	\$ -	\$ -	\$ 5,782,034
System development charges	-	435,432	73,081	508,513
Intergovernmental	20,082	-	-	20,082
Miscellaneous	2,854	-	-	2,854
<b>TOTAL OPERATING REVENUES</b>	<b>5,804,970</b>	<b>435,432</b>	<b>73,081</b>	<b>6,313,483</b>
<b>OPERATING EXPENSES:</b>				
Personnel Services	2,476,689	-	-	2,476,689
Materials and services	3,300,425	2,535	-	3,302,960
Depreciation and amortization	1,042,888	-	-	1,042,888
<b>TOTAL OPERATING EXPENSES</b>	<b>6,820,002</b>	<b>2,535</b>	<b>-</b>	<b>6,822,537</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(1,015,032)</b>	<b>432,897</b>	<b>73,081</b>	<b>(509,054)</b>
<b>NONOPERATING INCOME (EXPENSE):</b>				
Interest income	12,650	27,937	5,523	46,110
Interest expense	74,791	-	-	74,791
<b>TOTAL NONOPERATING INCOME (EXPENSE)</b>	<b>87,441</b>	<b>27,937</b>	<b>5,523</b>	<b>120,901</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<b>(927,591)</b>	<b>460,834</b>	<b>78,604</b>	<b>(388,153)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Capital contributions	107,952	-	-	107,952
Gain(Loss), disposal of Asset	(677,979)	-	-	(677,979)
Transfers out	(295,454)	(6,312)	-	(301,766)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(865,481)</b>	<b>(6,312)</b>	<b>-</b>	<b>(871,793)</b>
<b>CHANGE IN NET POSITION</b>	<b>(1,793,072)</b>	<b>454,522</b>	<b>78,604</b>	<b>(1,259,946)</b>
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>	<b>29,994,697</b>	<b>2,432,371</b>	<b>510,954</b>	<b>32,938,022</b>
<b>NET POSITION, JUNE 30, 2021</b>	<b>\$ 28,201,625</b>	<b>\$ 2,886,893</b>	<b>\$ 589,558</b>	<b>\$ 31,678,076</b>



**CITY OF LEBANON, OREGON  
WASTEWATER FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Fees and Charges	\$ 5,675,000	\$ 5,675,000	\$ 5,782,160	\$ 107,160
Interest	-	-	12,650	12,650
Intergovernmental revenue	-	-	20,082	20,082
Miscellaneous	-	-	2,854	2,854
<b>TOTAL REVENUES</b>	<b>5,675,000</b>	<b>5,675,000</b>	<b>5,817,746</b>	<b>142,746</b>
<b>EXPENDITURES:</b>				
Wastewater:				
Personnel Services	1,045,000	1,045,000	1,490,446	(445,446)
Materials and services	3,012,396	3,012,396	2,966,612	45,784
Capital Outlay	16,599,500	16,599,500	1,378,411	15,221,089
Subtotal for Wastewater	20,656,896	20,656,896	5,835,469	14,821,427
Debt Service	423,443	423,443	4,055,244	(3,631,801)
Contingency	267,422	267,422	-	267,422
<b>TOTAL EXPENDITURES</b>	<b>21,347,761</b>	<b>21,347,761</b>	<b>9,890,713</b>	<b>11,457,048</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(15,672,761)</b>	<b>(15,672,761)</b>	<b>(4,072,967)</b>	<b>11,599,794</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Bond Proceeds	-	-	3,730,000	(3,730,000)
Loan Proceeds	14,000,000	14,000,000	-	14,000,000
Transfers Out	(765,221)	(765,221)	(697,354)	(67,867)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>13,234,779</b>	<b>13,234,779</b>	<b>3,032,646</b>	<b>10,202,133</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,437,982)</b>	<b>(2,437,982)</b>	<b>(1,040,321)</b>	<b>1,397,661</b>
<b>FUND BALANCE, JUNE 30, 2020 (RESTATED)</b>	<b>2,562,982</b>	<b>2,562,982</b>	<b>2,797,616</b>	<b>234,634</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>	<b>1,757,295</b>	<b>\$ 1,632,295</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Capital Assets, net accumulated depreciation			31,618,188	
Net OPEB Asset			21,316	
Deferred outflows from OPEB			8,276	
Deferred outflows from Pension			517,372	
Accrued compensated absences payable, current			(22,735)	
Accrued compensated absences payable			(68,203)	
Long-Term Liabilities, current			(725,000)	
Long-Term Liabilities, non-current			(3,095,000)	
Bond Premiums payable			(28,763)	
Interest payable			(17,782)	
Total OPEB liability			(43,991)	
Net Pension liability			(1,577,958)	
Unavailable revenue			1,313	
Deferred inflows from OPEB			(7,017)	
Deferred inflows from Pension			(135,686)	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2021</b>			<b>\$ 28,201,625</b>	

**CITY OF LEBANON, OREGON  
SDC - WASTEWATER IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
System development charges	\$ 72,000	\$ 72,000	\$ 395,730	\$ 323,730
Interest	16,500	16,500	27,937	11,437
<b>TOTAL REVENUES</b>	<b>88,500</b>	<b>88,500</b>	<b>423,667</b>	<b>335,167</b>
<b>EXPENDITURES:</b>				
Wastewater:				
Capital outlay	2,050,000	2,050,000	2,535	2,047,465
Contingency	49,359	49,359	-	49,359
<b>TOTAL EXPENDITURES</b>	<b>2,099,359</b>	<b>2,099,359</b>	<b>2,535</b>	<b>2,096,824</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,010,859)</b>	<b>(2,010,859)</b>	<b>421,132</b>	<b>2,431,991</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfer Out	(6,312)	(6,312)	(6,312)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(6,312)</b>	<b>(6,312)</b>	<b>(6,312)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,017,171)</b>	<b>(2,017,171)</b>	<b>414,820</b>	<b>2,431,991</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>2,017,171</b>	<b>2,017,171</b>	<b>2,195,063</b>	<b>177,892</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>2,609,883</b>	<b>\$ 2,609,883</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable revenue			277,010	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2021</b>			<b>\$ 2,886,893</b>	

**CITY OF LEBANON, OREGON  
SDC - WASTEWATER REIMBURSEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
System development charges	\$ 19,000	\$ 19,000	\$ 69,614	\$ 50,614
Interest	3,850	3,850	5,523	1,673
<b>TOTAL REVENUES</b>	<u>22,850</u>	<u>22,850</u>	<u>75,137</u>	<u>52,287</u>
<b>EXPENDITURES:</b>				
Waterwater:				
Capital Outlay	430,000	430,000	-	430,000
Contingency	26,303	26,303	-	26,303
<b>TOTAL EXPENDITURES</b>	<u>456,303</u>	<u>456,303</u>	<u>-</u>	<u>456,303</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(433,453)</u>	<u>(433,453)</u>	<u>75,137</u>	<u>508,590</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(433,453)</u>	<u>(433,453)</u>	<u>75,137</u>	<u>508,590</u>
<b>FUND BALANCE, JUNE 30, 2020</b>	<u>433,453</u>	<u>433,453</u>	<u>465,699</u>	<u>32,246</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>\$ -</u>	<u>\$ -</u>	<u>540,836</u>	<u>\$ 540,836</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable revenue			<u>48,722</u>	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2021</b>			<u>\$ 589,558</u>	

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF NET POSITION  
STORM DRAINAGE FUNDS  
JUNE 30, 2021**

	Storm Drainage Fund	SDC - Drainage Improvement Fund	SDC - Drainage Reimbursement Fund	Total Storm Drainage Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 350,628	\$ 192,157	\$ 41,355	\$ 584,140
Accounts receivable, net	66,365	-	-	66,365
Assessments receivable	-	24,688	4,301	28,989
Unbilled Revenue	17,455	-	-	17,455
				-
Total current assets	434,448	216,845	45,656	696,949
Noncurrent assets:				
Capital assets:				
Depreciable capital assets, net of depreciation	1,739,610	-	-	1,739,610
Net OPEB asset	1,886	-	-	1,886
Total noncurrent assets	1,741,496	-	-	1,741,496
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related deferrals	45,775	-	-	45,775
OPEB related deferrals	732	-	-	732
Total deferred outflows of resources	46,507	-	-	46,507
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 2,222,451</b>	<b>\$ 216,845</b>	<b>\$ 45,656</b>	<b>\$ 2,484,952</b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 13,126	\$ -	\$ -	\$ 13,126
Payroll payable	680	-	-	680
Compensated Absences, current portion	1,841	-	-	1,841
Total current liabilities	15,647	-	-	15,647
Noncurrent liabilities:				
Compensated absences, non current portion	5,523	-	-	5,523
Net pension liability	139,610	-	-	139,610
Total OPEB liability	3,892	-	-	3,892
Interfund loan payable	325,168	-	-	325,168
Total noncurrent liabilities	474,193	-	-	474,193
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferrals	12,005	-	-	12,005
OPEB related deferrals	621	-	-	621
Total deferred inflows of resources	12,626	-	-	12,626
<b>TOTAL LIABILITIES INFLOWS OF RESOURCES</b>	<b>502,466</b>	<b>-</b>	<b>-</b>	<b>502,466</b>
<b>NET POSITION</b>				
Net investment in capital assets	1,739,610	-	-	1,739,610
Restricted for capital projects	-	216,845	45,656	262,501
Unrestricted	(19,625)	-	-	(19,625)
Total net position	1,719,985	216,845	45,656	1,982,486
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 2,222,451</b>	<b>\$ 216,845</b>	<b>\$ 45,656</b>	<b>\$ 2,484,952</b>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
STORM DRAINAGE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Storm Drainage Fund	SDC - Drainage Improvement Fund	SDC - Drainage Reimbursement Fund	Total Storm Drainage Funds
<b>OPERATING REVENUES:</b>				
Fees and Charges	\$ 511,925	\$ -	\$ -	\$ 511,925
System development charges	-	35,671	6,190	41,861
Intergovernmental revenue	157	-	-	157
Miscellaneous	472	-	-	472
<b>TOTAL OPERATING REVENUES</b>	<b>512,554</b>	<b>35,671</b>	<b>6,190</b>	<b>554,415</b>
<b>OPERATING EXPENSES:</b>				
Personnel Services	239,269	-	-	239,269
Materials and services	173,759	-	-	173,759
Depreciation and amortization	43,321	-	-	43,321
<b>TOTAL OPERATING EXPENSES</b>	<b>456,349</b>	<b>-</b>	<b>-</b>	<b>456,349</b>
<b>OPERATING INCOME (LOSS)</b>	<b>56,205</b>	<b>35,671</b>	<b>6,190</b>	<b>98,066</b>
<b>NONOPERATING INCOME (EXPENSE):</b>				
Interest income	2,156	2,244	444	4,844
Interest expense	(8,168)	-	-	(8,168)
<b>TOTAL NONOPERATING INCOME (EXPENSE)</b>	<b>(6,012)</b>	<b>2,244</b>	<b>444</b>	<b>(3,324)</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<b>50,193</b>	<b>37,915</b>	<b>6,634</b>	<b>94,742</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Capital contributions	25,789	-	-	25,789
Transfers out	(35,278)	(6,312)	-	(41,590)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(9,489)</b>	<b>(6,312)</b>	<b>-</b>	<b>(15,801)</b>
<b>CHANGE IN NET POSITION</b>	<b>40,704</b>	<b>31,603</b>	<b>6,634</b>	<b>78,941</b>
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>	<b>1,679,281</b>	<b>185,242</b>	<b>39,022</b>	<b>1,903,545</b>
<b>NET POSITION, JUNE 30, 2021</b>	<b>\$ 1,719,985</b>	<b>\$ 216,845</b>	<b>\$ 45,656</b>	<b>\$ 1,982,486</b>

**CITY OF LEBANON, OREGON  
STORM DRAINAGE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Fees and Charges	\$ 483,000	\$ 483,000	\$ 511,925	\$ 28,925
Interest	-	-	2,156	2,156
Intergovernmental revenue	-	-	157	157
Miscellaneous	-	-	472	472
<b>TOTAL REVENUES</b>	<b>483,000</b>	<b>483,000</b>	<b>514,710</b>	<b>31,710</b>
<b>EXPENDITURES:</b>				
Storm Drainage:				
Personnel Services	130,000	130,000	124,170	5,830
Materials and services	85,500	85,500	48,991	36,509
Capital Outlay	215,000	215,000	124,768	90,232
Subtotal Storm Drainage	430,500	430,500	297,929	132,571
Contingency	17,166	17,166	-	17,166
<b>TOTAL EXPENDITURES</b>	<b>447,666</b>	<b>447,666</b>	<b>297,929</b>	<b>149,737</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>35,334</b>	<b>35,334</b>	<b>216,781</b>	<b>181,447</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Inferfund loan payment	-	-	(46,000)	46,000
Transfers Out	(94,124)	(94,124)	(35,278)	(58,846)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(94,124)</b>	<b>(94,124)</b>	<b>(81,278)</b>	<b>12,846</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(58,790)</b>	<b>(58,790)</b>	<b>135,503</b>	<b>194,293</b>
<b>NET POSITION, JUNE 30, 2020 (RESTATED)</b>	<b>133,790</b>	<b>133,790</b>	<b>285,139</b>	<b>151,349</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>420,642</b>	<b>\$ 345,642</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Capital Outlay, net accumulated depreciation			1,739,610	
Net OPEB Asset			1,886	
Deferred outflows from OPEB			732	
Deferred outflows from Pension			45,775	
Interfund loan due			(325,168)	
Accrued compensated absences payable, current			(1,841)	
Accrued compensated absences payable			(5,523)	
Net Pension liability			(139,610)	
Net OPEB liability			(3,892)	
Deferred inflows from OPEB			(621)	
Deferred inflows from Pension			(12,005)	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2021</b>			<b>\$ 1,719,985</b>	

**CITY OF LEBANON, OREGON  
SDC- DRAINAGE IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
System development charges	\$ 42,000	\$ 42,000	\$ 21,550	\$ (20,450)
Interest	6,500	6,500	2,244	(4,256)
<b>TOTAL REVENUES</b>	<b>48,500</b>	<b>48,500</b>	<b>23,794</b>	<b>(24,706)</b>
<b>EXPENDITURES:</b>				
Storm Drainage:				
Capital outlay	155,000	155,000	-	155,000
Contingency	33,403	33,403	-	33,403
<b>TOTAL EXPENDITURES</b>	<b>188,403</b>	<b>188,403</b>	<b>-</b>	<b>188,403</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(139,903)</b>	<b>(139,903)</b>	<b>23,794</b>	<b>163,697</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfer Out	(6,312)	(6,312)	(6,312)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(6,312)</b>	<b>(6,312)</b>	<b>(6,312)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(146,215)</b>	<b>(146,215)</b>	<b>17,482</b>	<b>163,697</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>146,215</b>	<b>146,215</b>	<b>176,747</b>	<b>30,532</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>194,229</b>	<b>\$ 194,229</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable revenue			22,616	
<b>NET POSITION, as of June 30, 2021</b>			<b>\$ 216,845</b>	

**CITY OF LEBANON, OREGON  
SDC- DRAINAGE REIMBURSEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
System development charges	\$ 1,500	\$ 1,500	\$ 4,437	\$ 2,937
Interest	170	170	444	274
<b>TOTAL REVENUES</b>	<b>1,670</b>	<b>1,670</b>	<b>4,881</b>	<b>3,211</b>
<b>EXPENDITURES:</b>				
Storm Drainage:				
Capital outlay	18,000	18,000	-	18,000
Contingency	1,821	1,821	-	1,821
<b>TOTAL EXPENDITURES</b>	<b>19,821</b>	<b>19,821</b>	<b>-</b>	<b>19,821</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(18,151)</b>	<b>(18,151)</b>	<b>4,881</b>	<b>23,032</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(18,151)</b>	<b>(18,151)</b>	<b>4,881</b>	<b>23,032</b>
<b>FUND BALANCE, JUNE 30, 2020</b>	<b>18,151</b>	<b>18,151</b>	<b>36,835</b>	<b>18,684</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>\$ -</b>	<b>\$ -</b>	<b>41,716</b>	<b>\$ 41,716</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable revenue			3,940	
<b>NET POSITION, as of June 30, 2021</b>			<b>\$ 45,656</b>	



# STATISTICAL SECTION

- FINANCIAL TRENDS
- REVENUE CAPACITY
- DEBT CAPACITY
- DEMOGRAPHIC AND ECONOMIC INFORMATION
- OPERATING INFORMATION



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# FINANCIAL TRENDS

**CITY OF LEBANON**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**

	2021	2020 (restated)	2019 (restated)	2018 (restated)
<b>Governmental activities</b>				
Net investment in capital assets	\$ 8,856,238	\$ 8,130,402	\$ 5,703,160	\$ 1,253,407
Restricted for special purposes	13,076,501	9,699,384	8,925,225	9,080,170
Unrestricted	(245,356)	(3,240,155)	(1,188,885)	(1,597,185)
<i>Total governmental activities</i>	<u>\$ 21,687,383</u>	<u>\$ 14,589,631</u>	<u>\$ 13,439,500</u>	<u>\$ 8,736,392</u>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 52,863,606	\$ 51,904,102	\$ 51,413,603	\$ 41,668,611
Restricted for special purposes	4,281,634	-	-	-
Unrestricted	2,471,445	8,308,208	6,098,145	10,565,798
<i>Total business-type activities net position</i>	<u>\$ 59,616,685</u>	<u>\$ 60,212,310</u>	<u>\$ 57,511,748</u>	<u>\$ 52,234,409</u>
<b>Primary government</b>				
Net investment in capital assets	\$ 61,719,844	\$ 60,034,504	\$ 57,116,763	\$ 42,922,018
Restricted for special purposes	17,358,135	9,699,384	8,925,225	9,080,170
Unrestricted	2,226,089	5,068,053	4,909,260	8,968,613
<i>Total primary government net position</i>	<u>\$ 81,304,068</u>	<u>\$ 74,801,941</u>	<u>\$ 70,951,248</u>	<u>\$ 60,970,801</u>

2017 (restated)	2016 (restated)	2015	2014 (restated)	2013 (restated)	2012 (restated)
\$ 413,910	\$ (2,551,961)	\$ (4,571,488)	\$ (5,561,848)	\$ 9,734,594	\$ 13,586,829
13,884,088	7,317,116	9,307,133	9,077,679	10,117,153	10,494,242
(7,525,275)	(1,745,001)	2,669,363	32,281	3,113,842	2,006,182
<hr/>					
\$ 6,772,723	\$ 3,020,154	\$ 7,405,008	\$ 3,548,112	\$ 22,965,589	\$ 26,087,253
<hr/>					
\$ 41,352,926	\$ 34,315,146	\$ 35,314,282	\$ 33,176,772	\$ 23,544,414	\$ 21,094,263
-	372,011	372,011	372,011	372,011	372,011
7,940,784	7,103,153	5,228,222	3,204,875	3,752,659	3,370,516
<hr/>					
\$ 49,293,710	\$ 41,790,310	\$ 40,914,515	\$ 36,753,658	\$ 27,669,084	\$ 24,836,790
<hr/>					
\$ 41,766,836	\$ 31,763,185	\$ 30,742,794	\$ 27,614,924	\$ 33,279,008	\$ 34,681,092
13,884,088	7,689,127	9,679,144	9,449,690	10,489,164	10,866,253
415,509	5,358,152	7,897,585	3,237,156	6,866,501	5,376,698
<hr/>					
\$ 56,066,433	\$ 44,810,464	\$ 48,319,523	\$ 40,301,770	\$ 50,634,673	\$ 50,924,043
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**CITY OF LEBANON**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**

	2021	2020	2019	2018
<b>Expenses</b>				
<i>Governmental activities:</i>				
General government	\$ 2,896,729	\$ 4,649,890	\$ 4,569,948	\$ 4,342,450
Public Safety	5,654,519	5,844,719	5,445,062	6,415,641
Highways and streets	1,561,346	993,516	776,254	767,327
Culture and recreation	1,941,534	2,925,581	2,554,557	1,826,698
Community Planning	686,993	2,025,709	1,622,675	2,882,196
Urban Renewal Projects	-	-	120,130	-
Transit	395,457	457,805	-	-
Interest on long-term debt	997,293	1,138,426	2,108,959	1,334,187
<i>Total governmental activities expenses</i>	<u>14,133,871</u>	<u>18,035,646</u>	<u>17,197,585</u>	<u>17,568,499</u>
<i>Business-type activities</i>				
<i>Expenses</i>				
Water	4,715,845	3,803,815	3,115,306	2,726,011
Sewer	6,747,746	4,150,372	3,587,488	3,730,750
Stormwater	464,517	150,497	130,772	40,688
<i>Total business-type activities expenses</i>	<u>11,928,108</u>	<u>8,104,684</u>	<u>6,833,566</u>	<u>6,497,449</u>
<i>Total Expenses</i>	<u>\$ 26,061,979</u>	<u>\$ 26,140,330</u>	<u>\$ 24,031,151</u>	<u>\$ 24,065,948</u>
<b>Program revenues</b>				
<i>Governmental activities</i>				
<i>Charges for services</i>				
General government	\$ 793,822	\$ 824,811	\$ 822,595	\$ 996,032
Public Safety	608,506	69,969	451,292	369,923
Highways and streets	630,430	197,239	319,516	357,319
Culture and recreation	920,956	835,121	587,327	718,191
Community Planning	119,413	111,836	58,102	123,451
Transit	457	-	-	-
Operating grants and contributions	3,718,031	71,813	16,500	3,678
Capital grants and contributions	212,044	959,213	1,924,810	1,081,013
<i>Total governmental activities program revenues</i>	<u>7,003,659</u>	<u>3,070,002</u>	<u>4,180,142</u>	<u>3,649,607</u>
<i>Business-type activities</i>				
<i>Charges for services</i>				
Water	5,556,195	5,475,941	5,681,237	5,398,022
Sewer	6,290,547	6,114,866	5,925,338	5,896,849
Stormwater	553,786	581,058	513,969	482,477
Operating grants and contributions	57,309	-	-	-
Capital grants and contributions	422,375	48,479	2,302,172	-
<i>Total business-type activities program revenues</i>	<u>12,880,212</u>	<u>12,220,344</u>	<u>14,422,716</u>	<u>11,777,348</u>
<i>Total program revenues</i>	<u>\$ 19,883,871</u>	<u>\$ 15,290,346</u>	<u>\$ 18,602,858</u>	<u>\$ 15,426,955</u>
<b>Net (expense)/revenues</b>				
<i>Governmental activities</i>	\$ (7,130,212)	\$ (14,965,644)	\$ (13,017,443)	\$ (13,918,892)
<i>Business-type activities</i>	<u>952,104</u>	<u>4,115,660</u>	<u>7,589,150</u>	<u>5,279,899</u>
<i>Total net expenses</i>	<u>\$ (6,178,108)</u>	<u>\$ (10,849,984)</u>	<u>\$ (5,428,293)</u>	<u>\$ (8,638,993)</u>

	2017	2016	2015	2014	2013	2012
\$	4,421,484	\$ 8,725,784	\$ 3,838,417	\$ 16,199,250	\$ 9,979,089	\$ 2,550,059
	5,129,853	4,633,244	4,371,024	4,492,848	4,507,518	4,237,377
	703,860	763,014	924,469	735,708	711,593	-
	1,634,994	2,087,770	1,463,996	1,562,044	1,629,143	-
	1,584,953	1,532,196	1,313,438	1,604,091	486,140	9,207,040
	-	-	-	203,652	214,512	-
	1,322,439	2,810,526	1,465,963	974,686	1,070,600	1,058,118
	14,797,583	20,552,534	13,377,307	25,772,279	18,598,595	17,052,594
	2,437,650	3,899,986	1,712,057	1,424,620	1,555,413	1,030,323
	3,184,497	5,368,069	3,093,617	2,056,295	2,439,795	73,141
	124,393	71,320	232,473	174,433	150,987	1,716,092
	5,746,540	9,339,375	5,038,147	3,655,348	4,146,195	2,819,556
\$	20,544,123	\$ 29,891,909	\$ 18,415,454	\$ 29,427,627	\$ 22,744,790	\$ 19,872,150
\$	485,897	\$ 537,903	\$ 425,842	\$ 278,853	\$ 411,542	\$ 412,294
	487,910	520,209	471,251	485,259	725,630	1,018,635
	8,900	-	907,817	895,783	-	856,913
	400,125	80,627	64,317	69,558	54,705	-
	1,383,205	-	-	-	-	-
	-	-	-	-	-	-
	328,038	483,235	707,441	373,498	404,388	431,089
	61,569	261,499	219,070	-	-	174,335
	3,155,644	1,883,473	2,795,738	2,102,951	1,596,265	2,893,266
	5,356,789	4,902,311	4,533,296	4,265,930	4,231,975	3,613,179
	5,959,957	5,060,820	4,980,435	4,752,859	4,753,165	4,666,270
	477,268	432,855	425,223	409,233	397,601	423,221
	-	-	4,207	-	-	-
	-	-	-	-	-	359,460
	11,794,014	10,395,986	9,943,161	9,428,022	9,382,741	9,062,130
\$	14,949,658	\$ 12,279,459	\$ 12,738,899	\$ 11,530,973	\$ 10,979,006	\$ 11,955,396
\$	(11,641,939)	\$ (18,669,061)	\$ (10,581,569)	\$ (23,669,328)	\$ (17,002,330)	\$ (14,159,328)
	6,047,474	1,056,611	4,905,014	5,772,674	5,236,546	6,242,574
\$	(5,594,465)	\$ (17,612,450)	\$ (5,676,555)	\$ (17,896,654)	\$ (11,765,784)	\$ (7,916,754)

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# REVENUE CAPACITY

**CITY OF LEBANON**  
**CHANGES IN NET POSITION (Continued)**  
**LAST TEN FISCAL YEARS**

	2021	2020	2019	2018
<b>General revenues and other changes in net position</b>				
Governmental activities				
Taxes and assessments	\$ 10,523,164	\$ 11,823,641	\$ 11,371,894	\$ 10,975,454
Franchise fees	2,381,699	2,272,728	2,208,440	2,198,381
Earnings on investments	218,920	349,399	488,904	271,060
Miscellaneous	-	77,716	115,011	(36,409)
Gain (Loss) on asset disposal	-		115,998	-
Transfers	1,104,181	1,592,291	3,420,304	3,392,071
<b>Total governmental activities</b>	<b>14,227,964</b>	<b>16,115,775</b>	<b>17,720,551</b>	<b>16,800,557</b>
Business-type activities				
Taxes and assessments				-
Earnings on investments	81,274	177,193	171,561	134,875
Miscellaneous	153,157	-	-	-
Gain (Loss) on asset disposal	(677,979)	-	-	-
Transfers	(1,104,181)	(1,592,291)	(2,483,372)	(3,392,071)
<b>Total business-type activities</b>	<b>(1,547,729)</b>	<b>(1,415,098)</b>	<b>(2,311,811)</b>	<b>(3,257,196)</b>
<b>Total</b>	<b>\$ 12,680,235</b>	<b>\$ 14,700,677</b>	<b>\$ 15,408,740</b>	<b>\$ 13,543,361</b>
<b>Change in net position</b>				
Governmental activities	\$ 7,097,752	\$ 1,150,131	\$ 4,703,108	\$ 2,881,665
Business-type activities	(595,625)	2,700,562	5,277,339	2,022,703
<b>Total</b>	<b>\$ 6,502,127</b>	<b>\$ 3,850,693</b>	<b>\$ 9,980,447</b>	<b>\$ 4,904,368</b>

2017	2016	2015	2014	2013	2012
\$ 10,863,745	\$ 10,655,535	\$ 9,190,655	8,779,348	\$ 9,060,052	\$ 8,900,285
2,176,801	2,092,699	2,099,554	2,000,707	1,898,832	1,458,442
180,379	219,077	154,932	151,205	93,658	-
206,073	986,451	2,018,770	(3,095,918)	169,430	(459,134)
(538,667)	-	-	-	62,516	63,090
2,506,177	330,446	975,770	(3,583,491)	2,596,178	3,118,115
15,394,508	14,284,208	14,439,681	4,251,851	13,880,666	13,080,798
-	-	-	-	-	19,755
121,240	42,393	34,778	15,447	4,813	-
3,840,863	107,236	195,619	(287,038)	187,113	131,630
-	-	-	-	-	-
(2,506,177)	(330,446)	(975,770)	3,583,491	(2,596,178)	(3,118,115)
1,455,926	(180,817)	(745,373)	3,311,900	(2,404,252)	(2,966,730)
\$ 16,850,434	\$ 14,103,391	\$ 13,694,308	\$ 7,563,751	\$ 11,476,414	\$ 10,114,068
\$ 3,752,569	\$ (4,384,853)	\$ 3,858,112	\$ (19,417,477)	\$ (3,121,664)	\$ (1,078,530)
7,503,400	875,794	4,159,641	9,084,574	2,832,294	3,275,844
\$ 11,255,969	\$ (3,509,059)	\$ 8,017,753	\$ (10,332,903)	\$ (289,370)	\$ 2,197,314

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**CITY OF LEBANON**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	2021	2020	2019	2018
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	4,879,596	4,041,142	4,198,099	3,526,750
Total general fund	<u>\$ 4,879,596</u>	<u>\$ 4,041,142</u>	<u>\$ 4,198,099</u>	<u>\$ 3,526,750</u>
All other governmental funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	13,461,580	9,677,493	9,325,225	9,080,170
Committed	233,073	1,818,424	1,780,242	1,890,083
Assigned	893,628	-	-	-
Unassigned	(4,863)	(91,109)	(71,968)	(61,069)
Total all other governmental funds	<u>\$ 14,583,418</u>	<u>\$ 11,404,808</u>	<u>\$ 11,033,499</u>	<u>\$ 10,909,184</u>
Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	13,461,580	9,677,493	9,325,225	9,080,170
Committed	233,073	1,818,424	1,780,242	1,890,083
Assigned	893,628	-	-	-
Unassigned	4,874,733	3,950,033	4,126,131	3,465,681
Total Governmental Funds	<u>\$ 19,463,014</u>	<u>\$ 15,445,950</u>	<u>\$ 15,231,598</u>	<u>\$ 14,435,934</u>

2017	2016	2015	2014	2013	2012
\$ -	\$ 54,026	\$ 55,205	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	113,253	24,931	24,931	24,931	24,525
-	1,700	1,800	1,800	1,800	-
<u>2,672,274</u>	<u>2,031,337</u>	<u>1,754,690</u>	<u>962,238</u>	<u>723,540</u>	<u>1,080,178</u>
<u>\$ 2,672,274</u>	<u>\$ 2,146,290</u>	<u>\$ 1,781,421</u>	<u>\$ 988,969</u>	<u>\$ 750,271</u>	<u>\$ 1,104,703</u>
\$ -	\$ 2,319	\$ 2,319	\$ -	\$ -	\$ 633
14,076,646	8,020,698	63,945,915	8,935,282	9,996,468	10,344,516
-	89,060	85,757	85,757	85,757	95,851
-	-	-	-	-	-
<u>(1,444,662)</u>	<u>(1,494,823)</u>	<u>(655,867)</u>	<u>-</u>	<u>-</u>	<u>(43,644)</u>
<u>\$ 12,631,984</u>	<u>\$ 6,617,254</u>	<u>\$ 63,378,124</u>	<u>\$ 9,021,039</u>	<u>\$ 10,082,225</u>	<u>\$ 10,397,356</u>
\$ -	\$ 56,345	\$ 57,524	\$ -	\$ -	\$ 633
14,076,646	8,020,698	9,815,915	8,935,282	9,996,468	10,344,516
-	202,313	110,688	110,688	110,688	120,376
-	1,700	1,800	1,800	1,800	-
<u>1,227,612</u>	<u>536,514</u>	<u>1,098,823</u>	<u>962,238</u>	<u>723,540</u>	<u>1,036,534</u>
<u>\$ 15,304,258</u>	<u>\$ 8,817,570</u>	<u>\$ 11,084,750</u>	<u>\$ 10,010,008</u>	<u>\$ 10,832,496</u>	<u>\$ 11,502,059</u>

**CITY OF LEBANON**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	<u>4,879,596</u>	<u>4,041,142</u>	<u>4,198,099</u>	<u>3,526,750</u>
Total general fund	<u>\$ 4,879,596</u>	<u>\$ 4,041,142</u>	<u>\$ 4,198,099</u>	<u>\$ 3,526,750</u>
All other governmental funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	13,461,580	9,677,493	9,325,225	9,080,170
Committed	233,073	1,818,424	1,780,242	1,890,083
Assigned	893,628	-	-	-
Unassigned	<u>4,874,733</u>	<u>(91,109)</u>	<u>(71,968)</u>	<u>(61,069)</u>
Total all other governmental funds	<u>\$ 19,463,014</u>	<u>\$ 11,404,808</u>	<u>\$ 11,033,499</u>	<u>\$ 10,909,184</u>
Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	13,461,580	9,677,493	9,325,225	9,080,170
Committed	233,073	1,818,424	1,780,242	1,890,083
Assigned	893,628	-	-	-
Unassigned	<u>9,754,329</u>	<u>3,950,033</u>	<u>4,126,131</u>	<u>3,465,681</u>
Total Governmental Funds	<u>\$ 24,342,610</u>	<u>\$ 15,445,950</u>	<u>\$ 15,231,598</u>	<u>\$ 14,435,934</u>

2017	2016	2015	2014	2013	2012
\$ -	\$ 54,026	\$ 55,205	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	113,253	24,931	24,931	24,931	24,525
-	1,700	1,800	1,800	1,800	-
2,672,274	2,031,337	1,754,690	962,238	723,540	1,080,178
<u>\$ 2,672,274</u>	<u>\$ 2,146,290</u>	<u>\$ 1,781,421</u>	<u>\$ 988,969</u>	<u>\$ 750,271</u>	<u>\$ 1,104,703</u>
\$ -	\$ 2,319	\$ 2,319	\$ -	\$ -	\$ 633
14,076,646	8,020,698	63,945,915	8,935,282	9,996,468	10,344,516
-	89,060	85,757	85,757	85,757	95,851
-	-	-	-	-	-
(1,444,662)	(1,494,823)	(655,867)	-	-	(43,644)
<u>\$ 12,631,984</u>	<u>\$ 6,617,254</u>	<u>\$ 63,378,124</u>	<u>\$ 9,021,039</u>	<u>\$ 10,082,225</u>	<u>\$ 10,397,356</u>
\$ -	\$ 56,345	\$ 57,524	\$ -	\$ -	\$ 633
14,076,646	8,020,698	9,815,915	8,935,282	9,996,468	10,344,516
-	202,313	110,688	110,688	110,688	120,376
-	1,700	1,800	1,800	1,800	-
1,227,612	536,514	1,098,823	962,238	723,540	1,036,534
<u>\$ 15,304,258</u>	<u>\$ 8,817,570</u>	<u>\$ 11,084,750</u>	<u>\$ 10,010,008</u>	<u>\$ 10,832,496</u>	<u>\$ 11,502,059</u>



**CITY OF LEBANON**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	2021	2020	2019	2018
<b>REVENUES</b>				
Property taxes	\$ 10,115,708	\$ 9,474,845	\$ 9,885,752	\$ 9,222,278
Other taxes	443,916	456,907	493,963	443,182
Franchise fees	2,381,699	2,272,728	2,208,440	2,198,381
Licenses and permits	644,136	-	-	-
Fines, forfeitures, and penalties	494,708	342,264	385,395	441,914
Special assessment collections	1,496,409	-	920,040	1,066,771
Interest and investment earnings	218,920	349,399	488,904	271,060
Intergovernmental	3,718,031	2,117,502	1,813,685	1,648,918
Charges for services	275,415	1,693,666	309,714	529,013
Contributions	63,274	1,031,026	1,941,310	1,084,691
Rent	16,177	-	-	-
Miscellaneous	146,155	10,997	115,012	189,182
Total Revenue	<u>20,014,548</u>	<u>17,749,334</u>	<u>18,562,215</u>	<u>17,095,390</u>
<b>EXPENDITURES</b>				
Current operating:				
General government	2,797,842	3,098,589	3,228,267	2,743,838
Public safety	6,025,829	5,810,656	5,418,395	5,315,659
Highways and streets	957,478	835,955	697,426	690,110
Culture and recreation	1,711,595	2,075,321	2,079,923	1,702,090
Community planning	734,235	1,689,773	1,464,194	1,324,366
Transit	432,273	-	-	-
Capital outlay	471,846	1,692,873	3,418,839	4,295,224
Debt service				
Interest	1,200,536	1,615,654	2,212,404	2,484,347
Principal	3,430,490	3,232,677	2,783,405	6,040,782
Total expenditures	<u>17,762,124</u>	<u>20,051,498</u>	<u>21,302,853</u>	<u>24,596,416</u>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	2,252,424	(2,302,164)	(2,740,638)	(7,501,026)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,669,047	8,193,832	7,060,469	6,769,539
Transfers out	(3,904,407)	(5,677,316)	(3,640,165)	(3,895,158)
Sale of general capital assets	-	-	115,998	-
Debt issuance expense	-	-	-	-
Bond and notes issued	-	-	-	-
Bonds and note premium	-	-	-	-
Loan proceeds	-	-	-	3,758,321
Total other financing sources (uses)	<u>1,764,640</u>	<u>2,516,516</u>	<u>3,536,302</u>	<u>6,632,702</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 4,017,064</u>	<u>\$ 214,352</u>	<u>\$ 795,664</u>	<u>\$ (868,324)</u>
Debt service as a percentage of noncapital expenditures <sup>1</sup>	<u>35.05%</u>	<u>30.01%</u>	<u>25.53%</u>	<u>35.93%</u>

<sup>1</sup> Series 2005 and 2006 General Obligation Bonds were refunded in fiscal year 2019, resulting in a significant increase in Debt Service as a percentage of non-capital expenditures.

	2017	2016	2015	2014	2013	2012
\$	9,478,726	\$ 8,955,927	\$ 8,703,819	\$ 8,174,076	\$ 7,706,103	\$ 8,713,752
	259,743	451,066	317,630	294,382	263,443	-
	2,176,801	2,092,699	2,099,554	2,000,707	1,898,832	-
	-	8,783	4,520	6,303	7,698	2,108,958
	313,630	311,991	524,810	457,604	450,486	534,643
	-	-	-	235,181	-	-
	180,379	218,656	153,221	151,180	93,313	-
	1,421,730	1,324,121	1,166,432	1,094,004	1,108,827	1,834,541
	2,366,510	444,082	860,690	828,580	702,703	9,121
	389,607	598,822	842,417	343,905	311,736	-
	-	-	-	-	-	-
	325,650	355,442	233,959	187,258	454,906	442,974
	<u>16,912,776</u>	<u>14,761,589</u>	<u>14,907,052</u>	<u>13,773,180</u>	<u>12,998,047</u>	<u>13,643,989</u>
	2,591,667	3,690,017	2,267,186	4,124,393	4,184,477	1,265,957
	4,907,038	4,624,905	4,371,774	4,424,875	4,388,860	4,451,540
	689,480	687,504	647,495	648,390	665,480	-
	1,589,532	1,630,966	1,406,347	1,510,229	1,526,233	-
	1,508,275	1,532,196	1,313,438	1,445,909	473,999	6,016,050
	2,429,500	-	-	-	214,512	-
		3,667,908	2,231,599	14,866,318	2,454,145	1,238,645
	1,976,665	2,094,515	1,617,512	1,533,946	1,389,580	1,136,561
	1,472,831	2,345,392	2,245,916	2,001,573	1,338,572	1,238,632
	<u>17,164,988</u>	<u>20,273,403</u>	<u>16,101,267</u>	<u>30,555,633</u>	<u>16,635,858</u>	<u>15,347,385</u>
	(252,212)	(5,511,814)	(1,194,215)	(16,782,453)	(3,637,811)	(1,703,396)
	6,298,418	6,013,926	4,906,720	18,925,950	4,542,149	5,250,601
	(3,792,241)	(2,854,447)	(2,637,763)	(15,032,614)	(1,636,417)	(1,904,212)
	-	-	-	-	62,516	63,090
	-	85,155	-	(3,626,623)	-	-
	4,232,723	-	-	-	-	-
	-	-	-	15,693,252	-	-
	-	-	-	-	-	-
	<u>6,738,900</u>	<u>3,244,634</u>	<u>2,268,957</u>	<u>15,959,965</u>	<u>2,968,248</u>	<u>3,409,479</u>
\$	<u>6,486,688</u>	<u>\$ (2,267,180)</u>	<u>\$ 1,074,742</u>	<u>\$ (822,488)</u>	<u>\$ (669,563)</u>	<u>\$ 1,706,083</u>
	<u>26.00%</u>	<u>24.11%</u>	<u>30.40%</u>	<u>12.40%</u>	<u>21.91%</u>	<u>17.61%</u>

**CITY OF LEBANON**  
**TAX REVENUE BY SOURCE, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**

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<b>Fiscal Year</b>	<b>Property</b> <sup>1</sup>	<b>Franchise Fees</b> <sup>2</sup>	<b>Special Assessments</b> <sup>3</sup>	<b>Total</b>
2021	10,115,708	2,381,699	1,496,409	13,993,816
2020	9,474,845	2,272,728	-	11,747,573
2019	9,885,752	2,208,440	920,040	13,014,232
2018	9,222,278	2,198,381	1,066,771	12,487,430
2017	9,478,726	2,176,801	-	11,655,527
2016	8,955,927	2,092,699	-	11,048,626
2015	8,703,819	2,099,554	-	10,803,373
2014	8,174,076	2,000,707	235,181	10,409,964
2013	7,706,103	1,898,832	-	9,604,935
2012	8,713,752	-	-	8,713,752

<sup>1</sup> Includes current and prior property tax revenue and interest earned; deducts write offs for general property taxes and tax increment revenues.

<sup>2</sup> Franchise fees are charges negotiated between an utility agency and the City for the use of city's right away of public land for utility services.

<sup>3</sup> Special assessment billings are for local improvement district assessments which are paid to the City by the benefited property owners over a ten to fifteen year period.

Source: Linn County and Prior Year Financial Statements

**CITY OF LEBANON**  
**ASSESSED AND ESTIMATED VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**

Fiscal Year Ended June 30,	Real Property		Total			Total Direct Tax Rate	Ratio of Total Assessed to Total Estimated Actual Value
	Assessed Value	Estimated Real Market Value	Assessed Value	** Actual Value	Estimated Value		
2021	1,334,686,509	2,024,621,291	1,334,686,509	2,024,621,291	5.1364	66%	
2020	1,261,832,878	1,873,534,382	1,261,832,878	1,873,534,382	5.1364	67%	
2019	1,213,687,591	1,695,697,415	1,213,687,591	1,695,697,415	5.1364	72%	
2018	1,152,059,205	1,467,463,681	1,152,059,205	1,467,463,681	5.1364	79%	
2017	1,109,942,281	1,354,264,250	1,109,942,281	1,354,264,250	5.1364	82%	
2016	1,058,790,662	1,263,292,835	1,058,790,662	1,263,292,835	5.1364	84%	
2015	1,010,866,121	1,179,330,400	1,010,866,121	1,179,330,400	5.1364	86%	
2014	962,821,787	1,102,083,377	962,821,787	1,102,083,377	5.1364	87%	
2013	933,115,746	1,069,308,045	933,115,746	1,069,308,045	5.1364	87%	
2012	902,293,146	1,096,552,335	902,293,146	1,096,552,335	5.1364	82%	

\* Tax limitation Measure 50 results in a larger difference between market assessed value than were reportable in previous years.

\*\* Assessed value includes assessed value in the Urban Renewal Area.

Source: Linn County Assessors

**CITY OF LEBANON**  
**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>City of Lebanon:</b>										
General Government	\$ 4.5913	\$ 4.4048	\$ 4.3959	\$ 4.3608	\$ 4.0983	\$ 4.0983	\$ 4.1439	\$ 4.1581	\$ 4.4294	\$ 4.1483
G.O. Bond	1.4154	0.0912	1.3056	1.3195	1.2082	1.2082	1.5000	1.5182	1.7515	1.7180
Lebanon Urban Renewal	0.7386	1.3731	1.4322	1.5181	2.3820	2.3820	2.5909	2.7130	1.8586	4.4426
Lebanon Urban Renewal III	0.3482	0.3368	0.3392	0.3284	0.3601	0.3601	0.3620	0.3450	0.3423	0.2996
Lebanon North Gateway	0.7398	0.7288	0.7058	0.7426	0.7541	0.7541	0.4055	0.2832	0.2359	0.2086
Lebanon Urban Renewal Downtown	0.0093	0.0008	-	-	-	-	-	-	-	-
<b>Total City</b>	<b>7.8426</b>	<b>6.9355</b>	<b>8.1787</b>	<b>8.2694</b>	<b>8.8027</b>	<b>8.8027</b>	<b>9.0023</b>	<b>9.0175</b>	<b>8.6177</b>	<b>10.8171</b>
<b>OVERLAPPING RATES:</b>										
<b>Linn County</b>										
Linn County	1.1328	1.0864	1.0848	1.0779	1.0126	1.0126	1.0240	1.0273	1.0953	1.0253
Local Option	2.9378	3.0162	3.0163	3.0166	3.0162	3.0162	3.0163	2.7242	2.7250	2.7309
	4.0706	4.1026	4.1011	4.0945	4.0288	4.0288	4.0403	3.7515	3.8203	3.7562
<b>School District</b>										
Linn-Benton ESD	0.2714	0.2601	0.2598	0.2581	0.2425	0.2425	0.2453	0.2461	0.2623	0.2455
Linn-Benton Community College	0.6122	0.5944	0.5951	0.5936	0.5383	0.5383	0.5447	0.5580	0.5811	0.5486
Lebanon Community School District No. 9	5.9722	5.7872	5.8262	5.8757	5.5818	5.5818	5.6941	5.6645	6.0338	5.8337
	6.8558	6.6417	6.6811	6.7274	6.3626	6.3626	6.4841	6.4686	6.8772	6.6278
<b>Special District</b>										
Lebanon Rural Fire District	2.2947	2.1171	2.1164	2.1092	1.9963	1.9963	2.0220	2.0346	2.1563	2.0296
Lebanon Aquatic District	0.2137	0.2048	0.2045	0.2032	0.1909	0.1909	0.1930	0.1937	0.2065	0.1933
4H Extension District	0.0062	0.0598	0.0598	0.0594	0.0557	0.0557	0.0419	0.0421	0.0448	0.0420
	2.5146	2.3817	2.3807	2.3718	2.2429	2.2429	2.2569	2.2704	2.4076	2.2649
<b>Total Overlapping</b>	<b>13.4410</b>	<b>13.1260</b>	<b>13.1629</b>	<b>13.1937</b>	<b>12.6343</b>	<b>12.6343</b>	<b>12.7813</b>	<b>12.4905</b>	<b>13.1051</b>	<b>12.6489</b>
<b>TOTAL</b>	<b>\$21.2836</b>	<b>\$ 20.0615</b>	<b>\$ 21.3416</b>	<b>\$21.4631</b>	<b>\$ 21.4370</b>	<b>\$21.4370</b>	<b>\$21.7836</b>	<b>\$21.5080</b>	<b>\$21.7228</b>	<b>\$23.4660</b>

Source: Linn County Counties

**CITY OF LEBANON**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
**June 30, 2021**

Taxpayer	2021					
	<sup>1</sup> Tax	Assessed Value	Rank	% of Total Tax Amount	% of Total City Taxable Assessed Value	
Lowes HIW Inc	\$ 1,490,633	\$ 80,720,570	1	14.60%	6.05%	
Entek International LLC	1,282,489	69,708,520	2	12.56%	5.22%	
CentryLink	609,810	33,146,000	3	5.97%	2.48%	
Samaritan Health Services Inc.	495,742	23,257,930	4	4.86%	1.74%	
Wal Mart Real Estate Business	328,563	15,408,570	5	3.22%	1.15%	
Cascade Ridge LLC	278,522	12,849,570	6	2.73%	0.96%	
Entek Membranes LLC	236,277	12,842,730	7	2.31%	0.96%	
Lodges at Lebanon LLC	212,033	9,782,100	8	2.08%	0.73%	
Western Warehousing LLC	202,995	10,718,560	9	1.99%	0.80%	
Pennington Seed Inc Oregon Division	183,148	9,912,640	10	1.79%	0.74%	
Comcast Corporation	-	-	-	-	-	
Entek Manufacutring LLC	-	-	-	-	-	
Northwest Natural Gas	-	-	-	-	-	
	<u>\$ 5,320,212</u>	<u>\$ 278,347,190</u>		<u>0.40%</u>	<u>20.85%</u>	

<sup>1</sup> Source: Linn County Assessor's records

<sup>3</sup> Measure 50 rolled back the assessed value of each unit of property for the tax year 1977-98 to its 1995-96 "real market value", less 10%. Measure 50 limits any increase in assessed value, excluding major improvements, to 3% per year for the tax years after 1997-98.

**2015**

	<b>Tax</b>	<b>Assessed Value</b>	<b>Rank</b>	<b>% of of Total Tax Amount</b>	<b>% of Total City Taxable Assessed Value</b>
\$	1,612,834	84,716,590	1	18.50%	9.39%
	584,589	31,026,530	2	6.71%	3.44%
	535,198	28,405,100	3	6.14%	3.15%
	131,633	6,252,900	10	1.51%	0.69%
	264,230	12,163,700	4	3.03%	1.35%
				0.00%	0.00%
	143,323	7,606,750	8	1.64%	0.84%
				0.00%	0.00%
	182,553	9,403,260	5	2.09%	1.04%
				0.00%	0.00%
	161,770	7,447,000	6	1.86%	0.83%
	154,714	8,211,280	7	1.77%	0.91%
	137,012	7,271,800	9	1.57%	0.81%
<b>\$</b>	<b>3,907,856</b>	<b>\$ 202,504,910</b>		<b>44.83%</b>	<b>22.44%</b>

**CITY OF LEBANON**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Adjustments</b>	<b>Percent of Levy Adjustments</b>	<b>Adjusted Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collections</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent Total Tax Collections To Tax Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Percent Delinquent Taxes To Tax Levy</b>
2021	10,504,671	(297,653)	2.83%	10,207,018	10,207,018	100.00%	242,983	10,450,001	102.38%	425,831	4.17%
2020	9,797,767	(295,364)	3.01%	9,502,403	9,259,607	97.44%	248,989	9,508,596	100.07%	464,207	4.89%
2019	9,995,576	(315,451)	3.16%	9,680,125	9,373,508	96.83%	468,695	9,842,203	101.67%	495,053	5.11%
2018	9,545,249	(272,265)	2.85%	9,272,984	9,029,948	97.38%	298,295	9,328,243	100.60%	913,045	9.85%
2017	9,691,494	(436,709)	4.51%	9,254,785	9,191,606	99.32%	249,276	9,440,882	102.01%	906,859	9.80%
2016	9,489,478	(644,743)	6.79%	8,844,735	8,781,556	99.29%	234,508	9,016,064	101.94%	906,859	10.25%
2015	8,912,598	(246,423)	2.76%	8,666,175	8,331,252	96.14%	379,887	8,711,139	100.52%	873,021	10.07%
2014	8,432,423	(224,178)	2.66%	8,208,245	7,855,319	95.70%	305,977	8,161,296	99.43%	868,617	10.58%
2013	7,970,748	(258,127)	3.24%	7,712,621	7,405,792	96.02%	329,470	7,735,262	100.29%	680,510	8.82%
2012	9,013,583	(296,750)	3.29%	8,716,833	8,338,836	95.66%	216,380	8,555,216	98.15%	729,949	8.37%

Source: Linn County Assessors



**CITY OF LEBANON**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**

Fiscal Year	Governmental Activities			Percentage of Estimated Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Amount Restricted for Debt Service	Total		
2021	9,050,000	\$ (178,295)	\$ 8,871,705	0.44%	464
2020	10,210,000	(175,923)	10,034,077	0.54%	579
2019	11,305,000	(175,923)	11,129,077	0.66%	649
2018	12,675,000	(175,923)	12,499,077	0.85%	739
2017	13,280,000	(175,923)	13,104,077	0.97%	784
2016	15,105,000	(242,328)	14,862,672	1.18%	904
2015	15,245,000	(237,761)	15,007,239	1.27%	953
2014	15,935,000	(197,282)	15,737,718	1.43%	1,000
2013	16,555,000	(107,881)	16,447,119	1.54%	1,048
2012	17,930,000	-	17,930,000	1.64%	1,145

Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

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# DEBT CAPACITY

**CITY OF LEBANON**  
**DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**

Fiscal Year	Governmental Activities					Urban Renewal Agency Notes	Urban Renewal Agency Bonds	Urban Renewal Agency Loan
	General Obligation Bonds	Full Faith and Credit Obligations	Pension Obligation Bonds	Capital Leases	General Notes			
2012	17,280,000	-	1,671,524	-	1,596,637	3,225,035	2,715,000	-
2013	16,555,000	-	1,641,231	-	1,529,902	4,033,730	2,415,000	-
2014	15,935,000	14,992,702	1,610,941	-	1,462,756	4,261,090	2,100,000	-
2015	15,245,000	14,157,152	1,579,237	-	1,390,185	3,964,999	1,780,000	-
2016	15,105,000	14,589,893	1,546,441	-	1,317,111	4,398,194	1,450,000	-
2017	13,280,000	10,175,000	1,512,754	-	1,238,514	4,499,824	1,105,000	4,232,723
2018	12,335,000	9,720,000	1,479,882	225,591	1,060,952	1,710,969	3,021,343	4,007,182
2019	11,305,000	9,240,000	1,446,658	148,497	972,571	1,384,013	2,510,032	3,770,743
2020	10,210,000	8,735,000	1,395,009	92,415	893,621	1,241,432	2,007,869	3,527,495
2021	9,050,000	7,805,000	1,255,009	32,126	814,043	1,098,851	1,879,792	3,277,241

Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

Personal income data and unemployment rate data for the City is not available

Fiscal Year	General Obligation Bonds	Estimated Actual Value of Property	General Obligation Debt as a Percentage of Estimated Actual Value	Per Capita	Per Capita
2012	17,280,000	1,096,552,335	1.58%	0.00	1,103.45
2013	16,555,000	1,069,308,045	1.55%	0.00	1,055.13
2014	15,935,000	1,102,083,377	1.45%	0.00	1,012.39
2015	15,245,000	1,179,330,400	1.29%	0.00	968.55
2016	15,105,000	1,263,292,835	1.20%	0.00	919.08
2017	13,280,000	1,354,264,250	0.98%	0.00	794.26
2018	12,335,000	1,467,463,681	0.84%	0.00	729.02
2019	11,305,000	1,695,697,415	0.67%	0.00	659.76
2020	10,210,000	1,873,534,382	0.54%	0.00	588.98
2021	9,050,000	2,024,621,291	0.45%	0.00	473.28

Source: Current and previous Financial Statements

**Business-type  
Activities**

Notes	Wastewater DEQ Loan	Revenue Bonds	IFA Business Loans	Total	Population	Per Capita
3,386,501	811,067	10,540,000	-	41,225,764	15,660	2,632.55
3,106,116	773,643	10,009,369	-	40,063,991	15,690	2,553.47
2,814,155	735,115	5,935,976	-	49,847,735	15,740	3,166.95
2,510,139	695,449	5,532,584	-	46,854,745	15,740	2,976.79
-	654,612	5,119,192	-	44,180,443	16,435	2,688.19
-	612,570	8,205,000	3,855,423	48,716,808	16,720	2,913.68
-	569,287	6,975,000	21,016,054	62,121,260	16,920	3,671.47
-	-	-	-	30,777,514	17,135	1,796.18
-	480,139	4,395,000	22,710,243	55,688,223	17,335	3,212.47
-	-	625,000	25,502,369	51,339,431	19,122	2,684.84

**CITY OF LEBANON**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

**June 30, 2021**

<b>Jurisdiction</b>	<b>General Obligation Debt Outstanding</b>	<b>Percent Applicable Inside City of Lebanon</b>	<b>Amount Applicable Inside City of Lebanon</b>
City of Lebanon	\$ 9,050,000	100.0000%	\$ 9,050,000
Lebanon School District	34,290,000	51.6400%	17,707,356
Lebanon Fire District	15,258,000	54.6000%	8,330,868
Linn-Benton-Lincoln ESD	6,325,000	4.4800%	283,360
Linn-Benton Community College	55,361,204	6.4000%	3,543,117
Lebanon Aquatic District	311,019	51.6400%	160,610
Subtotal overlapping debt			30,025,311
Direct and overlapping debt			<u>\$ 39,075,311</u>

Overlapping debt percentage is determined by the percentage of assessed value of the overlapping district that is within the City limits of Lebanon applied.

Source: Oregon State Treasury Debt Management Division

\*The percentage of the City of Lebanon in Linn County is very small, as is the property-tax backed debt, and produces an immaterial amount.

**CITY OF LEBANON**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**June 30, 2021**

ORS 287.A.050 provides a debt limit of 3% of the real market value of the taxable property within its boundaries

True Cash Value	\$	2,024,621,291
Rate		x 3%
Debt limit		60,738,639
Debt applicable to limit		19,811,506
	\$	40,927,133

Legal debt margin

Fiscal year ended June 30,	Debt Margin as a Percentage of Debt Limit	Debt limit	Debt applicable to limit	Legal debt margin
2021	81.39%	60,738,639	11,305,000	49,433,639
2020	60.49%	56,206,031	22,205,535	34,000,496
2019	77.78%	50,870,922	11,305,000	39,565,922
2018	71.21%	44,023,910	12,675,000	31,348,910
2017	67.31%	40,627,928	13,280,000	27,347,928
2016	60.14%	37,898,785	15,105,000	22,793,785
2015	56.91%	35,379,912	15,245,000	20,134,912
2014	51.80%	33,062,501	15,935,000	17,127,501
2013	48.39%	32,079,241	16,555,000	15,524,241
2012	47.47%	32,896,570	17,280,000	15,616,570

Cash value stated above is equal to that value which is "taxable assessed value" as defined by Oregon law. This value is not the same value as market value, but is the value used for levy purposes.

Total Bonded Debt	\$	9,050,000
Less:		
Limited Tax Improvement Bonds		7,805,000
Special Assessment Bonds		1,255,009
Urban Renewal Bonds		1,879,792
Amount Available for Payment of GO Bonds (ending fund balance)		(178,295)
Total Debt Applicable to Limitation		\$ 19,811,506

Source: Current and previous annual financial reports

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DEMOGRAPH AND  
ECONOMIC INFORMATION

**CITY OF LEBANON  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS  
 June 30, 2020**

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<b>Fiscal Year</b>	<b>(1) Population</b>	<b>(2)</b>	
		<b>Taxable Personal Income</b>	<b>Per Capita Personal Income</b>
2021	19,122	*	*
2020	17,335	*	*
2019	17,135	564,496	32,944
2018	16,920	537,757	31,782
2017	16,720	488,073	29,191
2016	16,435	450,296	27,399
2015	15,740	417,830	26,546
2014	15,740	392,374	24,928
2013	15,690	363,319	23,156
2012	15,660	342,996	21,903

\* Information unavailable at this time.

Sources:

- (1) Portland State University, Population Research Center - Beginning in FY21, the current year City of Lebanon Population comes from the Preliminary Population Estimate, and prior years have been adjusted to match Certified Population Estimates.
- (2) State of Oregon, Department of Revenue Research and Statistical Reports report annual income tax reported on filed Oregon income state returns.

**CITY OF LEBANON  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
June 30, 2021**

Employer	2021			2015 <sup>1</sup>		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lebanon Community School District	575	1	542.45%	450	1	531.98%
Lowes Distribution Center	400	2	377.36%	400	2	472.87%
Selmet, Inc	300	3	283.02%	330		390.12%
Samaritan Lebanon Community Hospital	280	4	264.15%	188	3	222.25%
ENTEK International	188	5	177.36%	141	4	166.69%
Walmart SuperCenter	141	6	133.02%	131	5	154.86%
Weyerhaeuser - Santiam Lumber	140	7	132.08%			0.00%
Linn Gear	135	8	127.36%	100	6	118.22%
City of Lebanon	106	9	100.00%			0.00%
Willamette Valley Rehab Center	100	10	94.34%	90	7	106.40%
Pennington Seed			0.00%	85	8	100.48%
City of Lebanon		-	0.00%	70	9	82.75%
Avamere of Lebanon	-	-	0.00%	59	10	69.75%
Sub-Total Employees	<u>2,365</u>			<u>2,044</u>		
Total City employment			<u>106</u>			<u>84.59</u>

2012 Data was not available, the first available data was 2015.

Information derived from Lebanon Chamber of Commerce.

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**OPERATING INFORMATION**

**CITY OF LEBANON**  
**FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**

<b>Function</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
General government	19.25	22.00	21.80	20.43	20.43	18.55	15.80	17.80	19.80	20.75
Public safety	45.00	44.00	44.00	41.50	41.50	40.00	39.00	42.00	43.98	38.48
Highways and streets	6.00	6.00	5.00	5.00	5.00	6.00	6.00	7.00	7.00	7.48
Culture and recreation	13.32	13.07	14.07	12.28	12.28	10.87	9.37	11.63	11.63	10.82
Transportation	4.06	6.06	3.54	3.34	3.43	3.34	3.43	3.43	3.43	3.43
Sewer	12.25	5.00	5.00	5.00	4.50	5.00	5.00	5.50	7.50	6.00
Water	6.25	10.00	10.00	6.00	6.50	6.00	6.00	6.50	8.50	7.00
<b>Total</b>	<b>106.13</b>	<b>106.13</b>	<b>103.42</b>	<b>93.55</b>	<b>93.63</b>	<b>89.76</b>	<b>84.59</b>	<b>93.85</b>	<b>101.83</b>	<b>93.95</b>

Data from current and previous budgets

**REPORTS ON LEGAL AND  
OTHER REGULATORY  
REQUIREMENTS SECTION**



**INDEPENDENT AUDITOR'S REPORT REQUIRED BY  
OREGON STATE REGULATIONS**

City Council  
City of Lebanon  
Lebanon, Oregon

We have audited the basic financial statements of the City of Lebanon (the "City") as of and for the year ended June 30, 2021, and have issued our report thereon dated March 22, 2022. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City'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 162-010-0230 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 statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing nothing came to our attention that caused us to believe the City 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 162-010-0230 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

**OAR 162-010-0230 Internal Control**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.



City Council  
City of Lebanon  
Lebanon, Oregon  
Independent Auditor's Report Required By  
Oregon State Regulations

**Restriction of Use**

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

*Singer Lewak LLP*

March 22, 2022

By:



Brad Bingenheimer, Partner

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March 22, 2022

City Council  
City of Lebanon  
Lebanon, Oregon

This letter is to inform the Mayor and City Council of City of Lebanon (the “City”) about significant matters related to the conduct of our audit of the City and its blended component unit, the Lebanon Urban Renewal Agency, as of and for the year ended June 30, 2021, so that it can appropriately discharge its oversight responsibility and we comply with our professional responsibilities.

Generally accepted auditing standards (AU-C 260, *The Auditor’s Communication with Those Charged with Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

#### **Our Responsibilities with Regard to the Financial Statement Audit**

Our responsibility under auditing standards generally accepted in the United States of America has been described to you in our arrangement letter dated November 1, 2021. The audit of the governmental activities, business-type activities, each major fund and aggregate remaining fund information does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

#### **Overview of the Planned Scope and Timing of the Financial Statement Audit**

We have issued a separate communication dated July 28, 2021, regarding the planned scope and timing of our audit and identified significant risks.

#### **Significant Accounting Practices, Including Policies, Estimates and Disclosures**

The following is a list of the matters that are considered significant, including the significant estimates, which you may wish to monitor for your oversight responsibilities of the financial reporting process:

- A summary of the significant accounting policies adopted by the City is included in the notes to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year.
- Management’s estimate of the depreciation expense which is based on management’s estimate of the economic useful life of capital assets. We evaluated the key factors and assumptions used to develop the depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management’s estimate of the net pension liability, deferred outflows – pension related and deferred inflows – pension related are based on an actuarial valuation performed on the Oregon Public Employees Retirement Plan. We evaluated the key factors and assumptions used in the actuarial valuation in determining that they are reasonable in relation to the financial statements taken as a whole.

City Council  
City of Lebanon  
Lebanon, Oregon

- Management's estimate of the liability for net other postemployment benefits obligation, deferred outflows – other postemployment benefit related, and deferred inflows – other postemployment benefit related which are based on an actuarial valuation performed on the Oregon Public Employees Retirement Systems' Retiree Health Insurance Account and the City's plan that benefits retirees. We evaluated the key factors and assumptions used in the actuarial valuation in determining that they are reasonable in relation to the financial statements taken as a whole.
- The most sensitive disclosures affecting the City's financial statements was the disclosure of cash, cash equivalents and investments which describes the liquid assets available for operations of the City.

**Audit Adjustments and Uncorrected Misstatements**

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

**Consultation with Other Accountants**

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

**Management Representations**

Attached is a copy of the management representation letter dated March 22, 2022.

**Closing**

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the City of Lebanon.

This report is intended solely for the information and use of the Mayor, City Council and management, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Singer Lewak LLP*

March 22, 2022

Prepared by BB2 3/22/2022	In-Chrg Review	Manager Review
Partner Review BB2 3/22/2022	EQCR Review	Other Review



Finance Department  
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Lebanon, Oregon 97355

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SingerLewak LLP  
1255 Lee St SE Suite 210  
Salem, OR 97302

This representation letter is provided in connection with your audit of the governmental activities, business-type activities, each major fund and the remaining fund information of City of Lebanon, Oregon (the City), as of and for the year ended June 30, 2021 for the purpose of expressing opinions on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, that as of the date of this letter:

**Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated November 1, 2021, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility 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.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.
5. Related-party transactions have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

THE CITY THAT FRIENDLINESS BUILT

Prepared by BB2 3/22/2022	In-Chrg Review	Manager Review
Partner Review BB2 3/22/2022	EQCR Review	Other Review

SingerLewak LLP  
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6. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as amended.
7. All events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed. We verify that the proceeds from the subsequent event disclosed in the notes to the financial statements will be by the wastewater fund.
8. The effects of all known actual or possible litigation and claims have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
9. Provisions for uncollectible receivables have been properly identified and recorded.
10. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
11. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
12. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
13. Special and extraordinary items are appropriately classified and reported.
14. Risk disclosures associated with deposit and investment securities and derivative transactions are presented in accordance with GASB requirements.
15. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported and, if applicable, depreciated.
16. The City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and appropriately disclosed and that net position is properly recognized under the policy.
17. The City is following either its established accounting policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available or is following paragraph 18 of GASB Statement No. 54 to determine the fund balance classifications for financial reporting purposes.
18. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, or to special assessment bond holders, that is not disclosed in the financial statements.

THE CITY THAT FRIENDLINESS BUILT

Prepared by BB2 3/22/2022	In-Chrg Review	Manager Review
Partner Review BB2 3/22/2022	EQCR Review	Other Review

SingerLewak LLP  
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19. We have complied with all aspects of laws, regulations and provisions of contracts and agreements that would have a material effect on the financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.
20. We have no knowledge of any uncorrected misstatements in the financial statements.
21. We agree with the restatement of the previously issued financial statements discussed in the notes. In that regard:
  - a. The restatement corrects an error in those financial statements.
  - b. We were not aware of the error when those financial statements were issued.
  - c. We are not aware of any other errors in those financial statements.
  - d. We do not believe it is necessary to recall those financial statements and all users of those financial statements will receive a copy of the current year's financial statements and independent auditor's report.

#### Information Provided

22. We have provided you with:
  - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation and other matters.
  - b. Additional information that you have requested from us for the purpose of the audit.
  - c. Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
  - d. Minutes of the meetings of the City Council, or summaries of actions of recent meetings for which minutes have not yet been prepared.
23. All transactions have been recorded in the accounting records and are reflected in the basic financial statements.
24. We have disclosed to you the results of our assessment of risk that the basic financial statements may be materially misstated as a result of fraud.
25. It is our responsibility to establish and maintain internal control over financial reporting. One of the components of internal control is risk assessment. We hereby represent that our risk assessment process includes identification and assessment of risks of material misstatement due to fraud. We have shared with you our fraud risk assessment, including a description of the risks, our assessment of the magnitude and likelihood of

THE CITY THAT FRIENDLINESS BUILT

Prepared by BB2 3/22/2022	In-Chrg Review	Manager Review
Partner Review BB2 3/22/2022	EQCR Review	Other Review

SingerLewak LLP  
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misstatements arising from those risks, and the controls that we have designed and implemented in response to those risks.

26. We have no knowledge of allegations of fraud or suspected fraud affecting the City's basic financial statements involving:
  - a. Management.
  - b. Employees who have significant roles in internal control.
  - c. Others where the fraud could have a material effect on the basic financial statements.
27. We have no knowledge of any allegations of fraud or suspected fraud affecting the City's basic financial statements received in communications from employees, former employees, analysts, regulators, short sellers or others.
28. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.
29. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.
30. We have disclosed to you the identity of the City's related parties and all the related-party relationships and transactions of which we are aware.
31. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the City's ability to record, process, summarize and report financial data.
32. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

We believe that the actuarial assumptions and methods used by the actuary for funding purposes and for determining accumulated Plan benefits are appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the specialist[s] with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the Plan's actuary.

33. We believe that the information obtained from the audited financial statements of and other participant information provided by Oregon PERS is appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the Plan or its auditor in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the Plan or its auditor.

THE CITY THAT FRIENDLINESS BUILT



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34. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

#### Supplementary Information

35. With respect to combining statements and individual fund schedules presented in relation to the basic financial statements as a whole:
- a. We acknowledge our responsibility for the presentation of such information.
  - b. We believe such information, including its form and content, is fairly presented in accordance with U.S. GAAP.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
  - d. The significant assumptions or interpretations underlying the measurement or presentation of the combining statements and individual fund schedules and the basis for our assumptions and interpretations are reasonable and appropriate in the circumstances.
  - e. When supplementary information is not presented with the audited basic financial statements, we will make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.
36. With respect to the management's discussion and analysis, pension and OPEB schedules, and individual fund schedules presented as required by U.S. GAAP to supplement the basic financial statements:
- a. We acknowledge our responsibility for the presentation of such required supplementary information.
  - b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.
  - c. The methods of measurement or presentation for the OPEB information have changed from those used in the prior period due to the City's change of valuation from the alternative method to using an actuarial valuation.
  - d. The significant assumptions or interpretations underlying the measurement or presentation of the Required Supplementary Information and the basis for our assumptions and interpretations are reasonable and appropriate in the circumstances.

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Matt Apken, Finance Director

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Date