



**ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2024**

CITY OF LEBANON, OREGON

CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Officers and Members of the Governing Body	i
Organizational Chart	ii
FINANCIAL SECTION	
Independent Auditor's Report	A – D
Management's Discussion and Analysis	a – k
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements	
Governmental Funds	
Balance Sheet	3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balances	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	6
Proprietary Funds	
Statement of Net Position	7
Statement of Revenues, Expenses and Changes in Net Position	8
Statement of Cash Flows	9
Notes to Basic Financial Statements	10 – 46
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual	
General Fund	47
Park Enterprise Fund	48
Notes to Required Supplementary Information	49
Schedule of the Proportionate Share of the Net Pension Liability – OPERS	50
Schedule of Pension Contributions – OPERS	51
Schedule of the Proportionate Share of the Net Other Postemployment Benefit Liability – OPERS	52
Schedule of Other Postemployment Benefit Contributions – OPERS	53
Schedule of Changes in the City's Total Other Postemployment Benefits Liability and Related Ratios – Implicit Subsidy	54
Combining Financial Statements and Individual Fund Schedules	
Nonmajor Governmental Funds	
Combining Balance Sheet	55
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	56

CITY OF LEBANON, OREGON

CONTENTS

Page

FINANCIAL SECTION (Continued)

Combining Financial Statements and Individual Fund Schedules (Continued)

Nonmajor Special Revenue Funds

Combining Balance Sheet	57 - 58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	59 - 60
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual	
Motel Tax Fund	61
Building Inspection Fund	62
State Foot & Bike Path Fund	63
Engineering Development Review Fund	64
Street Maintenance Fund	65
LINX Transit Fund	66
Boat Ramp Fund	67
Police Donations Fund	68
Library Donations Fund	69
Senior Services Donations Fund	70
Northwest Urban Renewal District Fund	71
Cheadle Lake Urban Renewal District Fund	72
North Gateway Urban Renewal District Fund	73
Lebanon Downtown Urban Renewal District Fund	74
Mill Race Urban Renewal District Fund	75

Debt Service Funds

Combining Balance Sheet	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	77
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual	
G.O. Full Faith & Credit Bond Fund	78
2013 Full Faith & Credit Bond Fund	79
Pension Bond Series 2002 Fund	80

Capital Projects Funds

Combining Balance Sheet	81
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	82
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual	
Equipment and Acquisition & Replacement Fund	83
Pioneer Cemetery Restoration Trust Fund	84
Street Capital Projects Fund	85
SDC - Parks Improvement Fund	86
SDC - Parks Reimbursement Fund	87
SDC - Streets Improvement Fund	88
SDC - Streets Reimbursement Fund	89

Enterprise Funds

Water Funds

Combining Statement of Net Position	90
Combining Statement of Revenues, Expenses and Changes in Net Position	91

CITY OF LEBANON, OREGON

CONTENTS

Page

FINANCIAL SECTION (Continued)

Combining Financial Statements and Individual Fund Schedules (Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual	
Water Utility Fund	92
SDC - Water Improvement Fund	93
SDC - Water Reimbursement Fund	94
Wastewater Funds	
Combining Statement of Net Position	95
Combining Statement of Revenues, Expenses and Changes in Net Position	96
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual	
Wastewater Utility Fund	97
SDC - Wastewater Improvement Fund	98
SDC - Wastewater Reimbursement Fund	99
Storm Drainage Funds	
Combining Statement of Net Position	100
Combining Statement of Revenues, Expenses and Changes in Net Position	101
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual	
Storm Drainage Utility Fund	102
SDC - Storm Drainage Improvement Fund	103
SDC - Storm Drainage Reimbursement Fund	104
Internal Service Funds	
Combining Statement of Net Position	105
Combining Statement of Revenues, Expenses and Changes in Net Position	106
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual	
Administrative Service Fund	107
Information Technology Fund	108
Custodial & Maintenance Services Fund	109

STATISTICAL SECTION

Financial Trends

Net Position by Component	110 - 111
Changes in Net Position	112 - 113
Governmental Fund Balances	114 - 115
Changes in Governmental Fund Balances	116 - 117

Revenue Capacity

Tax Revenue by Source	118
Assessed Value and Estimated Market Value of Taxable Property	119
Direct and Overlapping Tax Rates	120
Principal Property Taxpayers	121 - 122
Property Tax Levies and Collections	123

CITY OF LEBANON, OREGON
CONTENTS

Page

STATISTICAL SECTION (Continued)

Debt Capacity

Ratios of General Bonded Debt Outstanding 124

Debt Per Capita 125 - 126

Direct and Overlapping Governmental Activities Debt 127

Demographic and Economic Information

Demographic and Economic Statistics 128

COMPLIANCE SECTION

Independent Auditor's Report Required by Oregon State Regulations 129 - 131

INTRODUCTORY SECTION

CITY OF LEBANON, OREGON
OFFICERS AND MEMBERS OF THE GOVERNING BODY
AS OF JUNE 30, 2024

MAYOR

Kenneth E. Jackola – Mayor

CITY COUNCIL MEMBERS

Wayne Dykstra

Carl Mann

Kim Ulfers

Dave Workman

Jeremy Salvage

Michelle Steinhebel

ADMINISTRATIVE OFFICIALS

Ron Whitlatch, City Manager

Brandon Neish, Finance Director

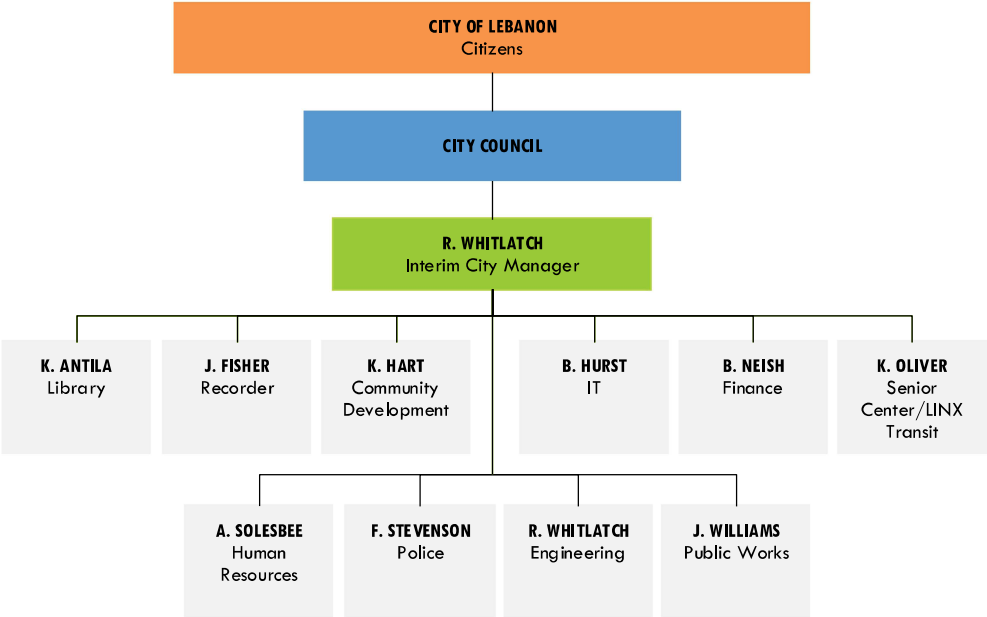
MAILING ADDRESS

925 S. Main Street
Lebanon, Oregon 97355

CITY OF LEBANON, OREGON
ORGANIZATIONAL CHART
AS OF JUNE 30, 2024



**ORGANIZATION
CHART**



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Lebanon
Lebanon, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lebanon, Oregon (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, as of June 30, 2024, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

To the Honorable Mayor and Members of the City Council
City of Lebanon
Independent Auditor's Report
August 14, 2025

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

To the Honorable Mayor and Members of the City Council
City of Lebanon
Independent Auditor's Report
August 14, 2025

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other "Required Supplementary Information", as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis, the Schedule of the Proportionate Share of the Net Pension Liability – OPERS, the Schedule of Pension Contributions – OPERS, the Schedule of the Proportionate Share of the Net Other Postemployment Benefit Liability – OPERS, the Schedule of Other Postemployment Benefit Contributions – OPERS, and the Schedule of Changes in the City's Total Other Postemployment Benefits Liability and Related Ratios – Implicit Subsidy in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual, included in the requirement supplementary information for the General Fund and the Park Enterprise Fund, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basis financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements, or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

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

To the Honorable Mayor and Members of the City Council
City of Lebanon
Independent Auditor's Report
August 14, 2025

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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 August 14, 2025 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

August 14, 2025

By:

A handwritten signature in black ink, appearing to read "B. Bingenheimer", written over a light blue horizontal line.

Brad Bingenheimer, Partner

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

As management of the City of Lebanon, Oregon (the City), we offer readers of the City of Lebanon's financial statements this narrative overview and analysis of the financial activities of the City of Lebanon as of and for the fiscal year ended June 30, 2024. Readers should consider the information presented here in conjunction with the 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, 2024 are as follows:

- ❖ The City's governmental activities net position increased by \$5,816,069, a 16.6% increase from the previous year. The City's business-type activities net position increased by \$6,443,955, a 7.7% increase from the previous year. The increase in net position on business-type activities is due primarily to the addition of nearly \$6.4 million in net capital assets (largely in infrastructure) over the fiscal year.
- ❖ Total revenue for the City was \$41,712,103, a 2.9% increase from the previous year. General revenues accounted for \$17,681,087 of revenue, or 42.4% of all revenues. Program specific revenues accounted for \$24,031,016 or 57.6% of total revenues.
- ❖ The City had \$29,452,079 in program expenses. Of the program expenses, \$7,768,603 was for providing police services, \$5,763,987 was for providing wastewater service, \$5,276,452 was for providing water service, and \$10,643,037 provided for other governmental activities and business-type activities including streets, culture and recreation, community planning, transit, storm drainage, and general expenses.
- ❖ The City's long-term liabilities increased by \$3,583,604, a 5.6% increase from the previous year.
- ❖ Among the governmental funds, the General Fund had \$11,666,617 in revenues, which primarily consisted of property and other taxes, franchise fees and intergovernmental revenues. This amount does not include other financing sources of interfund transfers in.
- ❖ Among proprietary funds, the Water Fund had \$6,769,527, the Wastewater Fund had \$7,270,864 and the Storm Drainage Fund had \$763,575 in operating revenues, all primarily consisting 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.

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

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

The *statement of net position* presents financial information on all 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.

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 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.

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

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 twenty-seven 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 two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, wastewater, and storm water operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Lebanon uses internal service funds to account for its central administration, City Attorney, human resource, finance, information technology and custodial and building maintenance operations. Because these services predominantly benefit governmental rather than business-type functions, they have been consolidated within governmental activities on the Statement of Net Position.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Wastewater, and Storm Water funds, all of which except the Storm Water fund are considered major funds. The internal service funds are all considered to be non-major funds and are combined into a single aggregated presentation in the proprietary fund financial statements. In the basic financial statements, internal service funds are presented as governmental type activities after eliminating interfund transactions. Individual fund data for the internal service funds is provided elsewhere in this report.

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.

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 31,112,786	\$ 28,366,591	\$ 28,895,753	\$ 26,669,783	\$ 60,008,539	\$ 55,036,374
Capital assets, net	37,571,346	36,916,496	100,862,130	94,464,601	138,433,476	131,381,097
Total assets	<u>68,684,132</u>	<u>65,283,087</u>	<u>129,757,883</u>	<u>121,134,384</u>	<u>198,442,015</u>	<u>186,417,471</u>
Deferred outflows of resources	<u>5,135,353</u>	<u>3,676,780</u>	<u>1,327,460</u>	<u>1,022,654</u>	<u>6,462,813</u>	<u>4,699,434</u>
Long-term liabilities	28,165,753	27,825,352	39,190,687	35,947,484	67,356,440	63,772,836
Other liabilities	3,881,834	3,532,060	1,475,814	1,756,582	5,357,648	5,288,642
Total liabilities	<u>32,047,587</u>	<u>31,357,412</u>	<u>40,666,501</u>	<u>37,704,066</u>	<u>72,714,088</u>	<u>69,061,478</u>
Deferred inflows of resources	<u>1,023,059</u>	<u>2,669,685</u>	<u>264,456</u>	<u>742,541</u>	<u>1,287,515</u>	<u>3,412,226</u>
Net position						
Net investment in capital assets	21,885,806	17,806,618	64,709,506	60,714,620	86,595,312	78,521,238
Restricted	20,492,275	17,569,775	6,000,758	5,450,333	26,493,033	23,020,108
Unrestricted	<u>(1,629,242)</u>	<u>(443,623)</u>	<u>19,444,122</u>	<u>17,545,478</u>	<u>17,814,880</u>	<u>17,101,855</u>
	<u>\$ 40,748,839</u>	<u>\$ 34,932,770</u>	<u>\$ 90,154,386</u>	<u>\$ 83,710,431</u>	<u>\$ 130,903,225</u>	<u>\$ 118,643,201</u>

Table 1

For governmental activities, the City of Lebanon's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$40,748,839. Of the total net position, \$21,885,806 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, \$20,492,275, is restricted as to how it may be used by budgetary, legal, and external factors. The unrestricted net position was a deficit balance of \$1,629,242 for 2024. The deficit is caused primarily by the \$14,496,043 in postemployment liabilities related to PERS. Additional notes can be found beginning on page 34 in the Notes to the Financial Statements.

In liabilities and deferred inflows of resources, the City's governmental activities had \$28,165,753 in outstanding long-term liabilities and \$3,881,834 in other liabilities including outstanding accounts, payroll, and interest payable, deposits, and unearned revenue. The governmental activities had \$952,418 in pension related deferred inflows and \$70,641 in other postemployment benefits (OPEB) related deferred inflows. In total, the City's net position increased \$5,816,069 in governmental activities in 2024.

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

For the City's business-type activities, total net position was \$90,154,386 with \$64,709,506 in net investment in capital assets, \$6,000,758 in restricted net position and an unrestricted net position of \$19,444,122. The City has \$39,190,687 in outstanding long-term liabilities and \$1,475,814 in other liabilities which is \$280,768 lower than 2023. In deferred inflows of resources, the business-type activities had \$245,195 related to pensions and \$18,261 for OPEB deferrals. In total, the City's net position increased \$6,443,955 in business-type activities in 2024, primarily attributable to new infrastructure in wastewater due to completed projects and upgrades.

Statement of Activities

The following is a comparison between the June 30, 2024 and 2023 Statement of Activities:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Fees, fines and charges for services	\$ 3,151,190	\$ 1,491,585	\$ 14,853,244	\$ 13,503,807	\$ 18,004,434	\$ 14,995,392
Operating grants and contributions	4,357,737	4,341,226	-	30,454	4,357,737	4,371,680
Capital grants and contributions	402,158	1,093,188	1,266,687	4,430,041	1,668,845	5,523,229
General revenues:					-	-
Property and other taxes	11,228,163	11,112,797	-	-	11,228,163	11,112,797
Franchise fees	2,947,944	2,747,904	-	-	2,947,944	2,747,904
Investment earnings	1,395,096	796,255	1,279,364	730,990	2,674,460	1,527,245
Miscellaneous	294,965	154,649	535,555	15,869	830,520	170,518
Total revenues	<u>23,777,253</u>	<u>21,737,604</u>	<u>17,934,850</u>	<u>18,711,161</u>	<u>41,712,103</u>	<u>40,448,765</u>
Expenses:						
General government	2,765,867	1,533,558	-	-	2,765,867	1,533,558
Public safety	7,768,603	7,312,117	-	-	7,768,603	7,312,117
Highways and streets	1,780,843	1,977,426	-	-	1,780,843	1,977,426
Culture and recreation	2,903,271	2,482,669	-	-	2,903,271	2,482,669
Community planning	1,103,114	1,249,321	-	-	1,103,114	1,249,321
Tranist	1,121,829	892,384	-	-	1,121,829	892,384
Interest and fiscal charges	588,945	716,872	-	-	588,945	716,872
Water	-	-	5,276,452	4,788,953	5,276,452	4,788,953
Wastewater	-	-	5,763,987	5,346,273	5,763,987	5,346,273
Storm drainage	-	-	379,168	286,533	379,168	286,533
Total expenses	<u>18,032,472</u>	<u>16,164,347</u>	<u>11,419,607</u>	<u>10,421,759</u>	<u>29,452,079</u>	<u>26,586,106</u>
Increase in net position before transfers	5,744,781	5,573,257	6,515,243	8,289,402	12,260,024	13,862,659
Transfers in (out)	<u>71,288</u>	<u>55,095</u>	<u>(71,288)</u>	<u>(55,095)</u>	<u>-</u>	<u>-</u>
Increase in net position	5,816,069	5,628,352	6,443,955	8,234,307	12,260,024	13,862,659
Net position - beginning	<u>34,932,770</u>	<u>29,304,418</u>	<u>83,710,431</u>	<u>75,476,124</u>	<u>118,643,201</u>	<u>104,780,542</u>
Net position - ending	<u>\$ 40,748,839</u>	<u>\$ 34,932,770</u>	<u>\$ 90,154,386</u>	<u>\$ 83,710,431</u>	<u>\$ 130,903,225</u>	<u>\$ 118,643,201</u>

Table 2

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

Governmental activities increased the City's net position by \$5,816,069 in fiscal year 2023-24, as compared to a \$5,628,352 increase in the prior fiscal year. Revenue, excluding transfers, increased by \$2,039,649 and expenses, excluding transfers, increased \$1,868,125. Key elements of this change, as illustrated in Table 2 above, is primarily the result of increased fees, fines, and charges for service in 2024 due to an increase in special assessment collections of \$1,069,027, an increase in interest earnings of \$575,093, and an increase in intergovernmental revenue of \$210,884. Business-Type activities total revenues, excluding transfers, decreased \$776,311 from fiscal year 2022-23 and expenses, excluding transfers, increased \$997,848.

The primary revenues for governmental activities 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 causes increases in other revenue sources to offset. Property taxes are limited several ways by State law.

- Local governments' total share of property taxes cannot exceed \$10 per thousand of real market value.
- In 1998, taxpayers voted for a measure which decreased and 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 construction of the justice center and the library. The property tax levy for voter approved debt payments is exempt from other tax limitations.

The City has maintained service levels by budgeting conservatively and providing quality services with lean budgets. 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
For the Fiscal Year Ended June 30, 2024

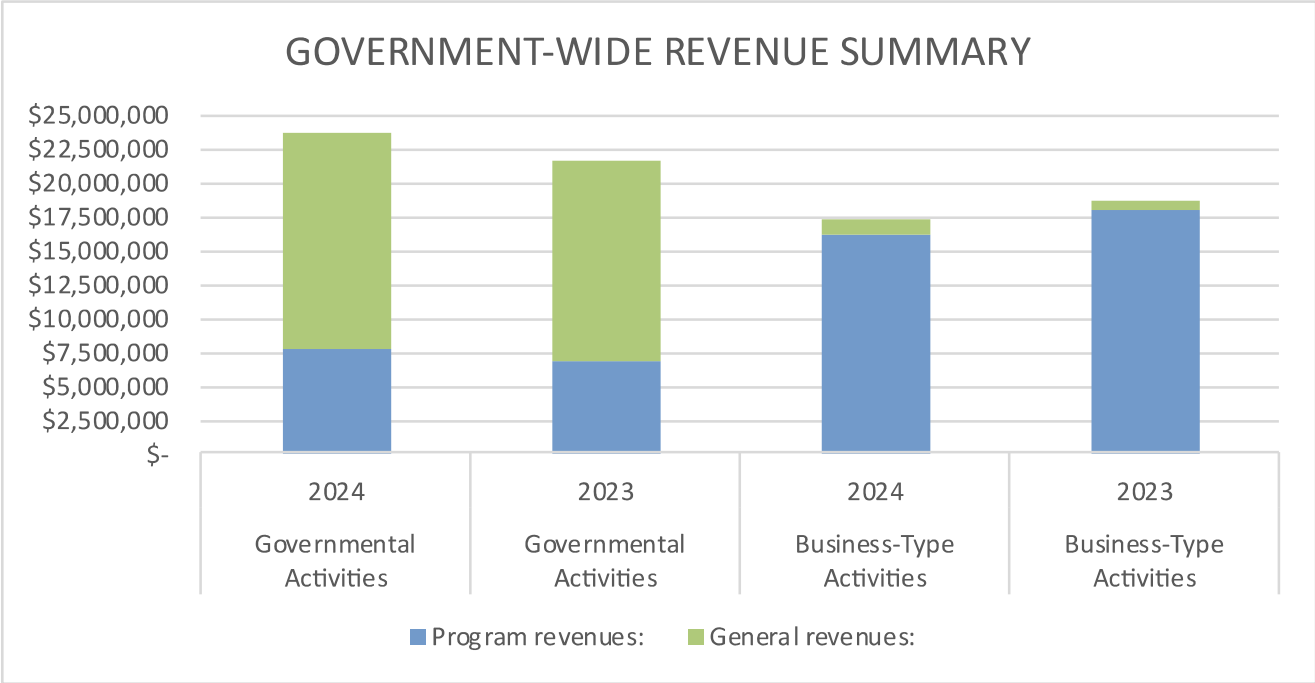


Figure 1

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

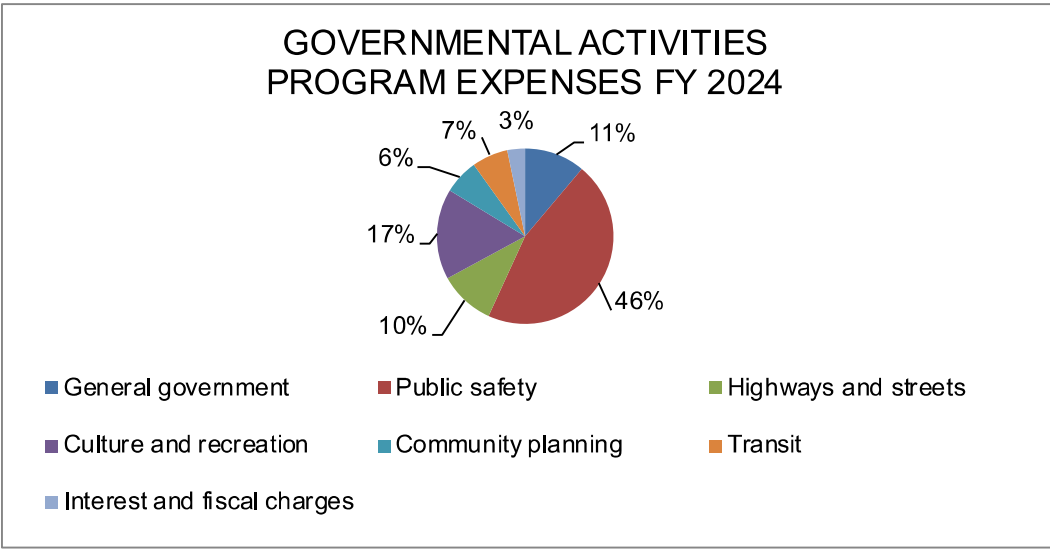


Figure 2

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

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

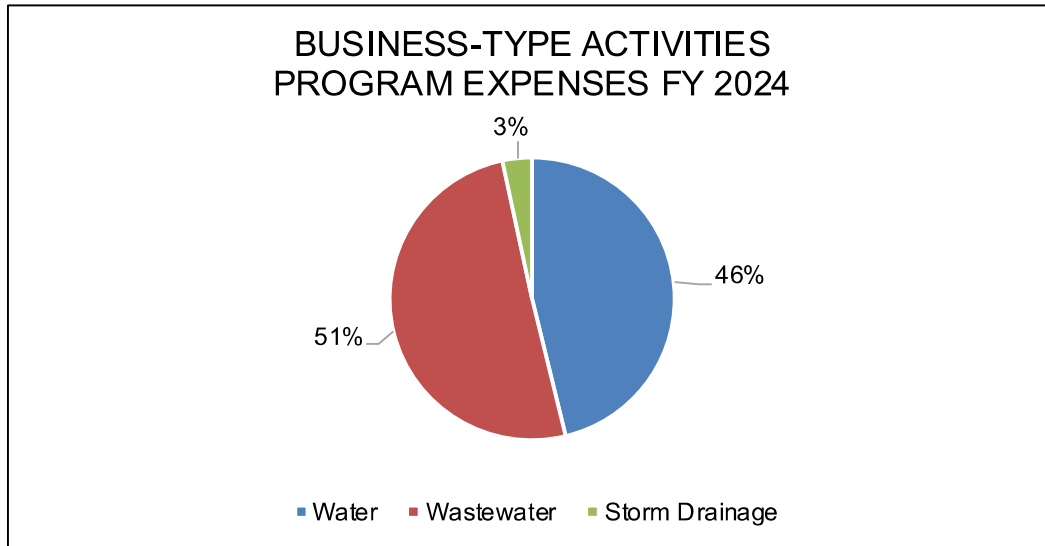


Figure 3

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 \$24,903,399, an increase of \$1,985,260. The fund balance constitutes nonspendable, restricted, committed, assigned and unassigned amounts. Of the current fund balances, \$350,154 is nonspendable, \$30,902 is restricted for debt service, \$25,247 is restricted for public safety, \$8,451,627 is restricted for highway and streets, \$4,608,379 is restricted for culture and recreation, \$1,376,914 is restricted for building and engineering, \$352,452 is restricted for transit, \$4,526,255 is restricted for Urban Renewal Districts, \$20,509 is committed for culture and recreation, \$73,111 is committed for building and engineering, \$766,706 is assigned for equipment replacements and \$4,321,143 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 \$4,321,143, a decrease of \$470,779.

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

Proprietary Funds

The City's enterprise funds reported unrestricted net position of \$20,034,602, restricted net position of \$5,410,278 and \$64,709,506 in net investment in capital assets.

BUDGETARY HIGHLIGHTS

General Fund resources were budgeted and anticipated to be collected in the amount of \$11,674,537 during the fiscal year. Actual resources of \$11,666,617 were available, \$7,920 less than budgeted. General Fund expenditures budget was under-spent by \$2,954,115. The ending fund balance was greater than the contingency budgeted by \$2,404,009.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2024, the City had invested, before net reduction for accumulated depreciation, \$242,671,51, 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 \$10,937,332 from the prior year. Additions to depreciable assets of \$11,136,077 includes additions from construction projects completed during the fiscal year. Additionally, there were transfers from construction in progress of \$23,412,889 primarily due to the completion of the Westside Sewer Interceptor which accounted for \$19.8 million.

Total depreciation expense for the year was \$4,077,780 of which \$1,646,340 is associated with government activities and \$2,431,440 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	
	2024	2023	2024	2023	2024	2023
Land	\$ 3,514,692	\$ 3,161,326	\$ 1,278,827	\$ 1,278,827	\$ 4,793,519	\$ 4,440,153
Construction in progress	529,999	379,593	1,352,137	16,373,226	1,882,136	16,752,819
Buildings	12,165,090	12,538,412	3,037,166	3,155,470	15,202,256	15,693,882
Vehicles	907,426	945,907	890,496	640,299	1,797,922	1,586,206
Machinery & Equipment	770,555	878,062	7,362,407	7,355,055	8,132,962	8,233,117
Improvements	1,599,612	791,059	1,483,019	231,752	3,082,631	1,022,811
Infrastructure	17,985,664	18,075,880	85,458,078	65,429,972	103,443,742	83,505,852
Intangible	59,374	69,275	-	-	59,374	69,275
SBITA assets	38,934	76,982	-	-	38,934	76,982
Total assets	<u>\$ 37,571,346</u>	<u>\$ 36,916,496</u>	<u>\$ 100,862,130</u>	<u>\$ 94,464,601</u>	<u>\$ 138,433,476</u>	<u>\$ 131,381,097</u>

Table 3

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

Long-Term Debt

At June 30, 2024 the City had total long-term debt outstanding of \$51,631,678. This amount is comprised of debt backed by general obligation bonds, pension bonds, notes, and loans payable. Principal payments made during the current fiscal year were \$4,758,810. Bond premiums decreased by \$175,946. 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 the long-term liabilities note of the notes to the basic financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Bonds payable:						
General obligation bonds	\$ 5,030,000	\$ 6,485,000	\$ -	\$ -	\$ 5,030,000	\$ 6,485,000
Full faith and credit obligations	4,770,000	5,820,000	-	-	4,770,000	5,820,000
Premiums	467,832	614,751	-	-	467,832	614,751
Pension obligation bonds	705,009	910,009	-	-	705,009	910,009
Total bonds payable	10,972,841	13,829,760	-	-	10,972,841	13,829,760
Other long-term debt:						
Loans and notes payable	4,488,189	4,998,542	35,946,138	33,503,051	40,434,327	38,501,593
Premiums	195,860	224,887	-	-	195,860	224,887
SBITA	28,650	56,689	-	-	28,650	56,689
Total long-term debt	<u>\$ 15,685,540</u>	<u>\$ 19,109,878</u>	<u>\$ 35,946,138</u>	<u>\$ 33,503,051</u>	<u>\$ 51,631,678</u>	<u>\$ 52,612,929</u>

Table 4

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, special assessment collections (mainly system development charges), franchise fees, and state shared revenue. With no sales tax, the City must heavily rely on these revenue sources. Enacted in 1997 by Oregon voters, Measure 47 (later amended by the Oregon Legislature as Measure 50) 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 at \$5.1364 per \$1,000 assessed value. During the fiscal year the City has seen new development and there are several other developments underway which will continue to increase the property tax base, though this trend is beginning to turn the other direction. 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 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, 2022. In October 2024, the PERS actuaries released rates for July 2025 which will increase costs in Lebanon over 4% of payroll.

CITY OF LEBANON
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2024

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, 2024 to June 30, 2025 annual budget reflects total appropriations of \$69,562,358. 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.
- 3.03% rate increase for utilities.
- Estimates for cost of living increases were added for American Federation of State, County & Municipal Employees (AFSCME) and Teamsters (Police) employees as bargaining was ongoing during budget development. No increases were planned in 2025 for non-union employees to contend with other budget constraints.

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

CITY OF LEBANON
STATEMENT OF NET POSITION
June 30, 2024

	Governmental Activities	Business-type Activities	Totals
Assets			
Cash and cash equivalents	\$ 28,457,438	\$ 26,010,198	\$ 54,467,636
Receivables, net	2,400,559	2,555,886	4,956,445
Internal balances	(138,367)	138,367	-
Inventory	-	130,732	130,732
Prepaid items	214,829	14,473	229,302
Net other postemployment benefit asset	178,327	46,097	224,424
Capital assets:			
Capital assets, nondepreciable	4,044,691	2,630,964	6,675,655
Capital assets, net of accumulated depreciation / amortization	33,526,655	98,231,166	131,757,821
 Total assets	 <u>68,684,132</u>	 <u>129,757,883</u>	 <u>198,442,015</u>
 Deferred outflows of resources			
Pension related items	5,085,743	1,314,636	6,400,379
Other postemployment benefit related items	49,610	12,824	62,434
 Total deferred outflows of resources	 <u>5,135,353</u>	 <u>1,327,460</u>	 <u>6,462,813</u>
 Liabilities			
Accounts payable and accrued liabilities	878,967	879,672	1,758,639
Accrued interest payable	104,064	337,311	441,375
Deposits	1,004	258,831	259,835
Unearned revenue	2,897,799	-	2,897,799
Long-term liabilities:			
Due within one year	3,559,627	1,488,666	5,048,293
Due in more than one year	24,606,126	37,702,021	62,308,147
 Total liabilities	 <u>32,047,587</u>	 <u>40,666,501</u>	 <u>72,714,088</u>
 Deferred inflows of resources			
Pension related items	952,418	246,195	1,198,613
Other postemployment benefit related items	70,641	18,261	88,902
 Total deferred inflows of resources	 <u>1,023,059</u>	 <u>264,456</u>	 <u>1,287,515</u>
 Net position			
Net investment in capital assets	21,885,806	64,709,506	86,595,312
Restricted for:			
Debt service	92,060	-	92,060
Public safety	25,247	-	25,247
Highways and streets	8,904,710	-	8,904,710
Culture and recreation	4,917,806	-	4,917,806
Building and engineering	1,376,914	-	1,376,914
Transit	376,620	-	376,620
Urban renewal projects	4,620,591	-	4,620,591
Utility capital projects	-	5,364,181	5,364,181
Net other postemployment benefit	178,327	46,097	224,424
Unrestricted	(1,629,242)	20,034,602	18,405,360
 Total net position	 <u>\$ 40,748,839</u>	 <u>\$ 90,154,386</u>	 <u>\$ 130,903,225</u>

See notes to financial statements

CITY OF LEBANON
STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals
Governmental activities:							
General government	\$ 2,765,867	\$ 347,872	\$ 809,510	\$ -	\$ (1,608,485)		\$ (1,608,485)
Public safety	7,768,603	10,949	116,545	-	(7,641,109)		(7,641,109)
Highways and streets	1,780,843	1,170,561	1,755,115	402,158	1,546,991		1,546,991
Culture and recreation	2,903,271	759,040	183,109	-	(1,961,122)		(1,961,122)
Community planning	1,103,114	862,768	55,715	-	(184,631)		(184,631)
Transit	1,121,829	-	1,437,743	-	315,914		315,914
Interest	588,945	-	-	-	(588,945)		(588,945)
Total governmental activities	18,032,472	3,151,190	4,357,737	402,158	(10,121,387)		(10,121,387)
Business-type activities:							
Water	5,276,452	6,780,239	-	656,153		\$ 2,159,940	2,159,940
Wastewater	5,763,987	7,305,597	-	295,350		1,836,960	1,836,960
Stormwater	379,168	767,408	-	315,184		703,424	703,424
Total business-type activities	11,419,607	14,853,244	-	1,266,687		4,700,324	4,700,324
Totals	\$ 29,452,079	\$ 18,004,434	\$ 4,357,737	\$ 1,668,845	(10,121,387)	4,700,324	(5,421,063)
General revenues:							
Property taxes levied for:							
General purposes					10,741,441	-	10,741,441
Miscellaneous taxes					486,722	-	486,722
Franchise fees					2,947,944	-	2,947,944
Unrestricted investment earnings					1,395,096	1,279,364	2,674,460
Miscellaneous					300,882	515,555	816,437
Gain (loss) on sale of asset					(5,917)	20,000	14,083
Transfers					71,288	(71,288)	-
Total general revenues and transfers					15,937,456	1,743,631	17,681,087
Change in net position					5,816,069	6,443,955	12,260,024
Net position - beginning					34,932,770	83,710,431	118,643,201
Net position - ending					\$ 40,748,839	\$ 90,154,386	\$ 130,903,225

See notes to financial statements

CITY OF LEBANON, OREGON**BALANCE SHEET****GOVERNMENTAL FUNDS****June 30, 2024**

	General	Park Enterprise Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 4,174,481	\$ 2,640,264	\$ 19,583,681	\$ 26,398,426
Taxes receivable	268,667	-	171,300	439,967
Accounts receivable	811,557	-	1,140,136	1,951,693
Due from other funds	-	-	206,486	206,486
Prepaid items	140,866	150	2,652	143,668
Restricted cash and cash equivalent	629,430	-	179,431	808,861
Total assets	\$ 6,025,001	\$ 2,640,414	\$ 21,283,686	\$ 29,949,101
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 386,965	\$ 19,755	129,851	536,571
Accrued liabilities	285,324	-	-	285,324
Unearned revenue	270,272	2,600,000	-	2,870,272
Consumer deposits	934	-	70	1,004
Total liabilities	943,495	2,619,755	129,921	3,693,171
Deferred inflows of resources				
Unavailable revenue-property taxes	243,772	-	155,494	399,266
Unavailable revenue-receivables	375,725	-	577,540	953,265
Total deferred inflows of resources	619,497	-	733,034	1,352,531
Fund Balances				
Nonspendable	140,866	150	209,138	350,154
Restricted	-	-	19,371,776	19,371,776
Committed	-	20,509	73,111	93,620
Assigned	-	-	766,706	766,706
Unassigned	4,321,143	-	-	4,321,143
Total fund balances	4,462,009	20,659	20,420,731	24,903,399
Total liabilities, deferred inflows of resources and fund balances	\$ 6,025,001	\$ 2,640,414	\$ 21,283,686	\$ 29,949,101

See notes to financial statements.

CITY OF LEBANON, OREGON
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
June 30, 2024

Fund Balances - Total Governmental Funds	\$ 24,903,399
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
The statement of net position reports net other postemployment benefit asset for its participation in the other postemployment benefit plan	178,327
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	37,571,346
The government-wide statements report as a deferred outflow, contributions made to OPERS subsequent to the measurement date and changes in assumptions and investment returns related to its participation in OPERS and the retirement plan	5,085,743
The government-wide statements report as a deferred outflow, contributions made subsequent to the measurement date and the net difference between projected and actual earnings related to its participation in the other postemployment benefit plans	49,610
The government-wide statements report a deferred inflow related to changes in assumptions and investment returns related to participation in OPERS and the retirement plan	(952,418)
The government-wide statements report a deferred inflow related to changes in assumptions and investment returns related to participation in the other postemployment benefit plans	(70,641)
Internal service funds are used by management to charge the costs of centralized services and facilities maintenance services to individual funds. A portion of the assets and liabilities of the internal service funds is included in governmental activities in the statement of net position	900,759
Other long-term assets are not available for current period expenditures and, therefore, are reported as unavailable revenue in the funds	1,352,531
Some liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds	<u>(28,269,817)</u>
Net Position of Governmental Activities	<u>\$ 40,748,839</u>

See notes to financial statements.

CITY OF LEBANON, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2024

	General	Park Enterprise Fund	Total Nonmajor Funds	Total Governmental Funds
Revenues				
Property and other taxes	\$ 6,907,588	\$ -	\$ 4,298,173	\$ 11,205,761
Franchise fees	2,834,021	-	-	2,834,021
Special assessment collections	-	-	1,548,224	1,548,224
Licenses, permits and fees	4,295	-	809,307	813,602
Fines and forfeitures	265,595	-	-	265,595
Charges for services	80,597	154,379	10,815	245,791
Intergovernmental	1,115,287	167,400	3,219,731	4,502,418
Rents	43,236	11,865	9,600	64,701
Donations	-	2	52,769	52,771
Interest	242,777	133,218	989,575	1,365,570
Miscellaneous	173,221	400	25,182	198,803
Total revenues	<u>11,666,617</u>	<u>467,264</u>	<u>10,963,376</u>	<u>23,097,257</u>
Expenditures				
Current:				
General government	1,355,988	-	-	1,355,988
Public safety	6,452,779	-	4,100	6,456,879
Highways and streets	-	-	1,012,441	1,012,441
Culture and recreation	1,035,100	872,465	299,401	2,206,966
Community planning	273,637	-	690,878	964,515
Transportation	-	-	975,243	975,243
Debt service:				
Principal	91,715	-	3,128,638	3,220,353
Interest	31,180	-	749,543	780,723
Capital outlay	135,541	641,080	1,132,876	1,909,497
Total expenditures	<u>9,375,940</u>	<u>1,513,545</u>	<u>7,993,120</u>	<u>18,882,605</u>
Excess (deficiency) of revenues over expenditures	<u>2,290,677</u>	<u>(1,046,281)</u>	<u>2,970,256</u>	<u>4,214,652</u>
Other financing sources (uses)				
Sale of capital assets	-	-	113,540	113,540
Transfers in	-	548,250	1,702,636	2,250,886
Transfers out	(2,677,971)	(116,004)	(1,799,843)	(4,593,818)
Total other financing sources (uses)	<u>(2,677,971)</u>	<u>432,246</u>	<u>16,333</u>	<u>(2,229,392)</u>
Net change in fund balances	(387,294)	(614,035)	2,986,589	1,985,260
Fund balances at beginning of year	<u>4,849,303</u>	<u>634,694</u>	<u>17,434,142</u>	<u>22,918,139</u>
Fund balances at end of year	<u>\$ 4,462,009</u>	<u>\$ 20,659</u>	<u>\$ 20,420,731</u>	<u>\$ 24,903,399</u>

See notes to financial statements.

CITY OF LEBANON, OREGON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds		\$ 1,985,260
<i>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</i>		
Governmental funds report the acquisition of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. The difference between those two amounts is:		
Acquisition of capital assets	\$ 2,064,670	
Depreciation	<u>(1,602,283)</u>	462,387
The changes in net pension liability (asset) and deferred inflows and outflows related to the entity's participation in OPERS are reported as pension expense on the statement of activities		819,829
The changes in other postemployment benefit liability (asset) and deferred inflows and outflows related to the entity's participation in the other postemployment benefit plans are reported as other postemployment benefit expense on the statement of activities		25,762
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds		188,046
Internal service funds are used by management to charge the costs of public works services to individual funds. A portion of the assets and liabilities of the internal service funds is included in governmental activities in the statement of net position		(1,203,289)
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.		
Accrued interest	16,839	
Compensated absences	<u>69,985</u>	86,824
Net premiums and discounts on the issuance of long-term obligations charged to charged to interest expense in the current year.		175,946
Repayment of long-term obligations principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the statement of net position.		<u>3,275,304</u>
Change in Net Position of Governmental Activities		<u>\$ 5,816,069</u>

See notes to financial statements.

CITY OF LEBANON, OREGON

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

June 30, 2024

	Business-type Activities				Governmental Activities
	Water	Wastewater	Nonmajor	Total	Internal Service Funds
			Storm Drainage		
ASSETS					
Current assets					
Cash and cash equivalents	\$ 5,718,159	\$ 19,094,542	\$ 1,197,497	\$ 26,010,198	\$ 1,250,151
Receivables, net	1,086,771	1,333,653	135,462	2,555,886	8,899
Inventory	130,732	-	-	130,732	-
Prepaid items	5,532	8,941	-	14,473	71,161
Total current assets	6,941,194	20,437,136	1,332,959	28,711,289	1,330,211
Noncurrent assets					
Capital assets:					
Capital assets, nondepreciable	833,743	1,539,445	257,776	2,630,964	81,868
Capital assets, net of accumulated depreciation	45,702,566	49,843,964	2,684,636	98,231,166	110,793
Total capital assets	46,536,309	51,383,409	2,942,412	100,862,130	192,661
Net other postemployment benefit asset	19,705	23,946	2,446	46,097	34,722
Total noncurrent assets	46,556,014	51,407,355	2,944,858	100,908,227	227,383
Total assets	53,497,208	71,844,491	4,277,817	129,619,516	1,557,594
DEFERRED OUTFLOWS OF RESOURCES					
Pension related items	561,961	682,915	69,760	1,314,636	990,265
Other postemployment benefit related items	5,482	6,661	681	12,824	9,660
Total deferred outflows of resources	567,443	689,576	70,441	1,327,460	999,925
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	128,175	574,072	177,425	879,672	57,072
Accrued interest payable	259,599	77,712	-	337,311	-
Deposits	258,831	-	-	258,831	-
Compensated absences	21,873	26,452	1,543	49,868	25,598
Unearned revenue	-	-	-	-	27,527
SBITA payable	-	-	-	-	26,912
Current portion of loans and notes payable	708,741	730,057	-	1,438,798	-
Total current liabilities	1,377,219	1,408,293	178,968	2,964,480	137,109
Noncurrent liabilities					
Compensated absences	65,617	79,357	4,627	149,601	76,794
Loans and notes payable	19,327,397	15,179,943	-	34,507,340	-
Net pension liability	1,272,770	1,546,715	157,998	2,977,483	2,242,824
Total OPEB liability	28,895	35,115	3,587	67,597	50,919
Interfund loan payable	-	-	206,486	206,486	-
Total noncurrent liabilities	20,694,679	16,841,130	372,698	37,908,507	2,370,537
Total liabilities	22,071,898	18,249,423	551,666	40,872,987	2,507,646
DEFERRED INFLOW OF RESOURCES					
Pension related items	105,240	127,891	13,064	246,195	185,449
Other postemployment benefit related items	7,806	9,486	969	18,261	13,755
Total deferred inflows of resources	113,046	137,377	14,033	264,456	199,204
NET POSITION					
Net investment in capital assets	26,500,171	35,473,409	2,735,926	64,709,506	165,749
Restricted for:					
System development	633,594	4,376,336	354,251	5,364,181	-
Net OPEB benefits	19,705	23,946	2,446	46,097	34,722
Unrestricted	4,726,237	14,273,576	689,936	19,689,749	(349,802)
Total net position	\$ 31,879,707	\$ 54,147,267	\$ 3,782,559	89,809,533	\$ (149,331)

Reconciliation to business-type activities:

Adjustment to reflect internal service fund balances related to business-type activities 344,853

Net position of business-type activities \$ 90,154,386

See notes to financial statements

CITY OF LEBANON, OREGON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2024

	Business-type Activities				Governmental Activities
			Nonmajor		
	Water	Wastewater	Storm Drainage	Total	Internal Service Funds
Operating revenues					
Special assessment	\$ 342,670	\$ 536,932	\$ 51,095	\$ 930,697	\$ -
Charges for services	6,411,718	6,733,804	712,480	13,858,002	12,704
Intergovernmental	-	-	-	-	161,491
Miscellaneous	15,139	128	-	15,267	3,786
Total operating revenues	<u>6,769,527</u>	<u>7,270,864</u>	<u>763,575</u>	<u>14,803,966</u>	<u>177,981</u>
Operating expenses					
Personnel services	1,340,149	1,656,683	179,055	3,175,887	2,303,476
Materials and services	1,848,596	1,885,905	69,183	3,803,684	972,415
Depreciation and amortization	1,153,982	1,218,036	59,424	2,431,442	44,058
Total operating expenses	<u>4,342,727</u>	<u>4,760,624</u>	<u>307,662</u>	<u>9,411,013</u>	<u>3,319,949</u>
Operating income (loss)	<u>2,426,800</u>	<u>2,510,240</u>	<u>455,913</u>	<u>5,392,953</u>	<u>(3,141,968)</u>
Nonoperating revenues (expenses)					
Loan forgiveness	-	500,000	-	500,000	-
Interest income	290,752	913,937	58,980	1,263,669	45,222
Interest expense	(451,397)	(347,361)	(5,556)	(804,314)	(232)
Total nonoperating revenues (expenses)	<u>(160,645)</u>	<u>1,086,576</u>	<u>53,424</u>	<u>979,355</u>	<u>44,990</u>
Income (loss) before capital contributions and transfers	2,266,155	3,596,816	509,337	6,372,308	(3,096,978)
Capital contributions	656,153	295,350	315,184	1,266,687	-
Transfers in	-	-	-	-	4,353,633
Transfers out	(671,821)	(926,593)	(107,826)	(1,706,240)	(318,868)
Change in net position	2,250,487	2,965,573	716,695	5,932,755	937,787
Net position at beginning of year	<u>29,629,220</u>	<u>51,181,694</u>	<u>3,065,864</u>	<u>83,876,778</u>	<u>(1,087,118)</u>
Net position at end of year	<u>\$ 31,879,707</u>	<u>\$ 54,147,267</u>	<u>\$ 3,782,559</u>	<u>\$ 89,809,533</u>	<u>\$ (149,331)</u>
Reconciliation to business-type activities:					
Change in net position - total enterprise funds				\$ 5,932,755	
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds				<u>511,200</u>	
Change in net position of the business-type activities				<u>\$ 6,443,955</u>	

CITY OF LEBANON, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2024

	Business-type Activities				Governmental Activities
	Nonmajor			Internal Service Funds	
	Water	Wastewater	Storm Drainage	Total	
Cash flows from operating activities					
Receipts from customers and users	\$ 6,419,913	\$ 6,742,459	\$ 709,011	\$ 13,871,383	\$ 177,268
Payments to suppliers	(1,722,864)	(2,463,459)	(72,615)	(4,258,938)	(973,318)
Payments to employees	(1,400,987)	(1,637,969)	(169,081)	(3,208,037)	(2,381,250)
Net cash provided by (used in) operating activities	3,296,062	2,641,031	467,315	6,404,408	(3,177,300)
Cash flows from noncapital financing activities					
Payments on interfund loan	-	-	(40,444)	(40,444)	-
Loan forgiveness	-	500,000	-	500,000	-
Transfers in	-	-	-	-	4,353,633
Transfers out	(671,821)	(926,593)	(107,826)	(1,706,240)	(318,868)
Net cash provided by (used in) noncapital financing activities	(671,821)	(426,593)	(148,270)	(1,246,684)	4,034,765
Cash flows from capital and related financing activities					
System development charges received	302,166	477,001	48,644	827,811	-
Proceeds from sale of assets	-	20,000	-	20,000	-
Acquisition of capital assets	(2,213,471)	(5,089,438)	(82,056)	(7,384,965)	(78,359)
Issuance of long-term obligations	-	3,981,544	-	3,981,544	-
Principal paid on long-term obligations	(693,457)	(845,000)	-	(1,538,457)	(26,337)
Interest paid on long-term obligations	(460,313)	(283,149)	(5,556)	(749,018)	(1,163)
Net cash provided by (used in) capital and related financing activities	(3,065,075)	(1,739,042)	(38,968)	(4,843,085)	(105,859)
Cash flows from investing activities					
Interest on investments	290,752	913,937	58,980	1,263,669	45,222
Net increase (decrease) in cash and cash equivalents	(150,082)	1,389,333	339,057	1,578,308	796,828
Cash and cash equivalents at beginning of year	5,868,241	17,705,209	858,440	24,431,890	453,323
Cash and cash equivalents at end of year	\$ 5,718,159	\$ 19,094,542	\$ 1,197,497	\$ 26,010,198	\$ 1,250,151
Reconciliation of operating income (loss) to net cash provide by (used in) operating activities					
Operating income (loss)	\$ 2,426,800	\$ 2,510,240	\$ 455,913	\$ 5,392,953	\$ (3,141,968)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation and amortization	1,153,982	1,218,036	59,424	2,431,442	44,058
System development charges received	(342,670)	(536,932)	(51,095)	(930,697)	-
(Increase) decrease in assets and deferred outflows:					
Receivables, net	(15,502)	8,527	(3,469)	(10,444)	(713)
Inventories	28,952	-	-	28,952	-
Prepaid items	(2,190)	(8,941)	-	(11,131)	(16,716)
Net OPEB asset	737	(916)	(331)	(510)	664
Deferred outflows - Pension related items	(111,523)	(175,440)	160	(286,803)	(210,525)
Deferred outflows - OPEB related items	2,647	2,497	(23,148)	(18,004)	4,413
Increase (decrease) in liabilities and deferred inflows:					
Accounts payable and accrued liabilities	77,639	(593,651)	(3,432)	(519,444)	(37,046)
Consumer deposits	8,558	-	-	8,558	-
Compensated absences	(9,406)	4,335	(4,004)	(9,075)	1,468
Net pension liability	299,140	449,798	57,245	806,183	557,399
Total OPEB liability	(1,186)	1,225	474	513	(1,155)
Deferred inflows - Pension related items	(215,553)	(233,523)	(20,132)	(469,208)	(369,868)
Deferred inflows - OPEB related items	(4,363)	(4,224)	(290)	(8,877)	(7,311)
Net cash provided by (used in) operating activities	\$ 3,296,062	\$ 2,641,031	\$ 467,315	\$ 6,404,408	\$ (3,177,300)

See notes to financial statements

NOTE 1 – FINANCIAL REPORTING ENTITY

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 City of Lebanon (government) is a municipal corporation governed by an elected Mayor and six-member Governing Council (Council). The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

Blended Component Unit

The City has included the financial operations of the five funds of Lebanon Urban Renewal Agency (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
- Mill Race Urban Renewal District

The Agency is a legally separate entity, which is governed by a board comprised of the members of the Council as stipulated in the Agency's bylaws. The 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's funds are reported as special revenue funds. The Agency issues separate financial statements, which can be obtained from the Finance Department of the City.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues and other non-exchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and fund financial statements (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting and financial statement presentation

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the functions of the City, the elimination of which would distort the direct costs and program revenues reported for the various functions concerned.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the current fiscal year-end. Significant revenues, which are susceptible to accrual under the modified accrual basis of accounting, include property taxes, franchise fees, assessment liens, and federal and state grants. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Other revenue items are considered to be measurable and available when received by the City. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, long-term leases and claims and judgments, are recorded only when payment is due.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement focus, basis of accounting and financial statement presentation (continued)

The City reports the following major governmental funds:

- *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.
- *Park Enterprise Fund* – The Park Enterprise Fund is the main operating fund for the City’s park system. Resources include intergovernmental revenue from the Lebanon Community School District to support the maintenance of their grounds by the City, charges for services at the City’s RV camp at Gills Landing, rental revenue from park and park facility rentals, and interest earnings.

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

The City reports the following major proprietary funds:

- *Water* – 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* – 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.

The City also reports the following nonmajor governmental and proprietary fund types:

- *Special Revenue* – accounts for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities.
- *Enterprise* – accounts for the operations of predominately self-supporting activities. Enterprise funds account for services rendered to the public on a user charge basis.
- *Internal Service* – accounts for the cost of providing services to other funds of the City which are charged a fee on a cost reimbursement basis for those services.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, checking, savings and money market accounts, and any highly-liquid debt instruments purchased with a maturity 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.

Receivables

Uncollected property taxes are reported in governmental funds balance sheet as receivables; the portion which is available to finance expenditures of the current period is recorded as revenue and the remaining balance is recorded as deferred inflows of resources. Property taxes collected within 60 days of the end of the current period are considered measurable and available and are recognized as revenue.

Property taxes - Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collections to entities levying taxes. Property taxes are assessed as of January 1 and become a lien against the property as of July 1 of each year on all taxable property. Property taxes are due and payable in three installments following the lien date on November 15, February 15 and May 15. Discounts are allowed if the amount due or two-thirds of the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

User charges receivable - User charges receivables are reported at the amount management expects to collect on balances outstanding at year-end. Management closely monitors outstanding balances and writes off or establishes an allowance, as of year-end, for all balances that have not been collected by the time the financial statements are issued.

Inventory

Inventories are valued at cost, on a first-in, first-out basis and consist of materials and supplies maintained for system maintenance and operation.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets

Capital assets, which include property, equipment, infrastructure assets (e.g. roads, bridges, sidewalks, storm sewers, sewers and similar items), their improvements, and right-to-use assets under subscription-based information technology arrangements (SIBITAS), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the statement of net position in the proprietary funds. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and having an estimated useful life extending beyond a single reporting period. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value or materially extend the useful lives of the assets are not capitalized. Major capital assets and improvements are capitalized as projects are constructed.

Depreciation expense is allocated in the statement activities by program/function. Capital assets are depreciated using the straight-line method over estimated useful lives as follows:

<u>Asset Type</u>	<u>Useful Life</u>
Buildings & Improvements	10 - 50 years
Water and Wastewater Systems	20 - 50 years
Infrastructure	25 - 50 years
Vehicles	5 - 10 years
Machinery and equipment	5 - 20 years

Depreciation is recorded in the year the assets are acquired or retire from the date of acquisition or to the date of disposition. Upon disposal of capital assets, the accounts are relieved of the related costs and accumulated depreciation, and resulting gains or losses are reflected in the operations of the current period.

SBITAS – *SBITAS* are intangible assets which the City has the right to use for a term of more than one year. The value of *SBITAS* is determined by the net present value of the payments under the agreement using the interest rate implicit in the lease or, if not determinable, at the City's incremental borrowing rate at the time of the agreement and are amortized over the term of the agreement.

Long-term liabilities

In the government-wide and the proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Premiums, discounts and deferred amounts on refunding are amortized over the life of the related debt issue. Bond and note payable is reported net of the unamortized bond premium or discount.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term liabilities (continued)

In the governmental fund financial statements, the present value of the lease payments, the face amount of the debt issues and premiums received on debt issuances are reported as other financing sources. Issuance costs are reported as debt service expenditures.

Compensated absences

Compensated absences, such as vacation and compensation time, are accrued as they are earned. For governmental funds, compensated absences is maintained separately and represents a reconciling item between fund level and government-wide presentations. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. Vested or accumulated vacation leave that is expected to be liquidated with expendable available resources is reported as an expenditure and a fund liability of the fund that will pay it.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employee Retirement System (OPERS) and additions to/deductions from OPERS' 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 fair value.

Other postemployment benefits

For purposes of measuring the other postemployment benefit (OPEB) asset and liability, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about the fiduciary net position of the City's two separate plans, the OPERS Retirement Health Insurance Account (RHIA) and the Implicit Rate Subsidy and additions to/deductions from the RHIA and Implicit Rate Subsidy's fiduciary net position have been determined on the same basis as they are reported by OPERS and the Implicit Rate Subsidy. For this purpose, the benefit payments of both plans are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which is reported at cost.

Deferred outflow / inflows of resources

In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government-wide and the proprietary fund statements report deferred outflows of resources related to pensions and OPEB.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred outflow / inflows of resources (continued)

In addition to liabilities, the statements of net position will report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The balance sheet of governmental funds will report deferred inflows related to unavailable revenues, which are deferred and recognized as an inflow of resources in the period that the amounts become available, as well as leases. The government-wide and the proprietary fund statements report deferred outflows of resources related to leases, pensions and OPEB.

Net position

Government-wide and proprietary fund financial statements

In the government-wide and proprietary fund financial statements, equity is classified as net position and displayed in three components:

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, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – All amounts that do not meet the definition of “restricted” or “invested in capital assets, net of related debt” are reported as “unrestricted net position.”

In the government-wide and proprietary fund financial statements, when both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

Fund balance

Governmental fund type fund balance reporting

Governmental type fund balances are to be properly reported within one of the fund balance categories list below:

Non-spendable – Amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid items.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund balance (continued)

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – Amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the City Council.

Assigned – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The City Council has granted authority to the City Manager to assign fund balance amounts.

Unassigned – The residual classification for the government's General Fund and includes all spendable amounts not contained in the other classifications. Additionally, other funds may report negative unassigned fund balance in certain circumstances.

In the governmental fund financial statements, when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

Risk management

The City is exposed to various risks of loss related to errors and omissions, automobile, damage to and destruction of assets, bodily injury, and worker's compensation for which the City carries commercial insurance. The City participates in the 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. Predetermined limits and deductible amounts are stated in the policy. There has been no significant reduction in insurance coverage from the prior year and settled claims have not reached the level of commercial coverage in any of the past three fiscal years.

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Risk management (continued)

As of June 30, 2024, the City's cash, cash equivalents and investments are as follows:

Deposits with financial institutions	\$ 992,692
State of Oregon Local Government Investment Pool	53,473,144
Cash on hand	<u>1,800</u>
 Total cash and cash equivalents	 \$ <u>54,467,636</u>

The City maintains a pool of cash and cash equivalents that are available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and cash equivalents. Interest earned on pooled cash and cash equivalents is allocated to participating funds based upon their combined cash and cash equivalents balances.

Deposits with financial institutions

Custodial Credit Risk – Deposits: This is the risk that in the event of a bank failure, the City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the City's deposits with financial institutions up to \$250,000 each for the aggregate of all noninterest-bearing accounts and the aggregate of all interest-bearing accounts at each institution.

Deposits in excess of FDIC coverage with financial institutions participating in the Oregon Public Funds Collateralization Program are collateralized under the Public Funds Collateralization Program (PFCP) of the Oregon State Treasurer. The PFCP is a shared liability structure for participating financial institutions and is considered additional depository insurance as defined in GASB 40. Participating financial institutions are required to pledge securities, held by the Federal Home Loan Bank of Seattle in the name of the financial institution, with a value equal to at least 10%, with limited exceptions that may require up to 110%, of the amount of deposits of Oregon municipal corporations in excess of FDIC depository insurance. In the event of a failure of a participating financial institution the collective amount of all pledged securities under the PFCP are available to return the City's deposits. As of June 30, 2024, none of the City's deposits with financial institutions were exposed to custodial credit risk.

State of Oregon Local Government Investment Pool

Balances in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value. Fair value is determined at the quoted market price, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. The Oregon State Treasury administers the LGIP. The LGIP is an unrated, open-ended, no-load, diversified portfolio offered to any agency, political subdivision or public corporation of the state who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. To provide regulatory oversight, the Oregon Legislature established the Oregon Short-Term Fund Board and LGIP investments are approved by the Oregon Investment Council. The fair value of the City's position in the LGIP is the same as the value of the pool shares.

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

State of Oregon Local Government Investment Pool (continued)

Credit Risk. Oregon statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the state treasurer's investment pool.

Concentration of Credit Risk: The City does not have a formal policy that places a limit on the amount that may be invested in any one issuer.

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

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 which limits the amount of investments that can be held by counterparties.

NOTE 4 – RECEIVABLES

The City's receivables at June 30, 2024, are as follows:

	Governmental Activities / Funds				Business-Type Activities / Proprietary Funds			
	General	Internal Service	Nonmajor Governmental Funds	Total Governmental Funds	Water	Wastewater	Nonmajor Enterprise	Total Proprietary Funds
Accounts	\$ 5,844,625	\$ 8,899	\$ 578,090	\$ 6,431,614	\$ 678,342	\$ 837,521	\$ 93,008	\$ 1,608,871
Property taxes	268,667	-	171,300	439,967	246,649	217,347	24,154	-
System development charges	-	-	562,046	562,046	161,780	278,785	18,300	458,865
Allowance for doubtful accounts	(5,033,068)	-	-	(5,033,068)	-	-	-	-
Total	<u>\$ 1,080,224</u>	<u>\$ 8,899</u>	<u>\$ 1,311,436</u>	<u>\$ 2,400,559</u>	<u>\$ 1,086,771</u>	<u>\$ 1,333,653</u>	<u>\$ 135,462</u>	<u>\$ 2,555,886</u>

Uncollected taxes and assessments are deemed to be substantially collectible or recoverable through liens. Therefore, no allowance for uncollectible accounts has been established.

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 – CAPITAL ASSETS

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

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024
<u>Governmental activities</u>				
Capital assets not being depreciated				
Land	\$ 3,161,326	\$ 353,366	\$ -	\$ 3,514,692
Construction in progress	379,594	1,368,946	1,218,541	529,999
Total capital Assets, not being depreciated	<u>3,540,920</u>	<u>1,722,312</u>	<u>1,218,541</u>	<u>4,044,691</u>
Capital assets being depreciated / amortized				
Buildings	19,435,762	24,009	-	19,459,771
Vehicles	3,378,748	94,301	75,861	3,397,188
Machinery and Equipment	4,952,618	59,324	-	5,011,942
Improvements	876,724	836,427	-	1,713,151
Infrastructure	73,888,242	789,276	-	74,677,518
Intangible Assets	99,004	-	-	99,004
Right-to-use - SBITAS	127,510	-	-	127,510
	<u>102,758,608</u>	<u>1,803,337</u>	<u>75,861</u>	<u>104,486,084</u>
Less accumulated depreciation / amortization for:				
Buildings	6,897,350	397,331	-	7,294,681
Vehicles	2,432,841	126,866	69,945	2,489,762
Machinery and Equipment	4,074,556	166,831	-	4,241,387
Improvements	85,666	27,873	-	113,539
Infrastructure	55,812,363	879,491	-	56,691,854
Intangible Assets	29,729	9,901	-	39,630
Right-to-use - SBITAS	50,528	38,048	-	88,576
Total accumulated depreciation / amortization	<u>69,383,033</u>	<u>1,646,341</u>	<u>69,945</u>	<u>70,959,429</u>
Capital assets being depreciated / amortized, net	<u>33,375,575</u>	<u>156,996</u>	<u>5,916</u>	<u>33,526,655</u>
Governmental activities capital assets, net	<u>\$ 36,916,495</u>	<u>\$ 1,879,308</u>	<u>\$ 1,224,457</u>	<u>\$ 37,571,346</u>

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 – CAPITAL ASSETS (Continued)

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024
<i><u>Business-type activities</u></i>				
Capital assets, not being depreciated:				
Land	\$ 1,278,827	\$ -	\$ -	\$ 1,278,827
Construction in progress	16,373,226	7,173,259	22,194,348	1,352,137
Total capital assets, not being depreciated	<u>17,652,053</u>	<u>7,173,259</u>	<u>22,194,348</u>	<u>2,630,964</u>
Capital assets being depreciated				
Buildings	8,267,076	-	-	8,267,076
Vehicles	1,870,568	340,672	122,884	2,088,356
Machinery and Equipment	12,999,314	437,006	-	13,436,320
Improvements	249,908	1,266,687	-	1,516,595
Infrastructure	84,395,272	21,805,693	-	106,200,965
Total capital assets being depreciated, net	<u>107,782,138</u>	<u>23,850,058</u>	<u>122,884</u>	<u>131,509,312</u>
Less accumulated depreciation for:				
Buildings	5,111,606	118,304	-	5,229,910
Vehicles	1,230,269	90,475	122,884	1,197,860
Machinery and Equipment	5,644,259	429,654	-	6,073,913
Improvements	18,156	15,420	-	33,576
Infrastructure	18,965,300	1,777,587	-	20,742,887
Total accumulated depreciation	<u>30,969,590</u>	<u>2,431,440</u>	<u>122,884</u>	<u>33,278,146</u>
Total capital assets being depreciated, net	<u>76,812,548</u>	<u>21,418,618</u>	<u>-</u>	<u>98,231,166</u>
Business-type activities capital assets, net	<u>\$ 94,464,601</u>	<u>\$ 28,591,877</u>	<u>\$ 22,194,348</u>	<u>\$ 100,862,130</u>

Depreciation and amortizations expense was charged to functions/programs of the City as follows:

<i>Governmental activities</i>	
General Government	\$ 418,786
Public Safety	235,923
Transit	31,610
Highways and Street	683,047
Culture and Recreation	276,974
Total depreciation and amortization expense - governmental activities	<u>\$ 1,646,340</u>
<i>Business-type activities</i>	
Water	\$ 1,153,981
Wastewater	1,218,035
Stormwater	59,424
Total depreciation and amortization expense - business-type activities	<u>\$ 2,431,440</u>

Depreciation and amortization of capital assets held by the City's internal service funds are charged to various functions based on their usage of the assets.

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 – LONG-TERM LIABILITIES

In the following paragraphs, long-term liability 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

For the year ended June 30, 2024, changes in long-term liabilities were as follows:

	Outstanding July 1, 2023	Additions	Reductions	Outstanding June 30, 2024	Due Within One Year
<u>Governmental activities</u>					
Governmental Bonds					
GO debt bond Series 2015	\$ 6,485,000	\$ -	\$ 1,455,000	\$ 5,030,000	\$ 1,540,000
2002 Pension Obligation Bond	910,009	-	205,000	705,009	-
NW URD Lebanon FFC2013	5,820,000	-	1,050,000	4,770,000	1,110,000
Unamortized bond premium	614,751	-	146,919	467,832	146,919
Total Governmental bonds payable	13,829,760	-	2,856,919	10,972,841	2,796,919
Governmental Loans					
Cheadle Lake URD Opus Bank	2,754,903	-	272,504	2,482,399	280,353
Go debt Loan B07002	637,963	-	91,715	546,248	97,383
NW URD B05003	1,605,676	-	146,134	1,459,542	152,258
Loan premiums	224,887	-	29,027	195,860	29,027
Total Governmental Loans/Notes	5,223,429	-	539,380	4,684,049	559,021
 SBITA	 56,689	 -	 28,039	 28,650	 28,650
 Total long-term debt	 19,109,878	 -	 3,424,338	 15,685,540	 3,384,590
Net pension liability	7,806,544	3,712,016	-	11,518,560	
Total OPEB liability	241,189	20,316	-	261,505	-
Compensated Absences	667,741	972,672	940,265	700,148	175,037
Total long-term liabilities - governmental activities	\$ 27,825,352	\$ 4,705,004	\$ 4,364,603	\$ 28,165,753	\$ 3,559,627

On March 3, 2002, the City issued Pension Obligation Bonds, Series 2002 which are held by Wells Fargo Corpo-rate 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.

On 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.

On 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.

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Governmental Activities (Continued)

On 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 divided by the City for Northwest URD, Water and Wastewater. The amount allocated for this portion of the bonds is \$11,855,000. #LebanonFFC2013.

On 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.

On 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.

Business-Type Activities

For the year ended June 30, 2024, changes in long-term liabilities were as follows:

	Outstanding July 1, 2023	Additions	Reductions	Outstanding June 30, 2024	Due Within One Year
<u>Business-type activities</u>					
Long-term debt					
Water Loan L16003	\$ 10,080,310	\$ -	\$ 332,646	\$ 9,747,664	\$ 385,057
Water Loan S16004	10,649,285		360,811	10,288,474	344,322
Wastewater JP Morgan Refunding	2,755,000		345,000	2,410,000	364,419
Wastewater Loan R56201	10,018,456	3,981,544	500,000	13,500,000	345,000
Total Enterprise Loans/Notes	33,503,051	3,981,544	1,538,457	35,946,138	1,438,798
Total long-term debt	33,503,051	3,981,544	1,538,457	35,946,138	1,438,798
Net pension liability	2,171,300	806,183	-	2,977,483	-
Total OPEB liability	67,084	57,133	56,620	67,597	-
Compensated absences	206,049	214,306	220,886	199,469	49,868
Total long-term liabilities - business-type activities	\$ 35,947,484	\$ 5,059,166	\$ 1,815,963	\$ 39,190,687	\$ 1,488,666

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.

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 \$11,985,000 and carries an interest rate of 1.0%. #S16004.

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.

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Business-Type Activities (Continued)

December 18, 2020, the City entered into a loan agreement with the State of Oregon through the Department of Environmental Quality for construction of the Westside Interceptor sewer line. The original balance of the loan is \$14,000,000 and has a fixed annual interest rate of 1.18%. Repayment on this loan had not started as of June 30, 2023 as the project is not complete however, drawdowns of funding have occurred. #R56201.

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

Future maturities of long-term debt

As of June 30, 2024, the future maturities of long-term debt are as follows:

Fiscal Year	Governmental Activities					
	Bonds Payable		Direct Placement Notes Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 2,650,000	\$ 442,300	\$ 529,994	\$ 169,590	\$ 3,179,994	\$ 611,890
2026	3,100,000	369,193	550,130	149,313	3,650,130	518,506
2027	3,330,000	221,033	575,640	128,213	3,905,640	349,246
2028	1,425,009	61,275	596,444	106,027	2,021,453	167,302
2029	-	-	622,651	82,997	622,651	82,997
2030-2034	-	-	1,613,330	119,392	1,613,330	119,392
Total	<u>\$ 10,505,009</u>	<u>\$ 1,093,801</u>	<u>\$ 4,488,189</u>	<u>\$ 755,532</u>	<u>\$ 14,993,198</u>	<u>\$ 1,849,333</u>

Fiscal Year	Business-Type Activities	
	Direct Placement Notes Payable	
	Principal	Interest
2025	\$ 1,438,798	\$ 638,622
2026	1,464,085	613,264
2027	1,489,887	587,317
2028	1,516,218	560,766
2029	1,548,097	533,596
2030-2034	6,869,032	2,259,823
2035-2039	6,878,508	1,606,455
2040-2044	7,608,854	876,445
2045-2049	4,758,732	290,024
2050-2054	<u>2,373,927</u>	<u>70,580</u>
Total	<u>\$ 35,946,138</u>	<u>\$8,036,892</u>

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Future maturities of long-term debt (continued)

The liability for pension-related debt is fully liquidated by the General Fund. The liability for compensated absences is liquidated primarily by the General Fund (51%) and the Internal Service and Storm Drainage funds liquidate 14% and 1% respectively. The Water and Wastewater funds liquidate 11% each. The net pension and OPEB liabilities will be liquidated primarily from the General Fund, approximately 61% with the remaining amounts from the Water, Wastewater, Storm Drainage and Internal Service funds.

NOTE 7 – INTERFUND TRANSACTIONS AND BALANCES

During the year ended June 30, 2024, interfund transfers were as follows:

	Transfers in				
	Governmental activities				Total
	Parks	Nonmajor	Internal	Governmental	
Transfers out:	Enterprise	Governmental	Service	Activities	Transfers Out
<u>Governmental activities</u>					
General	\$ 548,250	\$ 204,131	\$ 1,925,590	\$ -	\$ 2,677,971
Parks Grant	-	6,241	109,763	-	116,004
Internal Service	-	50,709	268,159	-	318,868
Nonmajor Governmental	-	1,384,674	415,169	-	1,799,843
<u>Business-type activities</u>					
Water	-	25,497	641,521	4,803	671,821
Wastewater	-	29,421	892,370	4,802	926,593
Nonmajor Enterprise	-	1,963	101,061	4,802	107,826
Total Transfers Out	\$ 548,250	\$ 1,702,636	\$ 4,353,633	\$ 14,407	\$ 6,618,926

\$2.5 million of these transfers support the Internal Service Funds housing administrative and central functions of the organization. This includes the City Manager's office, City Attorney's office, Human Resources, Finance, Custodial & Building Maintenance and Information Technology. The remaining transfers are made to support programs (i.e. General Fund supporting parks) and debt service payments. Noncash transfers occurred when capital assets were acquired that will be used in the operation of a different fund's resources.

NOTE 7 – INTERFUND TRANSACTIONS AND BALANCES (Continued)

Interfund balances at June 30, 2024 consisted of interfund loans as follows:

	Interfund Loan Receivable	Interfund Loan Payable
Storm Drainage	\$ -	\$ (206,486)
Nonmajor Governmental	<u>206,486</u>	<u>-</u>
	<u>\$ 206,486</u>	<u>\$ (206,486)</u>

The interfund loan payable by the Storm Drainage Fund was established in 2018 by Resolution No. 2018-30 to fund a storm water drainage project, the canal underdrain after the City Council approved a change order. The original balance of the loan was \$400,000 payable over ten years at a 2.25% interest rate to complete the project as amended. Payments began on the loan in fiscal year 2020 and final payment on the loan is expected during the 2029 fiscal year.

NOTE 8 – DEFINED BENEFIT PENSION PLAN

Plan Description

Employees of the City are provided with pensions through the Oregon Public Employees Retirement Systems (OPERS).

The OPERS consists of a single cost-sharing multiple employer defined benefit pension plan. The Oregon Legislature has delegated the authority to the Public Employees Retirement Board to administer and manage the system.

OPERS produces an independently audited Annual Comprehensive Financial Report which includes detailed information about the pension plan's fiduciary net position. The report can be found at: <https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf>

Description of benefit terms

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

PERS Pension (Chapter 238) (Tier 1/Tier 2 retirement benefit)

The Tier 1/Tier 2 Retirement Benefit Plan is closed to new members hired on or after August 29, 2003.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

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 (1.67% for general service employees and 2% for police and fire employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

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, and police and fire members after age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Tier 2 members are eligible for full benefits at age 60.

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 for general service members and age 55 for police and fire members when determining the monthly benefit.

Benefit changes after retirement: Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes.

Oregon Public Service Retirement Plan (Chapter 238A) (OPSRP)

The OPSRP pension program provides benefits to members hired on or after August 29, 2003.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

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:

- General service: 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
- Police and fire: 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 60, or age 53 with 25 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% 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% of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit changes after retirement: Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes.

Contributions and funding policy

OPERS funding policy provides for periodic member and employer contributions at actuarial determined rates, subject to limits set in statute. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation.

Tier 1/Tier 2 employer contribution rates are 25.16% and the OPSRP employer contribution rates are 18.90% for general service employees. Police and fire employee Tier 1/Tier 2 rates are 25.16% and OPSRP rates are 23.69%. Employer contributions for the year ended June 30, 2024 were \$1,974,516.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

Net pension liability, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

Net pension liability

At June 30, 2024, the City reported a liability of \$14,496,043 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. The City's proportion of the net pension liability was actuarially determined based on a projection of the City's long-term contributions effort to the pension plan relative to the long-term projected contributions effort of all participating employers. The projected long-term contribution effort is equal to the sum of the present value of future normal costs (PVFNC) and the unfunded actuarial liability (UAL).

Normal Cost Rate: The PVFNC represents the portion of the projected long-term contribution effort related to future service. An employer's PVFNC depends on both the normal cost rates charged on the employer's payrolls, and on the underlying demographics of the respective payrolls. For OPERS funding, employers have up to three different payrolls, each with a different normal cost rate: (1) Tier 1/Tier 2 payroll, (2) OPSRP general service payroll, and (3) OPSRP police and fire payroll.

UAL Rate: A UAL can arise when an event such as experience differing from the assumptions used in the actuarial valuation occurs. An amortization schedule is established to eliminate the UAL that arises over a fixed period of time if future experience follows assumption. The UAL Rate is the upcoming year's component of the cumulative amortization schedules, stated as a percent of payroll. The UAL represents the portion of the projected long-term contribution effort related to past service.

After the employer's projected long-term contribution effort is calculated, that amount is reduced by the value of the employer's supplemental lump-sum payments, known as side accounts, transition surpluses and pre-SLGRP (State and Local Government Rate Pool) surpluses as of the valuation date. Side accounts decrease the employer's projected long-term contribution effort because side accounts are effectively prepaid contributions. The employer's projected long-term contribution effort does not include payments toward the current value of transition liabilities and pre-SLGRP liabilities.

At June 30, 2023, the City's proportion was 0.07739195%, which was an increase of 0.01222842% from its proportion measured as of June 30, 2022.

Pension expense

For the year ended June 30, 2024, the City recognized pension expense of \$645,043.

Deferred inflows of resources and deferred outflows of resources

Deferred inflows of resources and deferred outflows of resources are calculated at the plan level and are allocated to employers based on their proportionate share.

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

Differences between expected and actual experience, changes in assumptions and changes in employer proportionate are amortized over the average remaining service lives of all plan participants, including retirees, determined at the beginning of the respective measurement period. Employers are required to recognize pension expense based on the balance of the closed period "layers" attributable to each measurement period.

The net difference between projected and actual investment earnings attributable to each measurement period is amortized over a closed five-year period.

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 708,901	\$ 57,478
Changes of assumptions	1,287,743	9,601
Net difference between projected and actual earnings on pension plan investments	260,554	-
Changes in proportionate share	2,168,665	201,389
Differences between employer contributions and employer's proportionate share of system contributions	-	930,145
Contributions subsequent to the measurement date	<u>1,974,516</u>	<u>-</u>
Total	<u>\$ 6,400,379</u>	<u>\$ 1,198,613</u>

Deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement in the amount of \$1,974,516 will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ends June 30,	
2025	\$ 491,625
2026	(48,760)
2027	1,816,447
2028	809,736
2029	<u>158,202</u>
Total	<u>\$ 3,227,250</u>

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial methods and assumptions used in developing the total pension liability

The total pension liability measured as of June 30, 2023 was based on an actuarial valuation as of December 31, 2021 using the following methods and assumptions:

Experience study report	2020, published July 20, 2021
Actuarial cost method	Entry age normal
Inflation rate	2.4%
Long-term expected rate of return	6.9%
Discount rate	6.9%
Administrative expenses – Tier 1/Tier 2	\$59 million per year added to normal cost allocated between Tier One/Tier Two and OPSRP based on valuation payroll
Projected salary increases	3.4%
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/.015%) in accordance with <i>Moro</i> decision: blend based on service
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Health Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled retirees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and setbacks 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 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

UAL amortization

The Tier 1/Tier 2 UAL amortization period was reset to 20 years as of December 31, 2013. Gains and losses between subsequent odd-year valuations will be amortized as a level percentage of projected combined valuation payroll (Tier 1/ Tier 2 plus OPSRP payroll) over a closed 20-year period from the valuation in which they are first recognized. Senate Bill 1049 was signed into law in June 2019 and required a one-time re-amortization of Tier One/Tier Two UAL over a closed 22-year period at the December 31, 2019 rate-setting actuarial valuation, which set actuarially determined contribution rates for the 2021-2023 biennium. Future Tier One/Tier Two UAL gains or losses will be amortized over 20 years. The closed period amortization under Senate Bill 1049 will continue to decline, and has 20 years remaining as of the December 31, 2022 valuation.

The OPSRP UAL as of December 31, 2007 is amortized as a level percentage of projected combined valuation payroll (Tier 1/ Tier 2 plus OPSRP payroll) over a closed period 16-year period. Gains and losses between subsequent odd-year valuations are amortized as a level percentage of combined valuation payroll over 16 years from the valuation in which they are first recognized.

Discount rate

The discount rate used to measure the total pension liability was 6.9%, a reduction from 7.2% from the prior fiscal year. 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 was applied to all periods of projected benefit payments to determine the total pension liability.

Assumed asset allocation

Asset Class	Target Allocation
Cash	0.00%
Debt securities	25.00%
Public equity	27.50%
Private equity	20.00%
Real estate	12.50%
Real assets	7.50%
Diversifying strategies	7.50%
Total	<u>100.00%</u>

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

Long-term expected rate of return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023 the PERS Board reviewed long-term assumptions developed by both the actuary'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 forward-looking capital market economic model.

Long-Term Expected Rate of Return ¹

	Target Allocation	Annual	20-Year	
		Arithmetic Return ²	Annualized Geometric Mean	Annual Standard Deviation
Asset Class				
Global Equity	27.50 %	8.57 %	7.07 %	17.99 %
Private Equity	25.50	12.89	8.83	30.00
Core Fixed Income	25.00	4.59	4.50	4.22
Real Estate	12.25	6.90	5.83	15.13
Master Limited Partnerships	0.75	9.41	6.02	27.04
Infrastructure	1.5	7.88	6.51	17.11
Hedge Fund of Funds - Multistrategy	1.25	6.81	6.27	9.04
Hedge Fund Equity - Hedge	0.63	7.39	6.48	12.04
Hedge Fund - Macro	5.62	5.44	4.83	7.49
Assumed Inflation - Mean			2.35 %	1.41 %

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on January 25, 2023.

² 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.

Depletion date projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's fiduciary net position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 68 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.

NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

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

Based on these circumstances, it is OPERS independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Changes in actuarial methods and assumptions

There have been no changes in actuarial methods or assumptions since the December 31, 2020 valuation.

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.9%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	1 Percentage Point Lower	Current Discount Rate	1 Percentage Point Higher
Proportionate share of net pension liability	\$23,944,734	\$14,496,043	\$ 6,588,490

NOTE 9 – DEFINED CONTRIBUTION PLAN – OPERS INDIVIDUAL ACCOUNT PROGRAM

Plan description

Individual account program (IAP) - Participants in OPERS defined benefit pension plan also participate in the defined contribution plan.

NOTE 9 – DEFINED CONTRIBUTION PLAN – OPERS INDIVIDUAL ACCOUNT PROGRAM (Continued)

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

Death benefits

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

Contributions

Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit Pension Plan. If the member earns more than \$2,500 per month (increased to \$2,535 per month on January 1, 2021) 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

The City makes the employee contributions of 6% of covered payroll to the IAP. Contributions for the year ended June 30, 2024 were \$528,181.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

NOTE 10 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFITS PLAN - RHIA

Plan description

The City contributes to the Oregon PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. The RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. Contributions are mandatory for each employer that is a member of PERS.

NOTE 10 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFITS PLAN - RHIA (Continued)

Plan description (continued)

The Oregon Legislature has delegated the authority to the Public Employees Retirement Board to administer and manage the system.

OPERS produces an independently audited Annual Comprehensive Financial Report which includes detailed information about the pension plan's fiduciary net position. The report can be found at: <https://www.oregon.gov/pers/Documents/Financials/ACFR/2023-ACFR.pdf>

Description of benefit terms

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

The RHIA is closed to new members hired on or after August 29, 2003.

Other Postemployment Healthcare benefits

Eligible retired members receive a monthly healthcare benefit for life up to \$60 toward the monthly cost health insurance.

To be eligible, the member must:

1. Have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS
2. Receive both Medicare Parts A and B coverage
3. Enroll in a PERS-sponsored health plan

Surviving spouse or dependent benefits

A surviving spouse or dependent of a deceased retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she is receiving a retirement benefit or allowance from PERS or was insured at the time the member died and the member retired before May 1, 1991.

Contributions

OPERS funding policy provides for periodic member and employer contributions at the rates established by the Public Employees Retirement Board, subject to limits set in statute. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates during the period were based on the December 31, 2021 actuarial valuation.

The City contributed 0.04% of PERS-covered salaries for Tier 1 and Tier 2 members to fund the normal cost portion of RHIA benefits. Since the funded status of the RHIA UAL is in excess of 100%, no contributions were required to fund the RHIA UAL. For the year ended June 30, 2024, the City made contributions in the amount of \$117 to the RHIA, but has not recorded it as deferred outflow due to its minimal amount.

NOTE 10 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFITS PLAN - RHIA (Continued)

Net OPEB liability/(asset), pension expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits

Net OPEB liability (asset)

At June 30, 2024, the City reported an (asset) of \$224,424 for its proportionate share of the net OPEB liability/(asset). The net OPEB liability/(asset) was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2021. The City's proportion of the net OPEB liability/(asset) was based on its actual, legally required contributions made during the fiscal year with the total actual contributions of all employers during the fiscal year.

At June 30, 2023, the City's proportion was 0.06129091%, which was an increase of 0.00233523% from its proportion measured as of June 30, 2022.

OPEB expense

For the year ended June 30, 2024, the City recognized OPEB benefit of \$22,918.

Deferred inflows of resources and deferred outflows of resources

Deferred inflows of resources and deferred outflows of resources are calculated at the plan level and are allocated to employers based on their proportionate share. For the measurement period ended June 30, 2023, employers will report the following deferred inflows or resources and/or deferred outflows of resources:

- Difference between expected and actual experience
- Changes in assumptions
- Changes in employer proportion since the prior measurement date
- Net difference between projected and actual investment earnings
- Contributions subsequent to the measurement date

Differences between expected and actual experience, changes in assumptions and changes in employer proportionate are amortized over the average remaining service lives of all plan participants, including retirees, determined at the beginning of the respective measurement period. Employers are required to recognize OPEB expense based on the balance of the closed period "layers" attributable to each measurement period.

The net difference between projected and actual investment earnings attributable to each measurement period is amortized over a closed five-year period.

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFITS PLAN - RHIA (Continued)

Net OPEB liability/(asset), pension expense and deferred outflows of resources and deferred inflows of resources related to other postemployment benefits (continued)

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 5,635
Changes of assumptions	-	2,420
Net difference between projected and actual earnings on pension plan investments	637	-
Changes in proportionate share	-	9,094
Contributions subsequent to the measurement date	-	-
Total	\$ 637	\$ 17,149

There are no City's contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years ending June 30:</u>	
2025	\$ (18,398)
2026	(9,383)
2027	8,294
2028	<u>2,975</u>
Total	\$ <u>(16,512)</u>

Actuarial methods and assumptions used in developing total OPEB liability

Except as identified below, actuarial methods and assumptions used in developing the total OPEB liability are the same as those used to develop the total PERS pension liability as discussed in note 8.

Retiree healthcare participation

Healthy retirees are assumed to participate 25% of the time while disabled retirees are assumed to participate 15% of the time.

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.

NOTE 10 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFITS PLAN - RHIA (Continued)

Actuarial methods and assumptions used in developing total OPEB liability (continued)

Depletion date projection

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's fiduciary net position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the fiduciary net position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 will often require that the actuary perform complex projections of future benefit payments and asset values. GASB 75 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 Oregon PERS (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 75 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is OPERS independent actuary's opinion that the detailed depletion date projections outlined in GASB 75 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Sensitivity of the proportionate share of the net OPEB liability/(asset) to changes in the discount rate

The following presents the proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 6.9%, as well as what the proportionate share of the net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	1 Percentage Point Lower	Current Discount Rate	1 Percentage Point Higher
Proportionate share of net OPEB (asset)	\$ (204,004)	\$ (224,424)	\$ (241,949)

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS - IMPLICIT SUBSIDY

Plan description and benefits provided

The City provides other postemployment benefits (OPEB) for employees, retirees, spouses and dependents through a single employer defined benefit plan in the form of group health insurance benefits. As required by ORS 243.303(2), retirees who were hired after July 1, 2003, are allowed to continue, at the retirees' expense, coverage under the group health insurance plan until age 65. The difference between the premium actually paid by the retirees under the group insurance plan and the premium that they would pay if they were not included in the plan is considered to be an implicit subsidy under the provisions of GASB 75. The plan does not issue a separate stand-alone financial report.

Plan membership

As of July 1, 2022, there were 73 active employees, 2 eligible retirees, and 1 spouses of eligible retirees for a total of 76 plan members.

Contributions

The City funds the plan only to the extent of current year insurance premium requirements on a pay-as-you-go basis. The average monthly premium requirements for the City are as follows:

For retirees	\$	581
For spouses of retirees		650

Total OPEB liability, changes in total OPEB liability, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB

At June 30, 2024, the City reported a total OPEB liability of \$329,102. The total OPEB liability was measured as of June 30, 2024 and determined by an valuation date of July 1, 2022.

Changes in the Total OPEB Liability is as follows:

	Total OPEB Liability
Balance as of June 30, 2023	\$ 308,272
Changes for the year:	
Service cost	28,706
Interest	11,630
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(2,415)
Benefit payments	(17,091)
Balance as of June 30, 2024	<u>\$ 329,102</u>

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS - IMPLICIT SUBSIDY (Continued)

Total OPEB liability, changes in total OPEB liability, OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB (continued)

For the year ended June 30, 2023, the City recognized OPEB expense of \$13,873. As of June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows <u>of Resources</u>	Deferred Outflows <u>of Resources</u>
Difference between expected and actual experience	\$ -	\$ 25,103
Changes in assumptions	(71,753)	13,987
Contributions subsequent to the measurement date	<u>-</u>	<u>22,707</u>
	<u>\$ (71,753)</u>	<u>\$ 61,797</u>

Deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date in the amount of \$22,707 will be recognized as an adjustment to the Total OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years ending June 30:</u>	
2025	\$ (3,752)
2026	(3,752)
2027	(3,752)
2028	(5,234)
2029	(7,513)
Thereafter	(8,660)

Actuarial valuation

The City contributions are based on the accruing benefit costs measured using the individual entry age normal actuarial cost method. The present value of benefits is allocated over the service for each active employee from their date of hire to their expected retirement age, as a level percent of the employee's pay. This level percent times pay is referred to as the service cost and is that portion of the present value of benefits attributable to an employee's service in a current year. The service cost equals \$0 for retired members. The total OPEB liability is the present value of benefits less the actuarial present value of future normal costs and represents the liabilities allocated to service up to the valuation date. For retirees, the total OPEB liability is equal to the present value of benefits.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS - IMPLICIT SUBSIDY (Continued)

Actuarial methods and assumptions used in developing total OPEB liability

Valuation Date	July 1, 2022
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.4%
Projected Salary Increases	3.4%
Mortality	Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees.
	Future mortality improvement: Generational Unisex Social Security Data Scale
Withdrawal	Based on Oregon PERS assumptions. Annual rates are based on employment classification, gender, and duration from hire date.
Retirement	Based on Oregon PERS assumptions. Annual rates are based on age, Tier/OPSRP, duration of service, and employment classification.
Future Retiree Coverage	35% of active members were assumed to elect coverage upon retirement. 60% of male members and 35% of female members who elect coverage upon retirement are also assumed to elect spouse coverage.
Lapse Rate	Retirees for whom the Employer will never pay any portion of the health care premiums are assumed to have a 5% probability of lapsing (dropping) coverage per year.

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.

Discount rate

The discount rate used to measure the total OPEB liability was 3.65%. The discount rate is based on the Bond Buyer 20-year General Obligation Bond Index. The discount rate at the prior measurement date was 3.54%.

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS - IMPLICIT SUBSIDY (Continued)

Healthcare cost trend rate

The assumed healthcare cost trend for medical and vision costs is as follows:

<u>Years</u>	<u>Pre-65 Trend</u>
2022	4.25%
2023	6.75%
2024	6.50%
2025	6.00%
2026	5.25%
2027	5.00%
2028-2029	4.75%
2030	4.50%
2031-2065	4.25%
2066-2071	4.00%
2072+	3.75%

Dental costs are assumed to increase 4.00% in all future years.

Sensitivity of the City's total OPEB liability to changes in the discount and healthcare cost trend rates

The following presents the City total OPEB liability calculated using the discount rate of 3.65%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

<u>Sensitivity of Discount Rate</u>	<u>1% Lower</u>	<u>Current Discount Rate</u>	<u>1% Higher</u>
City's Total OPEB liability	\$ 352,729	\$ 329,102	\$ 306,970

<u>Sensitivity of Health Care Trend Rates</u>	<u>1% Lower</u>	<u>Current Trend Rate</u>	<u>1% Higher</u>
City's Total OPEB liability	\$ 297,709	\$ 329,102	\$ 365,757

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS - IMPLICIT SUBSIDY (Continued)

Aggregate balances – OPEB

The balances of the City's two OPEB plans are aggregated and displayed in the financial statements as follows:

	Oregon PERS <u>RHIA Plan</u>	Implicit <u>Rate Subsidy</u>	Total OPEB at <u>June 30, 2024</u>
Net OPEB asset	\$ 224,424	\$ -	\$ 224,424
Deferred outflows of resources	637	61,797	62,434
Total OPEB liability	-	(329,102)	(329,102)
Deferred inflows of resources	(17,149)	(71,753)	(88,902)
OPEB expense (revenue)	(22,918)	13,873	(9,045)

NOTE 12 – NET POSITION RESTRICTED THROUGH ENABLING LEGISLATION

As of June 30, 2024, the government-wide statement of net position reports \$26,493,033 of restricted net position, of which the following are restricted by enabling legislation:

Governmental activities

System development – Ordinances imposing System Development Charges (SDC) restrict the use to capital improvements which expand the capacity of the system for which the charge was made \$ 10,201,775

Urban renewal projects – taxes are restricted to improving and redeveloping designated areas (community development) 4,620,591

Highways and streets – street maintenance fees and funding are restricted for the maintenance of public streets 1,733,363

Motel taxes – transient occupancy taxes are restricted for funding tourism promotion or finance the debt of tourism-related facilities 299,150

Business-type activities

System development – Ordinances imposing System Development Charges (SDC) restrict the use to capital improvements which expand the capacity of the system for which the charge was made 5,954,661

CITY OF LEBANON
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13 – GOVERNMENTAL FUND BALANCES

Fund balances for governmental funds have been reported in the categories of nonspendable, restricted, committed, assigned and unassigned. As of June 30, 2024, the specific purposes for these amounts are as follows:

	General	Park Enterprise Fund	Other Governmental Funds	Total
Fund balances:				
Nonspendable				
Prepaid items	\$ 140,866	\$ 150	\$ 2,652	\$ 143,668
Advances to other funds	-	-	206,486	206,486
Restricted for:				
Debt service	-	-	30,902	30,902
Public safety	-	-	25,247	25,247
Highways and streets	-	-	8,451,627	8,451,627
Culture and recreation	-	-	4,608,379	4,608,379
Building and engineering	-	-	1,376,914	1,376,914
Transit	-	-	352,452	352,452
Urban renewal projects	-	-	4,526,255	4,526,255
Committed for:				
Park projects	-	20,509	-	20,509
Engineering	-	-	73,111	73,111
Assigned for:				
Capital assets	-	-	766,706	766,706
Unassigned	<u>4,321,143</u>	<u>-</u>	<u>-</u>	<u>4,321,143</u>
	<u>\$ 4,462,009</u>	<u>\$ 20,659</u>	<u>\$ 20,420,731</u>	<u>\$ 24,903,399</u>

NOTE 14 – COMMITMENTS AND CONTINGENCIES

The City entered a contract with Riverbend Materials for signal and intersection upgrades at 12th Ave and Airport Road for a contract price of \$2,127,460, which is fully outstanding as of June 30, 2024.

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.

NOTE 15 - 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.

NOTE 16 - NEWLY ISSUED ACCOUNTING STANDARDS

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The statement establishes accounting and financial reporting requirements for a) accounting changes and b) the correction of an error in previously issued financial statements (error correction). Implementation of this standard had no impact on the City's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LEBANON, OREGON

GENERAL FUND

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

Year Ended June 30, 2024

	Budget		Actual	Variance
	Original	Final		
Revenues				
Property and other taxes	\$ 7,059,893	\$ 7,059,893	\$ 6,907,588	\$ (152,305)
Franchise fees	2,543,734	2,543,734	2,834,021	290,287
Licenses, permits and fees	4,000	4,000	4,295	295
Fines and forfeitures	301,990	301,990	265,595	(36,395)
Charges for services	77,800	77,800	80,597	2,797
Intergovernmental	1,484,132	1,484,132	1,115,287	(368,845)
Rents	28,270	28,270	43,236	14,966
Donations	25,000	25,000	-	(25,000)
Interest	75,000	75,000	242,777	167,777
Miscellaneous	74,718	74,718	173,221	98,503
Total revenues	11,674,537	11,674,537	11,666,617	(7,920)
Expenditures				
Mayor and city council	88,137	94,637	83,351	11,286
Community development	472,731	472,731	273,637	199,094
Finance	458,814	495,314	494,307	1,007
Library	646,321	646,321	698,817	(52,496)
Police	6,823,276	6,823,276	6,538,962	284,314
Senior services	340,444	340,444	336,283	4,161
Non-departmental:				-
Materials and services	913,437	913,437	449,114	464,323
Capital outlay	-	-	49,358	(49,358)
Pass-through grants	363,000	363,000	329,216	33,784
Contingency	2,101,000	2,058,000	-	2,058,000
Debt service	122,895	122,895	122,895	-
Total expenditures	12,330,055	12,330,055	9,375,940	2,954,115
Excess (deficiency) of revenues over expenditures	(655,518)	(655,518)	2,290,677	2,946,195
Other financing sources (uses)				
Transfers out	(2,677,973)	(2,677,973)	(2,677,971)	2
Total other financing sources (uses)	(2,677,973)	(2,677,973)	(2,677,971)	2
Net change in fund balance	(3,333,491)	(3,333,491)	(387,294)	2,946,197
Fund balance at beginning of year	4,814,798	4,814,798	4,849,303	34,505
Fund balance at end of year	\$ 1,481,307	\$ 1,481,307	\$ 4,462,009	2,980,702

CITY OF LEBANON, OREGON

PARK ENTERPRISE FUND

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

Year Ended June 30, 2024

	Budget		Actual	Variance
	Original	Final		
Revenues				
Charges for services	\$ 150,000	\$ 150,000	\$ 154,379	\$ 4,379
Intergovernmental	313,943	313,943	167,400	(146,543)
Rents	8,500	8,500	11,865	3,365
Donations	45,000	45,000	2	(44,998)
Interest	37,000	37,000	133,218	96,218
Miscellaneous	1,000	1,000	400	(600)
Total revenues	555,443	555,443	467,264	(88,179)
Expenditures				
Public works	925,697	925,697	872,465	53,232
Non-departmental:				
Capital outlay	833,943	833,943	641,080	192,863
Contingency	36,500	36,500	-	36,500
Total expenditures	1,796,140	1,796,140	1,513,545	282,595
Excess (deficiency) of revenues over expenditures	(1,240,697)	(1,240,697)	(1,046,281)	194,416
Other financing sources (uses)				
Transfers in	548,250	548,250	548,250	-
Transfers out	(116,004)	(116,004)	(116,004)	-
Total other financing sources (uses)	432,246	432,246	432,246	-
Net change in fund balance	(808,451)	(808,451)	(614,035)	194,416
Fund balance at beginning of year	3,058,451	3,058,451	634,694	(2,423,757)
Fund balance at end of year	\$ 2,250,000	\$ 2,250,000	\$ 20,659	\$ (2,229,341)

CITY OF LEBANON, OREGON
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1 – BUDGETING INFORMATION

Budget policies and budgetary control

A budget is prepared for each city fund in accordance with the modified accrual basis of accounting and legal requirements set forth in Oregon local budget law (ORS Chapter 294). 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 Council. Original and supplemental budgets may be modified by using appropriations transfers between the levels of control. Such transfers require approval by the Council.

Expenditures cannot legally exceed appropriations, except in the case of grant receipts and bond sale proceeds, which could not be reasonably estimated at the time the budget was adopted. Supplemental appropriations and appropriation transfers may occur with notice and City Council action.

For the year ended June 30, 2024, expenditures exceeded appropriations as follows:

<u>Fund</u>	<u>Budget Category</u>	<u>Amount</u>
General Fund	Library	\$ 52,496
General Fund	Capital outlay	49,358

CITY OF LEBANON, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Plan Years Ended June 30,

Year Ended June 30,	City's proportion of the net pension liability (asset)	City's proportionate share of the net pension liability (asset)	City's covered payroll	City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.07739195%	\$ 14,496,043	\$ 8,560,209	169.34%	81.70%
2022	0.06516353%	9,977,844	8,156,549	122.33%	84.50%
2021	0.06137271%	7,344,153	7,417,793	99.01%	87.60%
2020	0.05791944%	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%

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

Notes to schedule

Changes in Benefit Terms and Assumptions

Benefit Terms: The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

Assumptions: The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability and June 30, 2018 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. For June 30, 2021, the long-term expected rate of return was lowered to 6.90 percent, and the inflation rate was lowered from 2.5 to 2.4 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated. There were no changes for the years ended June 30, 2022 or 2023.

CITY OF LEBANON, OREGON
SCHEDULE OF PENSION CONTRIBUTIONS
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Plan Years Ended June 30,

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percent of covered payroll
2024	\$ 1,974,516	\$ 1,974,516	\$ -	\$ 9,179,924	21.51%
2023	1,642,308	1,642,308	-	8,560,209	19.19%
2022	1,554,850	1,554,850	-	8,156,549	19.06%
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	832,096	832,096	-	6,267,704	13.28%
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%

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

CITY OF LEBANON, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET OTHER POST EMPLOYMENT BENEFIT LIABILITY (ASSET)
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Plan Years Ended June 30, *

Year Ended June 30,	City's proportion of the net pension liability (asset)	City's proportionate share of the net pension liability (asset)	City's covered payroll	City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.00612909%	\$ (224,426)	\$ 8,560,209	-2.62%	201.60%
2022	0.05895568%	(209,490)	8,156,549	-2.57%	194.60%
2021	0.04909332%	(168,587)	7,417,793	-2.27%	183.90%
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%

Note: The amounts presented for each fiscal year were actuarially 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 year for which the required supplementary information is available.

Notes to schedule

Changes in Actuarial Assumptions Used to Determine Contributions:

	December 31, 2021	December 31, 2019	December 31, 2017	December 31, 2015	December 31, 2013
Actuarial valuation Effective:	July 2023 - June 2025	July 2021 - June 2023	July 2019 - June 2021	July 2017 - June 2019	July 2016 - June 2017
Actuarial cost method:	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method:	Level percentage of payroll	Level percentage of payroll	Level percentage of payroll	Level percentage of payroll	Level percentage of payroll
	closed	closed	closed	closed	closed
Amortization period:	10 years	10 years	10 years	10 years	10 years
Asset valuation method:	Market value	Market value	Market value	Market value	Market value
Remaining amortization periods:	10 years	10 years	10 years	20 years	20 years
Actuarial assumptions:					
Inflation rate	2.40 percent	2.40 percent	2.50 percent	2.50 percent	2.75 percent
Health cost trend rates	None	None	None	None	None
Projected salary increase	3.40 percent	3.40 percent	3.50 percent	3.50 percent	3.75 percent
Investment rate of return	6.90 percent	6.90 percent	7.20 percent	7.20 percent	7.75 percent

CITY OF LEBANON, OREGON
SCHEDULE OF OTHER POST EMPLOYMENT BENEFIT CONTRIBUTIONS
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
Last 10 Fiscal Years Ended *

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percent of covered payroll
2024	\$ 117	\$ 117	\$ -	\$ 9,179,924	0.00%
2023	1,208	1,208	-	8,560,209	0.01%
2022	1,453	1,453	-	8,156,549	0.02%
2021	1,314	1,314	-	7,417,793	0.02%
2022	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%

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

CITY OF LEBANON, OREGON
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OTHER
POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS
IMPLICIT SUBSIDY
Last 10 Plan Years*

	Years Ended June 30,				
	2024	2023	2022	2021	2020
Total OPEB Liability					
Service cost	\$ 28,706	\$ 21,267	\$ 20,658	\$ 16,352	\$ -
Interest on total OPEB liability	11,630	8,014	8,014	11,324	-
Effect of economic/demographic gains or losses	-	33,336	-	-	-
Effect of assumptions changes or inputs	(2,415)	(92,468)	1,129	28,094	-
Benefit payments	(17,091)	(23,121)	(20,943)	(20,943)	-
Net change in total OPEB liability	20,830	(52,972)	8,858	34,827	-
Total OPEB liability - beginning	308,272	361,244	352,386	317,559	-
Total OPEB liability - ending	\$ 329,102	\$ 308,272	\$ 361,244	\$ 352,386	\$ 317,559
Covered employee payroll	\$ 9,179,924	\$ 8,560,209	\$ 8,156,549	\$ 7,417,793	\$ 6,679,426
Total OPEB liability as a percentage of covered payroll	3.59%	3.60%	4.43%	4.75%	4.75%

Notes to schedule

* 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.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Implicit rate subsidy

Contributions are not based on a measure of pay, therefore the covered-employee payroll is used in the percentages above.

Changes in assumptions

	2024	2023	2022	2021	2020	2019	2018
Discount rate used	3.65%	3.54%	2.16%	2.21%	3.50%	3.87%	3.58%

**COMBINING FINANCIAL STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

CITY OF LEBANON, OREGON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2024

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS				
Cash and cash equivalents	\$ 8,426,660	\$ 24,678	\$ 11,132,343	\$ 19,583,681
Taxes receivable	103,918	67,382	-	171,300
Accounts receivable	464,550	-	675,586	1,140,136
Due from other funds	-	-	206,486	206,486
Prepaid items	2,652	-	-	2,652
Restricted cash and cash equivalent	179,431	-	-	179,431
Total assets	<u>\$ 9,177,211</u>	<u>\$ 92,060</u>	<u>\$ 12,014,415</u>	<u>\$ 21,283,686</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 115,317	\$ -	\$ 14,534	\$ 129,851
Consumer deposits	70	-	-	70
Total liabilities	<u>115,387</u>	<u>-</u>	<u>14,534</u>	<u>129,921</u>
Deferred inflows of resources				
Unavailable revenue	118,104	61,158	553,772	733,034
Total deferred inflows of resources	<u>118,104</u>	<u>61,158</u>	<u>553,772</u>	<u>733,034</u>
Fund Balances				
Nonspendable	2,652	-	206,486	209,138
Restricted	8,867,957	30,902	10,472,917	19,371,776
Committed	73,111	-	-	73,111
Assigned	-	-	766,706	766,706
Total fund balances	<u>8,943,720</u>	<u>30,902</u>	<u>11,446,109</u>	<u>20,420,731</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,177,211</u>	<u>\$ 92,060</u>	<u>\$ 12,014,415</u>	<u>\$ 21,283,686</u>

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2024

	Special Revenue	Debt Service	Capital Projects	Total
Revenues				
Property and other taxes	2,726,501	1,571,672	-	4,298,173
Special assessment collections	-	-	1,548,224	1,548,224
Licenses, permits and fees	809,307	-	-	809,307
Charges for services	10,815	-	-	10,815
Intergovernmental	3,023,329	-	196,402	3,219,731
Rents	9,600	-	-	9,600
Donations	52,769	-	-	52,769
Interest	417,967	37,143	534,465	989,575
Miscellaneous	25,182	-	-	25,182
Total revenues	7,075,470	1,608,815	2,279,091	10,963,376
Expenditures				
Current:				
Public safety	4,100	-	-	4,100
Highways and streets	1,012,441	-	-	1,012,441
Culture and recreation	299,401	-	-	299,401
Community planning	690,641	-	237	690,878
Transportation	975,243	-	-	975,243
Debt service:			-	
Principal	418,638	2,710,000	-	3,128,638
Interest	157,851	591,692	-	749,543
Capital outlay	168,175	-	964,701	1,132,876
Total expenditures	3,726,490	3,301,692	964,938	7,993,120
Excess (deficiency) of revenues over expenditures	3,348,980	(1,692,877)	1,314,153	2,970,256
Other financing sources (uses)				
Sale of capital assets	-	-	113,540	113,540
Transfers in	45,000	1,560,636	97,000	1,702,636
Payment on refunded obligations	-	-	-	-
Transfers out	(1,799,843)	-	-	(1,799,843)
Total other financing sources (uses)	(1,754,843)	1,560,636	210,540	16,333
Net change in fund balances	1,594,137	(132,241)	1,524,693	2,986,589
Fund balances at beginning of year	7,349,583	163,143	9,921,416	17,434,142
Fund balances at end of year	\$ 8,943,720	\$ 30,902	\$ 11,446,109	\$ 20,420,731

THIS PAGE LEFT INTENTIONALLY BLANK

	Motel Tax Fund	Building Inspection Fund	State Foot & Bike Path Fund	Engineering Development Review Fund	Street Maintenance Fund	LINX Transit Fund
ASSETS						
Cash and cash equivalents	\$ 292,106	\$ 1,404,016	\$ 8,800	\$ 73,244	\$ 1,603,170	\$ 122,928
Taxes receivable	-	-	-	-	-	-
Accounts receivable	57,076	-	1,458	-	144,318	261,698
Prepaid items	-	-	-	-	150	400
Restricted cash and cash equivalent	-	-	-	-	-	-
Total assets	\$ 349,182	\$ 1,404,016	\$ 10,258	\$ 73,244	\$ 1,747,638	\$ 385,026
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 50,032	\$ 27,102	\$ -	\$ 133	\$ 24,533	\$ 8,406
Consumer deposits	-	-	-	-	-	-
Total liabilities	50,032	27,102	-	133	24,533	8,406
Deferred inflows of resources						
Unavailable revenue	-	-	-	-	-	23,768
Total deferred inflows of resources	-	-	-	-	-	23,768
Fund Balances						
Nonspendable	-	-	-	-	150	400
Restricted	299,150	1,376,914	10,258	-	1,722,955	352,452
Committed	-	-	-	73,111	-	-
Total fund balances	299,150	1,376,914	10,258	73,111	1,723,105	352,852
Total liabilities, deferred inflows of resources and fund balances	\$ 349,182	\$ 1,404,016	\$ 10,258	\$ 73,244	\$ 1,747,638	\$ 385,026

CITY OF LEBANON, OREGON
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2024

Boat Ramps Fund	Police Donations Fund	Library Donations Fund	Senior Services Donations Fund	Northwest Urban Renewal District Fund	Cheadle Lake Urban Renewal Fund	North Gateway Urban Renewal District Fund	Downtown Urban Renewal District Fund	Mill Race Renewal District Fund	Total
\$ 21,045	\$ 25,247	\$ 356,080	\$ 178,652	\$ 1,428,498	\$ 405,138	\$ 2,345,615	\$ 135,197	\$ 26,924	\$ 8,426,660
-	-	-	-	40,579	20,893	38,995	1,806	1,645	103,918
-	-	-	-	-	-	-	-	-	464,550
-	-	2,102	-	-	-	-	-	-	2,652
-	-	-	-	-	179,431	-	-	-	179,431
\$ 21,045	\$ 25,247	\$ 358,182	\$ 178,652	\$ 1,469,077	\$ 605,462	\$ 2,384,610	\$ 137,003	\$ 28,569	\$ 9,177,211
\$ -	\$ -	\$ 498	\$ 483	\$ -	\$ -	\$ 4,130	\$ -	\$ -	\$ 115,317
-	-	70	-	-	-	-	-	-	70
-	-	568	483	-	-	4,130	-	-	115,387
-	-	-	-	36,987	18,991	35,448	1,652	1,258	118,104
-	-	-	-	36,987	18,991	35,448	1,652	1,258	118,104
-	-	2,102	-	-	-	-	-	-	2,652
21,045	25,247	355,512	178,169	1,432,090	586,471	2,345,032	135,351	27,311	8,867,957
-	-	-	-	-	-	-	-	-	73,111
21,045	25,247	357,614	178,169	1,432,090	586,471	2,345,032	135,351	27,311	8,943,720
\$ 21,045	\$ 25,247	\$ 358,182	\$ 178,652	\$ 1,469,077	\$ 605,462	\$ 2,384,610	\$ 137,003	\$ 28,569	\$ 9,177,211

	Motel Tax Fund	Building Inspection Fund	State Foot & Bike Path Fund	Engineering Development Review Fund	Street Maintenance Fund	LINX Transit Fund
Revenues						
Property and other taxes	\$ 288,575	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits and fees	-	695,510	-	113,797	-	-
Charges for services	-	-	-	10,815	-	-
Intergovernmental	-	11,164	15,709	-	1,558,713	1,437,743
Rents	-	-	-	-	9,600	-
Donations	-	-	-	-	-	2,289
Interest	14,967	62,727	344	5,020	73,765	4,574
Miscellaneous	-	-	-	-	25,000	162
Total revenues	<u>303,542</u>	<u>769,401</u>	<u>16,053</u>	<u>129,632</u>	<u>1,667,078</u>	<u>1,444,768</u>
Expenditures						
Current:						
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	1,012,441	-
Culture and recreation	268,427	-	-	-	-	-
Community planning	-	407,392	-	160,989	-	-
Transportation	-	-	-	-	-	975,243
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	9,825	-	120,424	13,474
Total expenditures	<u>268,427</u>	<u>407,392</u>	<u>9,825</u>	<u>160,989</u>	<u>1,132,865</u>	<u>988,717</u>
Excess (deficiency) of revenues over expenditures	<u>35,115</u>	<u>362,009</u>	<u>6,228</u>	<u>(31,357)</u>	<u>534,213</u>	<u>456,051</u>
Other financing sources (uses)						
Transfers in	-	-	-	-	45,000	-
Transfers out	-	(79,312)	-	(18,489)	(239,961)	(168,781)
Total other financing sources (uses)	<u>-</u>	<u>(79,312)</u>	<u>-</u>	<u>(18,489)</u>	<u>(194,961)</u>	<u>(168,781)</u>
Net change in fund balances	35,115	282,697	6,228	(49,846)	339,252	287,270
Fund balances at beginning of year	<u>264,035</u>	<u>1,094,217</u>	<u>4,030</u>	<u>122,957</u>	<u>1,383,853</u>	<u>65,582</u>
Fund balances at end of year	<u>\$ 299,150</u>	<u>\$ 1,376,914</u>	<u>\$ 10,258</u>	<u>\$ 73,111</u>	<u>\$ 1,723,105</u>	<u>\$ 352,852</u>

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2024

Boat Ramps Fund	Police Donations Fund	Library Donations Fund	Senior Services Donations Fund	Northwest Urban Renewal District Fund	Cheadle Lake Urban Renewal Fund	North Gateway Urban Renewal District Fund	Downtown Urban Renewal District Fund	Mill Race Renewal District Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ 826,504	\$ 521,070	\$ 893,448	\$ 53,076	\$ 143,828	\$ 2,726,501
-	-	-	-	-	-	-	-	-	809,307
-	-	-	-	-	-	-	-	-	10,815
-	-	-	-	-	-	-	-	-	3,023,329
-	-	-	-	-	-	-	-	-	9,600
-	3,100	42,260	5,120	-	-	-	-	-	52,769
1,094	1,159	16,044	8,507	104,221	24,139	94,749	5,686	971	417,967
-	-	-	20	-	-	-	-	-	25,182
<u>1,094</u>	<u>4,259</u>	<u>58,304</u>	<u>13,647</u>	<u>930,725</u>	<u>545,209</u>	<u>988,197</u>	<u>58,762</u>	<u>144,799</u>	<u>7,075,470</u>
-	4,100	-	-	-	-	-	-	-	4,100
-	-	-	-	-	-	-	-	-	1,012,441
2,500	-	19,388	9,086	-	-	-	-	-	299,401
-	-	-	-	-	-	-	-	122,260	690,641
-	-	-	-	-	-	-	-	-	975,243
-	-	-	-	146,134	272,504	-	-	-	418,638
-	-	-	-	78,510	79,341	-	-	-	157,851
-	-	-	-	-	-	24,452	-	-	168,175
<u>2,500</u>	<u>4,100</u>	<u>19,388</u>	<u>9,086</u>	<u>224,644</u>	<u>351,845</u>	<u>24,452</u>	<u>-</u>	<u>122,260</u>	<u>3,726,490</u>
<u>(1,406)</u>	<u>159</u>	<u>38,916</u>	<u>4,561</u>	<u>706,081</u>	<u>193,364</u>	<u>963,745</u>	<u>58,762</u>	<u>22,539</u>	<u>3,894,665</u>
-	-	-	-	-	-	-	-	-	45,000
-	-	-	-	(1,293,300)	-	-	-	-	(1,799,843)
-	-	-	-	(1,293,300)	-	-	-	-	(1,754,843)
(1,406)	159	38,916	4,561	(587,219)	193,364	963,745	58,762	22,539	1,594,137
<u>22,451</u>	<u>25,088</u>	<u>318,698</u>	<u>173,608</u>	<u>2,019,309</u>	<u>393,107</u>	<u>1,381,287</u>	<u>76,589</u>	<u>4,772</u>	<u>7,349,583</u>
<u>\$ 21,045</u>	<u>\$ 25,247</u>	<u>\$ 357,614</u>	<u>\$ 178,169</u>	<u>\$ 1,432,090</u>	<u>\$ 586,471</u>	<u>\$ 2,345,032</u>	<u>\$ 135,351</u>	<u>\$ 27,311</u>	<u>\$ 8,943,720</u>

CITY OF LEBANON, OREGON**MOTEL TAX FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL****Year Ended June 30, 2024**

	Budget	Actual	Variance
Revenues			
Other taxes	\$ 230,000	\$ 288,575	\$ 58,575
Interest	925	14,967	14,042
Total revenues	<u>230,925</u>	<u>303,542</u>	<u>72,617</u>
Expenditures			
Materials and services	169,075	268,427	(99,352)
Capital outlay	<u>228,750</u>	<u>-</u>	<u>228,750</u>
Total expenditures	<u>397,825</u>	<u>268,427</u>	<u>129,398</u>
Net change in fund balance	(166,900)	35,115	202,015
Fund balance at beginning of year	<u>166,900</u>	<u>264,035</u>	<u>97,135</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 299,150</u>	<u>\$ 299,150</u>

CITY OF LEBANON, OREGON
BUILDING INSPECTION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Licenses, permits and fees	\$ 355,000	\$ 695,510	\$ 340,510
Intergovernmental	5,000	11,164	6,164
Interest	15,000	62,727	47,727
Total revenues	375,000	769,401	394,401
Expenditures			
Community development	457,000	407,392	49,608
Contingency	17,180	-	17,180
Total expenditures	474,180	407,392	66,788
Excess (deficiency) of revenues over expenditures	(99,180)	362,009	461,189
Other financing sources (uses)			
Transfers out	(79,312)	(79,312)	-
Total other financing sources (uses)	(79,312)	(79,312)	-
Net change in fund balance	(178,492)	282,697	461,189
Fund balance at beginning of year	1,133,500	1,094,217	(39,283)
Fund balance at end of year	\$ 955,008	\$ 1,376,914	\$ 421,906

CITY OF LEBANON, OREGON
STATE FOOT & BIKE PATH FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ 15,157	\$ 15,709	\$ 552
Interest	<u>132</u>	<u>344</u>	<u>212</u>
Total revenues	<u>15,289</u>	<u>16,053</u>	<u>764</u>
Expenditures			
Capital outlay	<u>15,000</u>	<u>9,825</u>	<u>5,175</u>
Total expenditures	<u>15,000</u>	<u>9,825</u>	<u>5,175</u>
Net change in fund balance	289	6,228	5,939
Fund balance at beginning of year	<u>3,600</u>	<u>4,030</u>	<u>430</u>
Fund balance at end of year	<u>\$ 3,889</u>	<u>\$ 10,258</u>	<u>\$ 6,369</u>

CITY OF LEBANON, OREGON
ENGINEERING DEVELOPMENT REVIEW FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Licenses, permits and fees	\$ 100,000	\$ 113,797	\$ 13,797
Charges for services	20,000	10,815	(9,185)
Interest	1,725	5,020	3,295
Miscellaneous			
Total revenues	121,725	129,632	7,907
Expenditures			
Engineering	160,925	160,989	(64)
Contingency	7,000	-	7,000
Total expenditures	167,925	160,989	6,936
Excess (deficiency) of revenues over expenditures	(46,200)	(31,357)	14,843
Other financing sources (uses)			
Transfers out	(18,489)	(18,489)	-
Total other financing sources (uses)	(18,489)	(18,489)	-
Net change in fund balance	(64,689)	(49,846)	14,843
Fund balance at beginning of year	64,689	122,957	58,268
Fund balance at end of year	\$ -	\$ 73,111	\$ 73,111

CITY OF LEBANON, OREGON
STREET MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 1,505,943	\$ 1,558,713	\$ 52,770
Rents	8,500	9,600	1,100
Interest	7,780	73,765	65,985
Miscellaneous	<u>7,500</u>	<u>25,000</u>	<u>17,500</u>
Total revenues	<u>1,529,723</u>	<u>1,667,078</u>	<u>137,355</u>
Expenditures			
Public works	1,131,474	976,737	154,737
Engineering	41,492	35,704	5,788
Non-departmental:			
Capital outlay	1,315,494	120,424	1,195,070
Contingency	<u>47,600</u>	<u>-</u>	<u>47,600</u>
Total expenditures	<u>2,536,060</u>	<u>1,132,865</u>	<u>1,403,195</u>
Excess (deficiency) of revenues over expenditures	<u>(1,006,337)</u>	<u>534,213</u>	<u>1,540,550</u>
Other financing sources (uses)			
Transfers in	45,000	45,000	-
Transfers out	<u>(239,961)</u>	<u>(239,961)</u>	<u>-</u>
Total other financing sources (uses)	<u>(194,961)</u>	<u>(194,961)</u>	<u>-</u>
Net change in fund balance	(1,201,298)	339,252	1,540,550
Fund balance at beginning of year	<u>1,303,900</u>	<u>1,383,853</u>	<u>79,953</u>
Fund balance at end of year	<u>\$ 102,602</u>	<u>\$ 1,723,105</u>	<u>\$ 1,620,503</u>

CITY OF LEBANON, OREGON**LINX TRANSIT FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL****Year Ended June 30, 2024**

	Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 2,249,763	\$ 1,437,743	\$ (812,020)
Interest	1,657	4,574	2,917
Contributions	3,000	2,289	(711)
Miscellaneous	500	162	(338)
Total revenues	2,254,920	1,444,768	(810,152)
Expenditures			
LINX	1,612,983	975,243	637,740
Non-departmental:			
Capital outlay	570,450	13,474	556,976
Contingency	67,036	-	67,036
Total expenditures	2,250,469	988,717	1,261,752
Excess (deficiency) of revenues over expenditures	4,451	456,051	451,600
Other financing sources (uses)			
Transfers out	(168,781)	(168,781)	-
Total other financing sources (uses)	(168,781)	(168,781)	-
Net change in fund balance	(164,330)	287,270	451,600
Fund balance at beginning of year	316,300	65,582	(250,718)
Fund balance at end of year	\$ 151,970	\$ 352,852	\$ 200,882

CITY OF LEBANON, OREGON**BOAT RAMPS FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL****Year Ended June 30, 2024**

	Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 8,000	\$ -	\$ (8,000)
Interest	<u>250</u>	<u>1,094</u>	<u>844</u>
 Total revenues	 <u>8,250</u>	 <u>1,094</u>	 <u>(7,156)</u>
Expenditures			
Public works	<u>5,000</u>	<u>2,500</u>	<u>2,500</u>
 Total expenditures	 <u>5,000</u>	 <u>2,500</u>	 <u>2,500</u>
 Net change in fund balance	 3,250	 (1,406)	 (4,656)
 Fund balance at beginning of year	 <u>29,500</u>	 <u>22,451</u>	 <u>(7,049)</u>
 Fund balance at end of year	 <u>\$ 32,750</u>	 <u>\$ 21,045</u>	 <u>\$ (11,705)</u>

CITY OF LEBANON, OREGON
POLICE DONATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Donations	\$ 6,464	\$ 3,100	\$ (3,364)
Interest	<u>200</u>	<u>1,159</u>	<u>959</u>
Total revenues	<u>6,664</u>	<u>4,259</u>	<u>(2,405)</u>
Expenditures			
Police	<u>5,000</u>	<u>4,100</u>	<u>900</u>
Total expenditures	<u>5,000</u>	<u>4,100</u>	<u>900</u>
Net change in fund balance	1,664	159	(1,505)
Fund balance at beginning of year	<u>23,600</u>	<u>25,088</u>	<u>1,488</u>
Fund balance at end of year	<u>\$ 25,264</u>	<u>\$ 25,247</u>	<u>\$ (17)</u>

CITY OF LEBANON, OREGON
LIBRARY DONATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Donations	\$ 34,200	\$ 42,260	\$ 8,060
Interest	<u>3,200</u>	<u>16,044</u>	<u>12,844</u>
Total revenues	<u>37,400</u>	<u>58,304</u>	<u>20,904</u>
Expenditures			
Library	<u>89,000</u>	<u>19,388</u>	<u>69,612</u>
Total expenditures	<u>89,000</u>	<u>19,388</u>	<u>69,612</u>
Net change in fund balance	(51,600)	38,916	90,516
Fund balance at beginning of year	<u>305,500</u>	<u>318,698</u>	<u>13,198</u>
Fund balance at end of year	<u>\$ 253,900</u>	<u>\$ 357,614</u>	<u>\$ 103,714</u>

CITY OF LEBANON, OREGON
SENIOR SERVICES DONATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Donations	\$ 2,000	\$ 5,120	\$ 3,120
Interest	1,000	8,507	7,507
Miscellaneous	-	20	20
Total revenues	3,000	13,647	10,647
Expenditures			
Senior services	167,498	9,086	158,412
Total expenditures	167,498	9,086	158,412
Net change in fund balance	(164,498)	4,561	169,059
Fund balance at beginning of year	173,900	173,608	(292)
Fund balance at end of year	\$ 9,402	\$ 178,169	\$ 168,767

CITY OF LEBANON, OREGON
NORTHWEST URBAN RENEWAL DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 1,009,488	\$ 826,504	\$ (182,984)
Interest	<u>20,000</u>	<u>104,221</u>	<u>84,221</u>
Total revenues	<u>1,029,488</u>	<u>930,725</u>	<u>(98,763)</u>
Expenditures			
Debt service	<u>1,517,944</u>	<u>1,517,944</u>	<u>-</u>
Total expenditures	<u>1,517,944</u>	<u>1,517,944</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(488,456)</u>	<u>(587,219)</u>	<u>(98,763)</u>
Other financing sources (uses)			
Transfers in	<u>225,000</u>	<u>-</u>	<u>(225,000)</u>
Total other financing sources (uses)	<u>225,000</u>	<u>-</u>	<u>(225,000)</u>
Net change in fund balance	(263,456)	(587,219)	(323,763)
Fund balance at beginning of year	<u>1,787,900</u>	<u>2,019,309</u>	<u>231,409</u>
Fund balance at end of year	<u>\$ 1,524,444</u>	<u>\$ 1,432,090</u>	<u>\$ (92,354)</u>

CITY OF LEBANON, OREGON
CHEADLE LAKE URBAN RENEWAL DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 480,100	\$ 521,070	\$ 40,970
Interest	<u>2,000</u>	<u>24,139</u>	<u>22,139</u>
Total revenues	<u>482,100</u>	<u>545,209</u>	<u>63,109</u>
Expenditures			
Capital outlay	200,000	-	200,000
Debt service	<u>351,845</u>	<u>351,845</u>	<u>-</u>
Total expenditures	<u>551,845</u>	<u>351,845</u>	<u>200,000</u>
Net change in fund balance	(69,745)	193,364	263,109
Fund balance at beginning of year	<u>250,400</u>	<u>393,107</u>	<u>142,707</u>
Fund balance at end of year	<u>\$ 180,655</u>	<u>\$ 586,471</u>	<u>\$ 405,816</u>

CITY OF LEBANON, OREGON
NORTH GATEWAY URBAN RENEWAL DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 983,500	\$ 893,448	\$ (90,052)
Interest	<u>7,000</u>	<u>94,749</u>	<u>87,749</u>
Total revenues	<u>990,500</u>	<u>988,197</u>	<u>(2,303)</u>
Expenditures			
Materials and services	20,000	-	20,000
Capital outlay	400,000	24,452	375,548
Contingency	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Total expenditures	<u>920,000</u>	<u>24,452</u>	<u>895,548</u>
Net change in fund balance	70,500	963,745	893,245
Fund balance at beginning of year	<u>543,100</u>	<u>1,381,287</u>	<u>838,187</u>
Fund balance at end of year	<u>\$ 613,600</u>	<u>\$ 2,345,032</u>	<u>\$ 1,731,432</u>

CITY OF LEBANON, OREGON
LEBANON DOWNTOWN URBAN RENEWAL DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Property taxes	\$ 47,200	\$ 53,076	\$ 5,876
Interest	<u>500</u>	<u>5,686</u>	<u>5,186</u>
Total revenues	<u>47,700</u>	<u>58,762</u>	<u>11,062</u>
Expenditures			
Materials and services	<u>79,055</u>	<u>-</u>	<u>79,055</u>
Total expenditures	<u>79,055</u>	<u>-</u>	<u>79,055</u>
Net change in fund balance	(31,355)	58,762	90,117
Fund balance at beginning of year	<u>89,300</u>	<u>76,589</u>	<u>(12,711)</u>
Fund balance at end of year	<u>\$ 57,945</u>	<u>\$ 135,351</u>	<u>\$ 77,406</u>

CITY OF LEBANON, OREGON
MILL RACE URBAN RENEWAL DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 123,200	\$ 143,828	\$ 20,628
Interest	<u>100</u>	<u>971</u>	<u>871</u>
Total revenues	<u>123,300</u>	<u>144,799</u>	<u>21,499</u>
Expenditures			
Materials and services	<u>127,600</u>	<u>122,260</u>	<u>5,340</u>
Total expenditures	<u>127,600</u>	<u>122,260</u>	<u>5,340</u>
Net change in fund balance	(4,300)	22,539	26,839
Fund balance at beginning of year	<u>4,300</u>	<u>4,772</u>	<u>472</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 27,311</u>	<u>\$ 27,311</u>

CITY OF LEBANON, OREGON
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
June 30, 2024

	G.O. Full Faith & Credit Bond	2013 Full Faith & Credit Bond	Total
ASSETS			
Cash and cash equivalents	\$ 13,252	\$ 11,426	\$ 24,678
Taxes receivable	<u>67,382</u>	<u>-</u>	<u>67,382</u>
Total assets	<u>\$ 80,634</u>	<u>\$ 11,426</u>	<u>92,060</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
Deferred inflows of resources			
Unavailable revenue	<u>\$ 61,158</u>	<u>\$ -</u>	<u>\$ 61,158</u>
Total deferred inflows of resources	<u>61,158</u>	<u>-</u>	<u>61,158</u>
Fund Balances			
Restricted	<u>19,476</u>	<u>11,426</u>	<u>30,902</u>
Total fund balances	<u>19,476</u>	<u>11,426</u>	<u>30,902</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 80,634</u>	<u>\$ 11,426</u>	<u>92,060</u>

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
Year Ended June 30, 2024

	G.O. Full Faith & Credit Bond	2013 Full Faith & Credit Bond	Pension Bond Series 2002	Total
Revenues				
Property and other taxes	\$ 1,571,672	\$ -	\$ -	\$ 1,571,672
Interest	36,701	442	-	37,143
Total revenues	1,608,373	442	-	1,608,815
Expenditures				
Debt service:				
Principal	1,455,000	1,050,000	205,000	2,710,000
Interest	286,056	243,300	62,336	591,692
Total expenditures	1,741,056	1,293,300	267,336	3,301,692
Excess (deficiency) of revenues over expenditures	(132,683)	(1,292,858)	(267,336)	(1,692,877)
Other financing sources (uses)				
Transfers in	-	1,293,300	267,336	1,560,636
Total other financing sources (uses)	-	1,293,300	267,336	1,560,636
Net change in fund balances	(132,683)	442	-	(132,241)
Fund balances at beginning of year	152,159	10,984	-	163,143
Fund balances at end of year	\$ 19,476	\$ 11,426	\$ -	\$ 30,902

CITY OF LEBANON, OREGON
G.O. FULL FAITH & CREDIT BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 1,709,124	\$ 1,571,672	\$ (137,452)
Interest	<u>4,500</u>	<u>36,701</u>	<u>32,201</u>
Total revenues	<u>1,713,624</u>	<u>1,608,373</u>	<u>(105,251)</u>
Expenditures			
Debt service	<u>1,741,060</u>	<u>1,741,056</u>	<u>4</u>
Total expenditures	<u>1,741,060</u>	<u>1,741,056</u>	<u>4</u>
Net change in fund balance	(27,436)	(132,683)	(105,247)
Fund balance at beginning of year	<u>153,186</u>	<u>152,159</u>	<u>(1,027)</u>
Fund balance at end of year	<u>\$ 125,750</u>	<u>\$ 19,476</u>	<u>\$ (106,274)</u>

CITY OF LEBANON, OREGON
2013 FULL FAITH & CREDIT BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest	\$ -	\$ 442	442
Total revenues	-	442	442
Expenditures			
Debt service	1,293,300	1,293,300	-
Total expenditures	1,293,300	1,293,300	-
Excess (deficiency) of revenues over expenditures	(1,293,300)	(1,292,858)	442
Other financing sources (uses)			
Transfers in	1,293,300	1,293,300	-
Total other financing sources (uses)	1,293,300	1,293,300	-
Net change in fund balance	-	442	442
Fund balance at beginning of year	10,817	10,984	167
Fund balance at end of year	\$ 10,817	\$ 11,426	\$ 609

CITY OF LEBANON, OREGON
PENSION BOND SERIES 2002 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures			
Debt service	<u>267,340</u>	<u>267,336</u>	<u>4</u>
Total expenditures	<u>267,340</u>	<u>267,336</u>	<u>4</u>
Other financing sources (uses)			
Transfers in	<u>267,340</u>	<u>267,336</u>	<u>(4)</u>
Total other financing sources (uses)	<u>267,340</u>	<u>267,336</u>	<u>(4)</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF LEBANON, OREGON
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
June 30, 2024

	Equipment Acquisition & Replacement Fund	Pioneer Cemetery Restoration Trust Fund	Streets Capital Project Fund	SDC-Parks Improvement Fund	SDC-Parks Reimbursement Fund	SDC-Street Improvement Fund	SDC-Street Reimbursement Fund	Total
ASSETS								
Cash and cash equivalents	\$ 653,166	\$ 10,771	\$ 1,020,629	\$ 3,748,903	\$ 474	\$ 5,466,348	\$ 232,052	\$ 11,132,343
Accounts receivable	113,540	-	-	311,916	-	218,815	31,315	675,586
Due from other funds	-	-	-	-	-	206,486	-	206,486
Total assets	\$ 766,706	\$ 10,771	\$ 1,020,629	\$ 4,060,819	\$ 474	\$ 5,891,649	\$ 263,367	\$ 12,014,415
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ 10,236	\$ -	\$ 4,298	\$ -	\$ 14,534
Total liabilities	-	-	-	10,236	-	4,298	-	14,534
Deferred inflows of resources								
Unavailable revenue	-	-	-	307,325	-	215,593	30,854	553,772
Total deferred inflows of resources	-	-	-	307,325	-	215,593	30,854	553,772
Fund Balances								
Nonspendable	-	-	-	-	-	206,486	-	206,486
Restricted	-	10,771	1,020,629	3,743,258	474	5,465,272	232,513	10,472,917
Assigned	766,706	-	-	-	-	-	-	766,706
Total fund balances	766,706	10,771	1,020,629	3,743,258	474	5,671,758	232,513	11,446,109
Total liabilities, deferred inflows of resources and fund balances	\$ 766,706	\$ 10,771	\$ 1,020,629	\$ 4,060,819	\$ 474	\$ 5,891,649	\$ 263,367	\$ 12,014,415

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
Year Ended June 30, 2024

	Equipment Acquisition & Replacement Fund	Pioneer Cemetery Restoration Trust Fund	Streets Capital Project Fund	SDC-Parks Improvement Fund	SDC-Parks Reimbursement Fund	SDC-Street Improvement Fund	SDC-Street Reimbursement Fund	Total
Revenues								
Special assessment collections	\$ -	\$ -	\$ -	\$ 530,166	\$ -	\$ 889,693	\$ 128,365	\$ 1,548,224
Intergovernmental	-	-	196,402	-	-	-	-	196,402
Interest	30,061	514	43,400	187,752	22	262,020	10,696	534,465
Total revenues	30,061	514	239,802	717,918	22	1,151,713	139,061	2,279,091
Expenditures								
Current:								
Community planning	-	237	-	-	-	-	-	237
Capital outlay	103,353	-	-	414,324	-	402,780	44,244	964,701
Total expenditures	103,353	237	-	414,324	-	402,780	44,244	1,314,390
Excess (deficiency) of revenues over expenditures	(73,292)	277	239,802	303,594	22	748,933	94,817	1,314,153
Other financing sources (uses)								
Sale of capital assets	113,540	-	-	-	-	-	-	113,540
Transfers in	97,000	-	-	-	-	-	-	97,000
Total other financing sources (uses)	210,540	-	-	-	-	-	-	210,540
Net change in fund balances	137,248	277	239,802	303,594	22	748,933	94,817	1,524,693
Fund balances at beginning of year	629,458	10,494	780,827	3,439,664	452	4,922,825	137,696	9,921,416
Fund balances at end of year	\$ 766,706	\$ 10,771	\$ 1,020,629	\$ 3,743,258	\$ 474	\$ 5,671,758	\$ 232,513	\$ 11,446,109

CITY OF LEBANON, OREGON
EQUIPMENT AND ACQUISITION & REPLACEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Interest	\$ 12,500	\$ 30,061	\$ 17,561
Total revenues	12,500	30,061	17,561
Expenditures			
Information technology	34,879	-	34,879
Police	137,987	103,353	34,634
LINX	17,571	-	17,571
Total expenditures	190,437	103,353	87,084
Excess (deficiency) of revenues over expenditures	(177,937)	(73,292)	104,645
Other financing sources (uses)			
Sale of capital assets	-	113,540	113,540
Transfers in	97,000	97,000	-
Total other financing sources (uses)	97,000	210,540	113,540
Net change in fund balance	(80,937)	137,248	218,185
Fund balance at beginning of year	621,900	629,458	7,558
Fund balance at end of year	\$ 540,963	\$ 766,706	\$ 225,743

CITY OF LEBANON, OREGON
PIONEER CEMETERY RESTORATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest	\$ 100	\$ 514	\$ 414
Total revenues	<u>100</u>	<u>514</u>	<u>414</u>
Expenditures			
Public works	<u>10,400</u>	<u>237</u>	<u>10,163</u>
Total expenditures	<u>10,400</u>	<u>237</u>	<u>10,163</u>
Net change in fund balance	(10,300)	277	10,577
Fund balance at beginning of year	<u>10,300</u>	<u>10,494</u>	<u>194</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 10,771</u>	<u>\$ 10,771</u>

CITY OF LEBANON, OREGON
STREET CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ -	\$ 196,402	\$ 196,402
Interest	<u>7,000</u>	<u>43,400</u>	<u>36,400</u>
Total revenues	<u>7,000</u>	<u>239,802</u>	<u>232,802</u>
Expenditures			
Capital outlay	<u>920,227</u>	<u>-</u>	<u>920,227</u>
Total expenditures	<u>920,227</u>	<u>-</u>	<u>920,227</u>
Net change in fund balance	(913,227)	239,802	1,153,029
Fund balance at beginning of year	<u>991,200</u>	<u>780,827</u>	<u>(210,373)</u>
Fund balance at end of year	<u>\$ 77,973</u>	<u>\$ 1,020,629</u>	<u>\$ 942,656</u>

CITY OF LEBANON, OREGON
SDC-PARKS IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Special assessment collections	\$ 400,000	\$ 530,166	\$ 130,166
Interest	<u>51,300</u>	<u>187,752</u>	<u>136,452</u>
Total revenues	<u>451,300</u>	<u>717,918</u>	<u>266,618</u>
Expenditures			
Capital outlay	<u>3,500,000</u>	<u>414,324</u>	<u>3,085,676</u>
Total expenditures	<u>3,500,000</u>	<u>414,324</u>	<u>3,085,676</u>
Net change in fund balance	(3,048,700)	303,594	3,352,294
Fund balance at beginning of year	<u>3,048,700</u>	<u>3,439,664</u>	<u>390,964</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 3,743,258</u>	<u>\$ 3,743,258</u>

CITY OF LEBANON, OREGON
SDC-PARKS REIMBURSEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest	\$ -	\$ 22	\$ 22
Total revenues	-	22	22
Expenditures			
Capital outlay	400	-	400
Total expenditures	400	-	400
Net change in fund balance	(400)	22	422
Fund balance at beginning of year	400	452	52
Fund balance at end of year	\$ -	\$ 474	\$ 474

CITY OF LEBANON, OREGON
SDC-STREETS IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Special assessment collections	\$ 250,000	\$ 889,693	\$ 639,693
Interest	52,056	262,020	209,964
Total revenues	<u>302,056</u>	<u>1,151,713</u>	<u>849,657</u>
Expenditures			
Capital outlay	<u>4,871,268</u>	<u>402,780</u>	<u>4,468,488</u>
Total expenditures	<u>4,871,268</u>	<u>402,780</u>	<u>4,468,488</u>
Excess (deficiency) of revenues over expenditures	<u>(4,569,212)</u>	<u>748,933</u>	<u>5,318,145</u>
Other financing sources (uses)			
Collection of interfund loan receivable	<u>40,444</u>	<u>40,444</u>	<u>-</u>
Total other financing sources (uses)	<u>40,444</u>	<u>40,444</u>	<u>-</u>
Net change in fund balance	(4,528,768)	789,377	5,318,145
Fund balance at beginning of year	<u>4,752,000</u>	<u>4,675,895</u>	<u>(76,105)</u>
Fund balance at end of year	<u>\$ 223,232</u>	<u>5,465,272</u>	<u>\$ 5,242,040</u>
Adjustments to governmental funds:			
Collection of interfund loan receivable		<u>206,486</u>	
Fund balance - Governmental Funds		<u>\$ 5,671,758</u>	

CITY OF LEBANON, OREGON
SDC-STREETS REIMBURSEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Special assessment collections	\$ 25,000	\$ 128,365	\$ 103,365
Interest	<u>750</u>	<u>10,696</u>	<u>9,946</u>
Total revenues	<u>25,750</u>	<u>139,061</u>	<u>113,311</u>
Expenditures			
Capital outlay	<u>56,850</u>	<u>44,244</u>	<u>12,606</u>
Total expenditures	<u>56,850</u>	<u>44,244</u>	<u>12,606</u>
Net change in fund balance	(31,100)	94,817	125,917
Fund balance at beginning of year	<u>31,100</u>	<u>137,696</u>	<u>106,596</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ 232,513</u>	<u>\$ 232,513</u>

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF NET POSITION
WATER FUNDS
June 30, 2024

	Water Utility Fund	SDC - Water Improvement Fund	SDC - Water Reimbursement Fund	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 5,242,079	\$ 448,571	\$ 27,509	\$ 5,718,159
Receivables, net	924,991	160,853	927	1,086,771
Inventory	130,732	-	-	130,732
Prepaid items	5,532	-	-	5,532
Total current assets	<u>6,303,334</u>	<u>609,424</u>	<u>28,436</u>	<u>6,941,194</u>
Noncurrent assets:				
Capital assets:				
Capital assets, nondepreciable	833,743	-	-	833,743
Capital assets, net of accumulated depreciation	45,702,566	-	-	45,702,566
Total capital assets	46,536,309	-	-	46,536,309
Net other postemployment benefit asset	19,705	-	-	19,705
Total noncurrent assets	<u>46,556,014</u>	<u>-</u>	<u>-</u>	<u>46,556,014</u>
Total assets	<u>52,859,348</u>	<u>609,424</u>	<u>28,436</u>	<u>53,497,208</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	561,961	-	-	561,961
Other postemployment benefit related items	5,482	-	-	5,482
Total deferred outflows of resources	<u>567,443</u>	<u>-</u>	<u>-</u>	<u>567,443</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	123,909	4,242	24	128,175
Accrued interest payable	259,599	-	-	259,599
Deposits	258,831	-	-	258,831
Compensated absences	21,873	-	-	21,873
Current portion of loans and notes payable	708,741	-	-	708,741
Total current liabilities	<u>1,372,953</u>	<u>4,242</u>	<u>24</u>	<u>1,377,219</u>
Noncurrent liabilities				
Compensated absences	65,617	-	-	65,617
Loans and notes payable	19,327,397	-	-	19,327,397
Net pension liability	1,272,770	-	-	1,272,770
Total OPEB liability	28,895	-	-	28,895
Total noncurrent liabilities	<u>20,694,679</u>	<u>-</u>	<u>-</u>	<u>20,694,679</u>
Total liabilities	<u>22,067,632</u>	<u>4,242</u>	<u>24</u>	<u>22,071,898</u>
DEFERRED INFLOW OF RESOURCES				
Pension related items	105,240	-	-	105,240
Other postemployment benefit related items	7,806	-	-	7,806
Total deferred inflows of resources	<u>113,046</u>	<u>-</u>	<u>-</u>	<u>113,046</u>
NET POSITION				
Net investment in capital assets	26,500,171	-	-	26,500,171
Restricted for:				
System development	-	605,182	28,412	633,594
Net OPEB benefits	19,705	-	-	19,705
Unrestricted	4,726,237	-	-	4,726,237
Total net position	<u>\$ 31,246,113</u>	<u>\$ 605,182</u>	<u>\$ 28,412</u>	<u>\$ 31,879,707</u>

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
WATER FUNDS
Year Ended June 30, 2024

	Water Utility Fund	SDC - Water Improvement Fund	SDC - Water Reimbursement Fund	Eliminations	Total
Operating revenues					
Special assessment	\$ -	\$ 340,711	\$ 1,959	\$ -	\$ 342,670
Charges for services	6,411,718	-	-	-	6,411,718
Miscellaneous	15,139	-	-	-	15,139
Total operating revenues	6,426,857	340,711	1,959	-	6,769,527
Operating expenses					
Personnel services	1,340,149	-	-	-	1,340,149
Materials and services	1,848,596	-	-	-	1,848,596
Depreciation and amortization	1,153,982	-	-	-	1,153,982
Total operating expenses	4,342,727	-	-	-	4,342,727
Operating income (loss)	2,084,130	340,711	1,959	-	2,426,800
Nonoperating revenues (expenses)					
Interest income	250,434	39,031	1,287	-	290,752
Interest expense	(451,397)	-	-	-	(451,397)
Total nonoperating revenues (expenses)	(200,963)	39,031	1,287	-	(160,645)
Income (loss) before capital contributions and transfers	1,883,167	379,742	3,246	-	2,266,155
Capital contributions	656,153	-	-	-	656,153
Transfers in	700,000	-	-	(700,000)	-
Transfers out	(671,821)	(700,000)	-	700,000	(671,821)
Change in net position	2,567,499	(320,258)	3,246	-	2,250,487
Net position at beginning of year	28,678,614	925,440	25,166	-	29,629,220
Net position at end of year	\$ 31,246,113	\$ 605,182	\$ 28,412	\$ -	\$ 31,879,707

CITY OF LEBANON, OREGON

WATER UTILITY FUND

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

Year Ended June 30, 2024

	Budget		Actual	Variance
	Original	Final		
Revenues				
Charges for services	\$ 5,868,400	\$ 5,868,400	\$ 6,412,112	\$ 543,712
Interest	35,000	35,000	250,434	215,434
Miscellaneous	13,000	13,000	13,675	675
Total revenues	5,916,400	5,916,400	6,676,221	759,821
Expenditures				
Community Development	44,558	46,258	45,799	459
Public works	2,879,693	2,877,993	2,469,241	408,752
Engineering	1,710,052	1,710,052	1,050,715	659,337
Non-departmental:				
Capital outlay	2,900,000	2,900,000	1,180,771	1,719,229
Debt service	1,153,769	1,153,769	1,153,769	-
Contingency	28,000	28,000	-	28,000
Total expenditures	8,716,072	8,716,072	5,900,295	2,815,777
Excess (deficiency) of revenues over expenditures	(2,799,672)	(2,799,672)	775,926	3,575,598
Other financing sources (uses)				
Transfers out	(667,018)	(667,018)	(667,018)	-
Total other financing sources (uses)	(667,018)	(667,018)	(667,018)	-
Net change in fund balance	(3,466,690)	(3,466,690)	108,908	3,575,598
Fund balance at beginning of year	5,202,500	5,202,500	5,809,151	606,651
Fund balance at end of year	\$ 1,735,810	\$ 1,735,810	5,918,059	\$ 4,182,249
Reconciliation to generally accepted accounting principles				
Capital assets, net			46,536,309	
Net OPEB asset			19,705	
Deferred outflows related to pensions			561,961	
Deferred outflows related to OPEB			5,482	
Accrued interest payable			(259,599)	
Compensated absences			(87,490)	
Loans and notes payable			(20,036,138)	
Net pension liability			(1,272,770)	
Total OPEB liability			(28,895)	
Unavailable revenues			2,535	
Deferred inflows related to pensions			(105,240)	
Deferred inflows related to OPEB			(7,806)	
Net position at end of year - GAAP basis			\$ 31,246,113	

CITY OF LEBANON, OREGON
SDC - WATER IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Special assessment collections	\$ 150,000	\$ 302,403	\$ 152,403
Interest	<u>10,000</u>	<u>39,031</u>	<u>29,031</u>
Total revenues	<u>160,000</u>	<u>341,434</u>	<u>181,434</u>
Expenditures			
Capital outlay	<u>700,000</u>	<u>700,000</u>	<u>-</u>
Total expenditures	<u>700,000</u>	<u>700,000</u>	<u>-</u>
Net change in fund balance	(540,000)	(358,566)	181,434
Fund balance at beginning of year	<u>722,900</u>	<u>806,179</u>	<u>83,279</u>
Fund balance at end of year	<u>\$ 182,900</u>	<u>447,613</u>	<u>\$ 264,713</u>
Reconciliation to generally accepted accounting principles			
Unavailable revenues		<u>157,569</u>	
Net position at end of year - GAAP basis		<u>\$ 605,182</u>	

CITY OF LEBANON, OREGON
SDC - WATER REIMBURSEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Special assessment collections	\$ 800	\$ 1,734	\$ 934
Interest	<u>180</u>	<u>1,287</u>	<u>1,107</u>
Total revenues	<u>980</u>	<u>3,021</u>	<u>2,041</u>
Expenditures			
Capital outlay	<u>24,680</u>	<u>-</u>	<u>24,680</u>
Total expenditures	<u>24,680</u>	<u>-</u>	<u>24,680</u>
Net change in fund balance	(23,700)	3,021	26,721
Fund balance at beginning of year	<u>23,700</u>	<u>24,483</u>	<u>783</u>
Fund balance at end of year	<u>\$ -</u>	<u>27,504</u>	<u>\$ 27,504</u>
Reconciliation to generally accepted accounting principles			
Unavailable revenues		<u>908</u>	
Net position at end of year - GAAP basis		<u>\$ 28,412</u>	

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF NET POSITION
WASTEWATER FUNDS
June 30, 2024

	Wastewater Utility Fund	SDC - Wastewater Improvement Fund	SDC - Wastewater Reimbursement Fund	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 14,646,003	\$ 3,705,957	\$ 742,582	\$ 19,094,542
Receivables, net	1,054,868	237,072	41,713	1,333,653
Prepaid items	8,941	-	-	8,941
Total current assets	<u>15,709,812</u>	<u>3,943,029</u>	<u>784,295</u>	<u>20,437,136</u>
Noncurrent assets:				
Capital assets:				
Capital assets, nondepreciable	1,539,445	-	-	1,539,445
Capital assets, net of accumulated depreciation	49,843,964	-	-	49,843,964
Total capital assets	51,383,409	-	-	51,383,409
Net other postemployment benefit asset	23,946	-	-	23,946
Total noncurrent assets	<u>51,407,355</u>	<u>-</u>	<u>-</u>	<u>51,407,355</u>
Total assets	<u>67,117,167</u>	<u>3,943,029</u>	<u>784,295</u>	<u>71,844,491</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	682,915	-	-	682,915
Other postemployment benefit related items	6,661	-	-	6,661
Total deferred outflows of resources	<u>689,576</u>	<u>-</u>	<u>-</u>	<u>689,576</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	223,084	349,908	1,080	574,072
Accrued interest payable	77,712	-	-	77,712
Compensated absences	26,452	-	-	26,452
Current portion of loans and notes payable	730,057	-	-	730,057
Total current liabilities	<u>1,057,305</u>	<u>349,908</u>	<u>1,080</u>	<u>1,408,293</u>
Noncurrent liabilities				
Compensated absences	79,357	-	-	79,357
Loans and notes payable	15,179,943	-	-	15,179,943
Net pension liability	1,546,715	-	-	1,546,715
Total OPEB liability	35,115	-	-	35,115
Total noncurrent liabilities	<u>16,841,130</u>	<u>-</u>	<u>-</u>	<u>16,841,130</u>
Total liabilities	<u>17,898,435</u>	<u>349,908</u>	<u>1,080</u>	<u>18,249,423</u>
DEFERRED INFLOW OF RESOURCES				
Pension related items	127,891	-	-	127,891
Other postemployment benefit related items	9,486	-	-	9,486
Total deferred inflows of resources	<u>137,377</u>	<u>-</u>	<u>-</u>	<u>137,377</u>
NET POSITION				
Net investment in capital assets	35,473,409	-	-	35,473,409
Restricted for:				
System development	-	3,593,121	783,215	4,376,336
Net OPEB benefits	23,946	-	-	23,946
Unrestricted	14,273,576	-	-	14,273,576
Total net position	<u>\$ 49,770,931</u>	<u>\$ 3,593,121</u>	<u>\$ 783,215</u>	<u>\$ 54,147,267</u>

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
WASTEWATER FUNDS
Year Ended June 30, 2024

	Wastewater Utility Fund	SDC - Wastewater Improvement Fund	SDC - Wastewater Reimbursement Fund	Eliminations	Total
Operating revenues					
Special assessment	\$ -	\$ 455,075	\$ 81,857	\$ -	\$ 536,932
Charges for services	6,733,804	-	-	-	6,733,804
Miscellaneous	128	-	-	-	128
Total operating revenues	6,733,932	455,075	81,857	-	7,270,864
Operating expenses					
Personnel services	1,656,683	-	-	-	1,656,683
Materials and services	1,885,905	-	-	-	1,885,905
Depreciation and amortization	1,218,036	-	-	-	1,218,036
Total operating expenses	4,760,624	-	-	-	4,760,624
Operating income (loss)	1,973,308	455,075	81,857	-	2,510,240
Nonoperating revenues (expenses)					
Interest income	700,049	180,862	33,026	-	913,937
Loan forgiveness	500,000	-	-	-	500,000
Gain on sale of capital assets	20,000	-	-	-	20,000
Interest expense	(347,361)	-	-	-	(347,361)
Total nonoperating revenues (expenses)	872,688	180,862	33,026	-	1,086,576
Income (loss) before capital contributions and transfers	2,845,996	635,937	114,883	-	3,596,816
Capital contributions	885,830	-	-	(590,480)	295,350
Transfers out	(926,593)	(590,480)	-	590,480	(926,593)
Change in net position	2,805,233	45,457	114,883	-	2,965,573
Net position at beginning of year	46,965,698	3,547,664	668,332	-	51,181,694
Net position at end of year	\$ 49,770,931	\$ 3,593,121	\$ 783,215	\$ -	\$ 54,147,267

CITY OF LEBANON, OREGON
WASTEWATER UTILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget			
	Original	Final	Actual	Variance
Revenues				
Charges for services	\$ 6,688,800	\$ 6,688,800	\$ 6,734,043	\$ 45,243
Interest	125,000	125,000	700,049	575,049
Miscellaneous	500	500	-	(500)
Total revenues	6,814,300	6,814,300	7,434,092	619,792
Expenditures				
Community Development	44,558	46,258	45,796	462
Public works	3,153,102	3,151,402	3,060,153	91,249
Engineering	1,209,144	1,209,144	827,155	381,989
Non-departmental:				
Capital outlay	6,000,000	6,000,000	4,069,730	1,930,270
Debt service	907,491	907,491	628,149	279,342
Contingency	194,091	194,091	-	194,091
Total expenditures	11,508,386	11,508,386	8,630,983	2,877,403
Excess (deficiency) of revenues over expenditures	(4,694,086)	(4,694,086)	(1,196,891)	3,497,195
Other financing sources (uses)				
Sale of capital assets	-	-	20,000	20,000
Issuance of long-term debt	3,100,000	3,100,000	3,981,544	881,544
Transfers out	(921,792)	(921,792)	(921,791)	1
Total other financing sources (uses)	2,178,208	2,178,208	3,079,753	901,545
Net change in fund balance	(2,515,878)	(2,515,878)	1,882,862	4,398,740
Fund balance at beginning of year	14,158,902	14,158,902	13,602,789	(556,113)
Fund balance at end of year	\$ 11,643,024	\$ 11,643,024	15,485,651	\$ 3,842,627
Reconciliation to generally accepted accounting principles				
Capital assets, net			51,383,409	
Net OPEB asset			23,946	
Deferred outflows related to pensions			682,915	
Deferred outflows related to OPEB			6,661	
Accrued interest payable			(77,712)	
Compensated absences			(105,809)	
Bonds and notes payable			(15,910,000)	
Net pension liability			(1,546,715)	
Total OPEB liability			(35,115)	
Unavailable revenues			1,077	
Deferred inflows related to pensions			(127,891)	
Deferred inflows related to OPEB			(9,486)	
Net position at end of year - GAAP basis			\$ 49,770,931	

CITY OF LEBANON, OREGON
SDC - WASTEWATER IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Special assessment collections	\$ 225,000	\$ 405,336	\$ 180,336
Interest	<u>35,500</u>	<u>180,862</u>	<u>145,362</u>
Total revenues	<u>260,500</u>	<u>586,198</u>	<u>325,698</u>
Expenditures			
Capital outlay	<u>3,300,000</u>	<u>590,480</u>	<u>2,709,520</u>
Total expenditures	<u>3,300,000</u>	<u>590,480</u>	<u>2,709,520</u>
Net change in fund balance	(3,039,500)	(4,282)	3,035,218
Fund balance at beginning of year	<u>3,216,600</u>	<u>3,363,534</u>	<u>146,934</u>
Fund balance at end of year	<u>\$ 177,100</u>	<u>3,359,252</u>	<u>\$ 3,182,152</u>
Reconciliation to generally accepted accounting principles			
Unavailable revenues		<u>233,869</u>	
Net position at end of year - GAAP basis		<u>\$ 3,593,121</u>	

CITY OF LEBANON, OREGON
SDC - WASTEWATER REIMBURSEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Special assessment collections	\$ 46,300	\$ 73,107	\$ 26,807
Interest	<u>5,000</u>	<u>33,026</u>	<u>28,026</u>
Total revenues	<u>51,300</u>	<u>106,133</u>	<u>54,833</u>
Expenditures			
Capital outlay	<u>600,000</u>	<u>-</u>	<u>600,000</u>
Total expenditures	<u>600,000</u>	<u>-</u>	<u>600,000</u>
Net change in fund balance	(548,700)	106,133	654,833
Fund balance at beginning of year	<u>606,900</u>	<u>635,933</u>	<u>29,033</u>
Fund balance at end of year	<u>\$ 58,200</u>	<u>742,066</u>	<u>\$ 683,866</u>
Reconciliation to generally accepted accounting principles			
Unavailable revenues		<u>41,149</u>	
Net position at end of year - GAAP basis		<u>\$ 783,215</u>	

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF NET POSITION
STORM DRAINAGE FUNDS
June 30, 2024

	Storm Drainage Utility Fund	SDC - Storm Drainage Improvement Fund	SDC - Storm Drainage Reimbursement Fund	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 861,546	\$ 294,954	\$ 40,997	\$ 1,197,497
Receivables, net	<u>117,162</u>	<u>15,568</u>	<u>2,732</u>	<u>135,462</u>
Total current assets	<u>978,708</u>	<u>310,522</u>	<u>43,729</u>	<u>1,332,959</u>
Noncurrent assets:				
Capital assets:				
Capital assets, nondepreciable	257,776	-	-	257,776
Capital assets, net of accumulated depreciation	<u>2,684,636</u>	<u>-</u>	<u>-</u>	<u>2,684,636</u>
Total capital assets	2,942,412	-	-	2,942,412
Net other postemployment benefit asset	<u>2,446</u>	<u>-</u>	<u>-</u>	<u>2,446</u>
Total noncurrent assets	<u>2,944,858</u>	<u>-</u>	<u>-</u>	<u>2,446</u>
Total assets	<u>3,923,566</u>	<u>310,522</u>	<u>43,729</u>	<u>4,277,817</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	69,760	-	-	69,760
Other postemployment benefit related items	<u>681</u>	<u>-</u>	<u>-</u>	<u>681</u>
Total deferred outflows of resources	<u>70,441</u>	<u>-</u>	<u>-</u>	<u>70,441</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	177,425	-	-	177,425
Compensated absences	<u>1,543</u>	<u>-</u>	<u>-</u>	<u>1,543</u>
Total current liabilities	<u>178,968</u>	<u>-</u>	<u>-</u>	<u>178,968</u>
Noncurrent liabilities				
Compensated absences	4,627	-	-	4,627
Net pension liability	157,998	-	-	157,998
Total OPEB liability	3,587	-	-	3,587
Interfund loan payable	<u>206,486</u>	<u>-</u>	<u>-</u>	<u>206,486</u>
Total noncurrent liabilities	<u>372,698</u>	<u>-</u>	<u>-</u>	<u>372,698</u>
Total liabilities	<u>551,666</u>	<u>-</u>	<u>-</u>	<u>551,666</u>
DEFERRED INFLOW OF RESOURCES				
Pension related items	13,064	-	-	13,064
Other postemployment benefit related items	<u>969</u>	<u>-</u>	<u>-</u>	<u>969</u>
Total deferred inflows of resources	<u>14,033</u>	<u>-</u>	<u>-</u>	<u>14,033</u>
NET POSITION				
Net investment in capital assets	2,735,926	-	-	2,735,926
Restricted for:				
System development	-	310,522	43,729	354,251
Net OPEB benefits	2,446	-	-	2,446
Unrestricted	<u>689,936</u>	<u>-</u>	<u>-</u>	<u>689,936</u>
Total net position	<u>\$ 3,428,308</u>	<u>\$ 310,522</u>	<u>\$ 43,729</u>	<u>\$ 3,782,559</u>

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
STORM DRAINAGE FUNDS
Year Ended June 30, 2024

	Storm Drainage Utility Fund	SDC - Storm Drainage Improvement Fund	SDC - Storm Drainage Reimbursement Fund	Total
Operating revenues				
Special assessment collections	\$ -	\$ 44,679	\$ 6,416	\$ 51,095
Charges for services	712,480	-	-	712,480
Total operating revenues	712,480	44,679	6,416	763,575
Operating expenses				
Personnel services	179,055	-	-	179,055
Materials and services	69,183	-	-	69,183
Depreciation	59,424	-	-	59,424
Total operating expenses	307,662	-	-	307,662
Operating income (loss)	404,818	44,679	6,416	455,913
Nonoperating revenues (expenses)				
Interest income	39,553	17,679	1,748	58,980
Interest expense	(5,556)	-	-	(5,556)
Total nonoperating revenues (expenses)	33,997	17,679	1,748	53,424
Income (loss) before capital contributions and transfers	438,815	62,358	8,164	509,337
Capital contributions	315,184	-	-	315,184
Transfers out	(107,826)	-	-	(107,826)
Change in net position	646,173	62,358	8,164	716,695
Net position at beginning of year	2,782,135	248,164	35,565	3,065,864
Net position at end of year	\$ 3,428,308	\$ 310,522	\$ 43,729	\$ 3,782,559

CITY OF LEBANON, OREGON

STORM DRAINAGE UTILITY FUND

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

Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Charges for services	\$ 713,200	\$ 712,480	\$ (720)
Interest	3,000	39,553	36,553
Total revenues	716,200	752,033	35,833
Expenditures			
Public works	199,520	175,180	24,340
Engineering	76,642	61,388	15,254
Non-departmental:			
Capital outlay	650,000	263,377	386,623
Debt service	46,000	46,000	-
Contingency	11,700	-	11,700
Total expenditures	983,862	545,945	437,917
Excess (deficiency) of revenues over expenditures	(267,662)	206,088	473,750
Other financing sources (uses)			
Transfers out	(103,024)	(103,024)	-
Total other financing sources (uses)	(103,024)	(103,024)	-
Net change in fund balance	(370,686)	103,064	473,750
Fund balance at beginning of year	644,200	698,219	54,019
Fund balance at end of year	\$ 273,514	801,283	\$ 527,769
Reconciliation to generally accepted accounting principles			
Capital assets, net		2,942,412	
Net OPEB asset		2,446	
Deferred outflows related to pensions		69,760	
Deferred outflows related to OPEB		681	
Interfund loan payable		(206,486)	
Compensated absences		(6,170)	
Net pension liability		(157,998)	
Total OPEB liability		(3,587)	
Deferred inflows related to pensions		(13,064)	
Deferred inflows related to OPEB		(969)	
Net position at end of year - GAAP basis		\$ 3,428,308	

CITY OF LEBANON, OREGON
SDC - STORM DRAINAGE IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Special assessment collections	\$ 30,000	\$ 42,854	\$ 12,854
Interest	<u>2,500</u>	<u>17,679</u>	<u>15,179</u>
Total revenues	<u>32,500</u>	<u>60,533</u>	<u>28,033</u>
Expenditures			
Engineering	60,000	-	60,000
Capital outlay	<u>165,000</u>	<u>-</u>	<u>165,000</u>
Total expenditures	<u>225,000</u>	<u>-</u>	<u>225,000</u>
Net change in fund balance	(192,500)	60,533	253,033
Fund balance at beginning of year	<u>227,000</u>	<u>234,817</u>	<u>7,817</u>
Fund balance at end of year	<u>\$ 34,500</u>	<u>295,350</u>	<u>\$ 260,850</u>
Reconciliation to generally accepted accounting principles			
Unavailable revenues		<u>15,172</u>	
Net position at end of year - GAAP basis		<u>\$ 310,522</u>	

CITY OF LEBANON, OREGON
SDC - STORM DRAINAGE REIMBURSEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Special assessment collections	\$ 7,025	\$ 6,096	\$ (929)
Interest	<u>250</u>	<u>1,748</u>	<u>1,498</u>
Total revenues	<u>7,275</u>	<u>7,844</u>	<u>569</u>
Expenditures			
Capital outlay	<u>35,575</u>	<u>-</u>	<u>35,575</u>
Total expenditures	<u>35,575</u>	<u>-</u>	<u>35,575</u>
Net change in fund balance	(28,300)	7,844	36,144
Fund balance at beginning of year	<u>28,300</u>	<u>33,222</u>	<u>4,922</u>
Fund balance at end of year	<u>\$ -</u>	<u>41,066</u>	<u>\$ 41,066</u>
Reconciliation to generally accepted accounting principles			
Unavailable revenues		<u>2,663</u>	
Net position at end of year - GAAP basis		<u>\$ 43,729</u>	

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2024

	Administrative Services Fund	Information Technology Fund	Custodial & Maintenance Services Fund	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 631,518	\$ 367,793	\$ 250,840	\$ 1,250,151
Receivables, net	6,238	2,661	-	8,899
Prepaid items	7,299	59,964	3,898	71,161
Total current assets	<u>645,055</u>	<u>430,418</u>	<u>254,738</u>	<u>1,330,211</u>
Noncurrent assets:				
Capital assets:				
Capital assets, nondepreciable	-	81,868	-	81,868
Capital assets, net of accumulated depreciation	-	110,793	-	110,793
Total capital assets	-	192,661	-	192,661
Net other postemployment benefit asset	16,683	12,546	5,493	34,722
Total noncurrent assets	<u>16,683</u>	<u>205,207</u>	<u>5,493</u>	<u>227,383</u>
Total assets	<u>661,738</u>	<u>635,625</u>	<u>260,231</u>	<u>1,557,594</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	475,816	357,793	156,656	990,265
Other postemployment benefit related items	4,640	3,491	1,529	9,660
Total deferred outflows of resources	<u>480,456</u>	<u>361,284</u>	<u>158,185</u>	<u>999,925</u>
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	26,457	29,022	1,593	57,072
Compensated absences	9,074	11,203	5,321	25,598
Unearned revenue	-	27,527	-	27,527
SBITA payable	-	26,912	-	26,912
Total current liabilities	<u>35,531</u>	<u>94,664</u>	<u>6,914</u>	<u>137,109</u>
Noncurrent liabilities				
Compensated absences	27,221	33,609	15,964	76,794
Net pension liability	1,077,662	810,355	354,807	2,242,824
Total OPEB liability	24,467	18,397	8,055	50,919
Total noncurrent liabilities	<u>1,129,350</u>	<u>862,361</u>	<u>378,826</u>	<u>2,370,537</u>
Total liabilities	<u>1,164,881</u>	<u>957,025</u>	<u>385,740</u>	<u>2,507,646</u>
DEFERRED INFLOW OF RESOURCES				
Pension related items	89,107	67,005	29,337	185,449
Other postemployment benefit related items	6,609	4,970	2,176	13,755
Total deferred inflows of resources	<u>95,716</u>	<u>71,975</u>	<u>31,513</u>	<u>199,204</u>
NET POSITION				
Net investment in capital assets	-	165,749	-	165,749
Restricted for:				
Net OPEB benefits	16,683	12,546	5,493	34,722
Unrestricted	(135,086)	(210,386)	(4,330)	(349,802)
Total net position	<u>\$ (118,403)</u>	<u>\$ (32,091)</u>	<u>\$ 1,163</u>	<u>\$ (149,331)</u>

CITY OF LEBANON, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
Year Ended June 30, 2024

	Administrative Services Fund	Information Technology Fund	Custodial & Maintenance Services Fund	Total
Operating revenues				
Intergovernmental	\$ -	\$ 160,509	\$ 982	\$ 161,491
Charges for services	12,704	-	-	12,704
Rentals	-	2,700	-	2,700
Miscellaneous	288	798	-	1,086
	<u>12,992</u>	<u>164,007</u>	<u>982</u>	<u>177,981</u>
Total operating revenues				
	12,992	164,007	982	177,981
Operating expenses				
Personnel services	998,621	865,135	439,720	2,303,476
Materials and services	391,847	486,983	93,585	972,415
Depreciation	-	44,058	-	44,058
	<u>1,390,468</u>	<u>1,396,176</u>	<u>533,305</u>	<u>3,319,949</u>
Total operating expenses				
	1,390,468	1,396,176	533,305	3,319,949
Operating income (loss)	<u>(1,377,476)</u>	<u>(1,232,169)</u>	<u>(532,323)</u>	<u>(3,141,968)</u>
Nonoperating revenues (expenses)				
Interest income	17,681	16,806	10,735	45,222
Interest expense	-	(232)	-	(232)
	<u>17,681</u>	<u>16,574</u>	<u>10,735</u>	<u>44,990</u>
Total nonoperating revenues (expenses)				
	17,681	16,574	10,735	44,990
Income (loss) before capital contributions and transfers	(1,359,795)	(1,215,595)	(521,588)	(3,096,978)
Transfers in	2,248,542	1,513,281	591,810	4,353,633
Transfers out	<u>(282,691)</u>	<u>(29,597)</u>	<u>(6,580)</u>	<u>(318,868)</u>
Change in net position	606,056	268,089	63,642	937,787
Net position at beginning of year	<u>(724,459)</u>	<u>(300,180)</u>	<u>(62,479)</u>	<u>(1,087,118)</u>
Net position at end of year	\$ (118,403)	\$ (32,091)	\$ 1,163	\$ (149,331)

CITY OF LEBANON, OREGON
ADMINISTRATIVE SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Charges for services	\$ 11,500	\$ 6,754	\$ (4,746)
Intergovernmental	12,647	-	(12,647)
Interest	<u>2,500</u>	<u>17,681</u>	<u>15,181</u>
Total revenues	<u>26,647</u>	<u>24,435</u>	<u>(2,212)</u>
Expenditures			
City manager	221,271	81,423	139,848
Human resources	436,746	281,236	155,510
City attorney	230,000	204,261	25,739
City recorder	289,073	246,104	42,969
Finance	782,400	694,319	88,081
Non-departmental:			
Contingency	<u>30,492</u>	<u>-</u>	<u>30,492</u>
Total expenditures	<u>1,989,982</u>	<u>1,507,343</u>	<u>482,639</u>
Excess (deficiency) of revenues over expenditures	<u>(1,963,335)</u>	<u>(1,482,908)</u>	<u>480,427</u>
Other financing sources (uses)			
Transfers in	2,248,542	2,248,542	-
Transfers out	<u>(282,692)</u>	<u>(282,691)</u>	<u>1</u>
Total other financing sources (uses)	<u>1,965,850</u>	<u>1,965,851</u>	<u>1</u>
Net change in fund balance	2,515	482,943	480,428
Fund balance at beginning of year	<u>-</u>	<u>129,417</u>	<u>129,417</u>
Fund balance at end of year	<u>\$ 2,515</u>	<u>612,360</u>	<u>\$ 609,845</u>
Reconciliation to generally accepted accounting principles			
Net OPEB asset		16,683	
Deferred outflows related to pensions		475,816	
Deferred outflows related to OPEB		4,640	
Compensated absences		(36,295)	
Net pension liability		(1,077,662)	
Total OPEB liability		(24,467)	
Unavailable revenues		6,238	
Deferred inflows related to pensions		(89,107)	
Deferred inflows related to OPEB		<u>(6,609)</u>	
Net position at end of year - GAAP basis		<u>\$ (118,403)</u>	

CITY OF LEBANON, OREGON
INFORMATION TECHNOLOGY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	Budget	Actual	Variance
Revenues			
Intergovernmental	\$ 100,000	\$ 157,848	\$ 57,848
Rents	5,000	2,700	(2,300)
Interest	6,477	17,604	11,127
Total revenues	111,477	178,152	66,675
Expenditures			
Information technology	1,671,978	1,429,074	242,904
Contingency	67,000	-	67,000
Total expenditures	1,738,978	1,429,074	309,904
Excess (deficiency) of revenues over expenditures	(1,627,501)	(1,250,922)	376,579
Other financing sources (uses)			
Transfers in	1,513,281	1,513,281	-
Transfers out	(29,597)	(29,597)	-
Total other financing sources (uses)	1,483,684	1,483,684	-
Net change in fund balance	(143,817)	232,762	376,579
Fund balance at beginning of year	143,817	138,446	(5,371)
Fund balance at end of year	\$ -	371,208	\$ 371,208
Reconciliation to generally accepted accounting principles			
Capital assets, net		192,661	
Net OPEB asset		12,546	
Deferred outflows related to pensions		357,793	
Deferred outflows related to OPEB		3,491	
Compensated absences		(44,812)	
SBITA payable		(26,912)	
Net pension liability		(810,355)	
Total OPEB liability		(18,397)	
Unavailable revenues		2,661	
Deferred inflows related to pensions		(67,005)	
Deferred inflows related to OPEB		(4,970)	
Net position at end of year - GAAP basis		\$ (32,091)	

CITY OF LEBANON, OREGON
CUSTODIAL & MAINTENANCE SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
Year Ended June 30, 2024

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$ -	\$ 982	\$ 982
Interest	<u>2,900</u>	<u>10,735</u>	<u>7,835</u>
Total revenues	<u>2,900</u>	<u>11,717</u>	<u>8,817</u>
Expenditures			
Public works	549,105	469,966	79,139
Contingency	<u>23,000</u>	<u>-</u>	<u>23,000</u>
Total expenditures	<u>572,105</u>	<u>469,966</u>	<u>102,139</u>
Excess (deficiency) of revenues over expenditures	<u>(569,205)</u>	<u>(458,249)</u>	<u>110,956</u>
Other financing sources (uses)			
Transfers in	591,810	591,810	-
Transfers out	<u>(6,580)</u>	<u>(6,580)</u>	<u>-</u>
Total other financing sources (uses)	<u>585,230</u>	<u>585,230</u>	<u>-</u>
Net change in fund balance	16,025	126,981	110,956
Fund balance at beginning of year	<u>115,582</u>	<u>126,164</u>	<u>10,582</u>
Fund balance at end of year	<u>\$ 131,607</u>	<u>253,145</u>	<u>\$ 121,538</u>
Reconciliation to generally accepted accounting principles			
Net OPEB asset		5,493	
Deferred outflows related to pensions		156,656	
Deferred outflows related to OPEB		1,529	
Compensated absences		(21,285)	
Net pension liability		(354,807)	
Total OPEB liability		(8,055)	
Deferred inflows related to pensions		(29,337)	
Deferred inflows related to OPEB		<u>(2,176)</u>	
Net position at end of year - GAAP basis		<u>\$ 1,163</u>	

STATISTICAL SECTION

CITY OF LEBANON

Net Position by Component

Last Ten Fiscal Years - Unaudited

	2024	2023	2022	2021
Governmental activities				
Net investment in capital assets	\$ 21,885,806	\$ 17,806,618	\$ 13,849,672	\$ 8,856,238
Restricted for special purposes	20,492,275	17,569,775	16,045,365	13,076,501
Unrestricted	(1,629,242)	(443,623)	(617,952)	(245,356)
<i>Total governmental activities</i>	<u>\$ 40,748,839</u>	<u>\$ 34,932,770</u>	<u>\$ 29,277,085</u>	<u>\$ 21,687,383</u>
Business-type activities				
Net investment in capital assets	\$ 64,709,506	\$ 60,714,620	\$ 54,741,143	\$ 52,863,606
Restricted for special purposes	5,410,278	5,450,333	5,184,065	4,281,634
Unrestricted	20,034,602	17,545,478	15,550,916	2,471,445
<i>Total business-type activities net position</i>	<u>\$ 90,154,386</u>	<u>\$ 83,710,431</u>	<u>\$ 75,476,124</u>	<u>\$ 59,616,685</u>
Primary government				
Net investment in capital assets	\$ 86,595,312	\$ 78,521,238	\$ 68,590,815	\$ 61,719,844
Restricted for special purposes	25,902,553	23,020,108	21,229,430	17,358,135
Unrestricted	18,405,360	17,101,855	14,932,964	2,226,089
<i>Total primary government net position</i>	<u>\$ 130,903,225</u>	<u>\$ 118,643,201</u>	<u>\$ 104,753,209</u>	<u>\$ 81,304,068</u>

2020 (restated)	2019 (restated)	2018 (restated)	2017 (restated)	2016 (restated)	2015
\$ 8,130,402	\$ 5,703,160	\$ 1,253,407	\$ 413,910	\$ (2,551,961)	\$ (4,571,488)
9,699,384	8,925,225	9,080,170	13,884,088	7,317,116	9,307,133
(3,240,155)	(1,188,885)	(1,597,185)	(7,525,275)	(1,745,001)	2,669,363
<u>\$ 14,589,631</u>	<u>\$ 13,439,500</u>	<u>\$ 8,736,392</u>	<u>\$ 6,772,723</u>	<u>\$ 3,020,154</u>	<u>\$ 7,405,008</u>
\$ 51,904,102	\$ 51,413,603	\$ 41,668,611	\$ 41,352,926	\$ 34,315,146	\$ 35,314,282
-	-	-	-	372,011	372,011
8,308,208	6,098,145	10,565,798	7,940,784	7,103,153	5,228,222
<u>\$ 60,212,310</u>	<u>\$ 57,511,748</u>	<u>\$ 52,234,409</u>	<u>\$ 49,293,710</u>	<u>\$ 41,790,310</u>	<u>\$ 40,914,515</u>
\$ 60,034,504	\$ 57,116,763	\$ 42,922,018	\$ 41,766,836	\$ 31,763,185	\$ 30,742,794
9,699,384	8,925,225	9,080,170	13,884,088	7,689,127	9,679,144
5,068,053	4,909,260	8,968,613	415,509	5,358,152	7,897,585
<u>\$ 74,801,941</u>	<u>\$ 70,951,248</u>	<u>\$ 60,970,801</u>	<u>\$ 56,066,433</u>	<u>\$ 44,810,464</u>	<u>\$ 48,319,523</u>

CITY OF LEBANON

Changes in Net Position

Last Ten Fiscal Years - Unaudited

	2024	2023	2022	2021
Expenses				
Governmental activities:				
General government	\$ 2,765,867	\$ 1,533,558	\$ 2,420,338	\$ 2,896,729
Public Safety	7,768,603	7,312,117	6,339,717	5,654,519
Highways and streets	1,783,343	1,977,426	1,660,065	1,561,346
Culture and recreation	2,900,771	2,482,669	2,168,385	1,941,534
Community Planning	1,103,114	1,249,321	1,226,562	686,993
Urban Renewal Projects	-	-	-	-
Transit	1,121,829	892,384	683,301	395,457
Interest on long-term debt	588,945	716,872	879,593	997,293
Total governmental activities expenses	18,032,472	16,164,347	15,377,961	14,133,871
Business-type activities				
Water	5,276,452	4,788,953	4,547,773	4,715,845
Sewer	5,763,987	5,346,273	4,834,574	6,747,746
Stormwater	379,168	286,533	1,214,603	464,517
Total business-type activities expenses	11,419,607	10,421,759	10,596,950	11,928,108
Total Expenses	\$ 29,452,079	\$ 26,586,106	\$ 25,974,911	\$ 26,061,979
Program revenues				
Governmental activities				
Charges for services				
General government	\$ 347,872	\$ 313,176	\$ 523,263	\$ 793,822
Public Safety	10,949	14,765	690,856	608,506
Highways and streets	1,170,561	240,081	1,494,688	630,430
Culture and recreation	759,040	276,098	468,190	920,956
Community Planning	862,768	647,465	137,858	119,413
Transit	-	-	-	457
Operating grants and contributions	4,357,737	4,341,226	5,194,297	3,718,031
Capital grants and contributions	402,158	1,093,188	1,146,993	212,044
Total governmental activities program revenues	7,911,085	6,925,999	9,656,145	7,003,659
Business-type activities				
Charges for services				
Water	6,780,239	6,121,195	6,232,758	5,556,195
Sewer	7,305,597	6,668,224	6,735,876	6,290,547
Stormwater	767,408	714,388	621,047	553,786
Operating grants and contributions	-	30,454	-	57,309
Capital grants and contributions	1,266,687	4,430,041	662,824	422,375
Total business-type activities program revenues	16,119,931	17,964,302	14,252,505	12,880,212
Total program revenues	\$ 24,031,016	\$ 24,890,301	\$ 23,908,650	\$ 19,883,871
Net (expense)/revenues				
Governmental activities	\$ (10,121,387)	\$ (9,238,348)	\$ (5,721,816)	\$ (7,130,212)
Business-type activities	4,700,324	7,542,543	3,655,555	952,104
Total net expenses	\$ (5,421,063)	\$ (1,695,805)	\$ (2,066,261)	\$ (6,178,108)
General revenues and other changes in net position				
Governmental activities				
Taxes and assessments	\$ 11,228,163	\$ 11,112,797	\$ 10,604,294	\$ 10,523,164
Franchise fees	2,947,944	2,747,904	2,554,314	2,381,699
Earnings on investments	1,395,096	796,255	152,729	218,920
Miscellaneous	300,882	154,649	60,070	-
Gain (Loss) on asset disposal	(5,917)	-	-	-
Transfers	71,288	55,095	(59,889)	1,104,181
Total governmental activities	15,937,456	14,866,700	13,311,518	14,227,964
Business-type activities				
Taxes and assessments	-	-	-	-
Franchise fees	-	-	-	-
Earnings on investments	1,279,364	730,990	121,779	81,274
Miscellaneous	515,555	15,869	22,216	153,157
Gain (Loss) on asset disposal	20,000	-	-	(677,979)
Settlement	-	-	12,000,000	-
Transfers	(71,288)	(55,095)	59,889	(1,104,181)
Total business-type activities	1,743,631	691,764	12,203,884	(1,547,729)
Total general revenues	\$ 17,681,087	\$ 15,558,464	\$ 25,515,402	\$ 12,680,235
Change in net position				
Governmental activities	\$ 5,816,069	\$ 5,628,352	\$ 7,589,702	\$ 7,097,752
Business-type activities	6,443,955	8,234,307	15,859,439	(595,625)
Total	\$ 12,260,024	\$ 13,862,659	\$ 23,449,141	\$ 6,502,127

2020	2019	2018	2017	2016	2015
\$ 4,649,890	\$ 4,569,948	\$ 4,342,450	\$ 4,421,484	\$ 8,725,784	\$ 3,838,417
5,844,719	5,445,062	6,415,641	5,129,853	4,633,244	4,371,024
993,516	776,254	767,327	703,860	763,014	924,469
2,925,581	2,554,557	1,826,698	1,634,994	2,087,770	1,463,996
2,025,709	1,622,675	2,882,196	1,584,953	1,532,196	1,313,438
-	120,130	-	-	-	-
457,805	-	-	-	-	-
1,138,426	2,108,959	1,334,187	1,322,439	2,810,526	1,465,963
18,035,646	17,197,585	17,568,499	14,797,583	20,552,534	13,377,307
3,803,815	3,115,306	2,726,011	2,437,650	3,899,986	1,712,057
4,150,372	3,587,488	3,730,750	3,184,497	5,368,069	3,093,617
150,497	130,772	40,688	124,393	71,320	232,473
8,104,684	6,833,566	6,497,449	5,746,540	9,339,375	5,038,147
\$ 26,140,330	\$ 24,031,151	\$ 24,065,948	\$ 20,544,123	\$ 29,891,909	\$ 18,415,454
\$ 824,811	\$ 822,595	\$ 996,032	\$ 485,897	\$ 537,903	\$ 425,842
69,969	451,292	369,923	487,910	520,209	471,251
197,239	319,516	357,319	8,900	-	907,817
835,121	587,327	718,191	400,125	80,627	64,317
111,836	58,102	123,451	1,383,205	-	-
-	-	-	-	-	-
71,813	16,500	3,678	328,038	483,235	707,441
959,213	1,924,810	1,081,013	61,569	261,499	219,070
3,070,002	4,180,142	3,649,607	3,155,644	1,883,473	2,795,738
5,475,941	5,681,237	5,398,022	5,356,789	4,902,311	4,533,296
6,114,866	5,925,338	5,896,849	5,959,957	5,060,820	4,980,435
581,058	513,969	482,477	477,268	432,855	425,223
-	-	-	-	-	4,207
48,479	2,302,172	-	-	-	-
12,220,344	14,422,716	11,777,348	11,794,014	10,395,986	9,943,161
\$ 15,290,346	\$ 18,602,858	\$ 15,426,955	\$ 14,949,658	\$ 12,279,459	\$ 12,738,899
\$ (14,965,644)	\$ (13,017,443)	\$ (13,918,892)	\$ (11,641,939)	\$ (18,669,061)	\$ (10,581,569)
4,115,660	7,589,150	5,279,899	6,047,474	1,056,611	4,905,014
\$ (10,849,984)	\$ (5,428,293)	\$ (8,638,993)	\$ (5,594,465)	\$ (17,612,450)	\$ (5,676,555)
\$ 11,823,641	\$ 11,371,894	\$ 10,975,454	\$ 10,863,745	\$ 10,655,535	\$ 9,190,655
2,272,728	2,208,440	2,198,381	2,176,801	2,092,699	2,099,554
349,399	488,904	271,060	180,379	219,077	154,932
77,716	115,011	(36,409)	206,073	986,451	2,018,770
-	115,998	-	(538,667)	-	-
1,592,291	3,420,304	3,392,071	2,506,177	330,446	975,770
16,115,775	17,720,551	16,800,557	15,394,508	14,284,208	14,439,681
-	-	-	-	-	-
-	-	-	-	-	-
177,193	171,561	134,875	121,240	42,393	34,778
-	-	-	3,840,863	107,236	195,619
-	-	-	-	-	-
-	-	-	-	-	-
(1,592,291)	(2,483,372)	(3,392,071)	(2,506,177)	(330,446)	(975,770)
(1,415,098)	(2,311,811)	(3,257,196)	1,455,926	(180,817)	(745,373)
\$ 14,700,677	\$ 15,408,740	\$ 13,543,361	\$ 16,850,434	\$ 14,103,391	\$ 13,694,308
\$ 1,150,131	\$ 4,703,108	\$ 2,881,665	\$ 3,752,569	\$ (4,384,853)	\$ 3,858,112
2,700,562	5,277,339	2,022,703	7,503,400	875,794	4,159,641
\$ 3,850,693	\$ 9,980,447	\$ 4,904,368	\$ 11,255,969	\$ (3,509,059)	\$ 8,017,753

CITY OF LEBANON

Governmental Fund Balances

Last Ten Fiscal Years - Unaudited

	2024	2023	2022	2021
General Fund				
Nonspendable	\$ 140,866	\$ 57,381	\$ -	\$ -
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	4,321,143	4,791,922	4,957,698	4,879,596
Total general fund	<u>\$ 4,462,009</u>	<u>\$ 4,849,303</u>	<u>\$ 4,957,698</u>	<u>\$ 4,879,596</u>
All other governmental funds				
Nonspendable	209,288	\$ -	\$ -	\$ -
Restricted	19,371,776	16,681,727	15,073,746	13,461,580
Committed	93,620	757,651	661,134	233,073
Assigned	766,706	629,458	863,900	893,628
Unassigned	-	-	-	(4,863)
Total all other governmental funds	<u>\$ 20,441,390</u>	<u>\$ 18,068,836</u>	<u>\$ 16,598,780</u>	<u>\$ 14,583,418</u>
Governmental Funds				
Nonspendable	\$ 350,154	\$ 57,381	\$ -	\$ -
Restricted	19,371,776	16,681,727	15,073,746	13,461,580
Committed	93,620	757,651	661,134	233,073
Assigned	766,706	629,458	863,900	893,628
Unassigned	4,321,143	4,791,922	4,957,698	4,874,733
Total Governmental Funds	<u>\$ 24,903,399</u>	<u>\$ 22,918,139</u>	<u>\$ 21,556,478</u>	<u>\$ 19,463,014</u>

2020	2019	2018	2017	2016	2015
\$ -	\$ -	\$ -	\$ -	\$ 54,026	\$ 55,205
-	-	-	-	113,253	24,931
-	-	-	-	1,700	1,800
4,041,142	4,198,099	3,526,750	2,672,274	2,031,337	1,754,690
<u>\$ 4,041,142</u>	<u>\$ 4,198,099</u>	<u>\$ 3,526,750</u>	<u>\$ 2,672,274</u>	<u>\$ 2,146,290</u>	<u>\$ 1,781,421</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,319	\$ 2,319
9,677,493	9,325,225	9,080,170	14,076,646	8,020,698	63,945,915
1,818,424	1,780,242	1,890,083	-	89,060	85,757
-	-	-	-	-	-
(91,109)	(71,968)	(61,069)	(1,444,662)	(1,494,823)	(655,867)
<u>\$ 11,404,808</u>	<u>\$ 11,033,499</u>	<u>\$ 10,909,184</u>	<u>\$ 12,631,984</u>	<u>\$ 6,617,254</u>	<u>\$ 63,378,124</u>
\$ -	\$ -	\$ -	\$ -	\$ 56,345	\$ 57,524
9,677,493	9,325,225	9,080,170	14,076,646	8,020,698	9,815,915
1,818,424	1,780,242	1,890,083	-	202,313	110,688
-	-	-	-	1,700	1,800
3,950,033	4,126,131	3,465,681	1,227,612	536,514	1,098,823
<u>\$ 15,445,950</u>	<u>\$ 15,231,598</u>	<u>\$ 14,435,934</u>	<u>\$ 15,304,258</u>	<u>\$ 8,817,570</u>	<u>\$ 11,084,750</u>

CITY OF LEBANON

Changes in Governmental Fund Balances
Last Ten Fiscal Years - Unaudited

	2024	2023	2022	2021
REVENUES				
Property and other taxes	\$ 11,205,761	\$ 11,044,522	\$ 10,722,880	\$ 10,559,624
Franchise fees	2,834,021	2,747,904	2,554,314	2,381,699
Special assessment collections	1,548,224	479,196	1,820,987	1,496,409
Licenses and permits	813,602	579,848	813,020	644,136
Fines, forfeitures, and penalties	265,595	266,346	399,737	494,708
Intergovernmental	4,502,418	4,291,533	4,943,291	3,718,031
Charges for services	245,791	304,667	330,370	275,415
Rentals	64,701	51,000	56,054	16,177
Contributions	52,771	85,126	69,960	63,274
Interest	1,365,570	784,919	151,348	218,920
Miscellaneous	198,803	148,371	58,070	146,155
Total Revenue	23,097,257	20,783,432	21,920,031	20,014,548
EXPENDITURES				
Current operating:				
General government	1,355,988	1,030,602	1,575,812	2,797,842
Public safety	6,456,879	5,807,078	5,545,980	6,025,829
Highways and streets	1,012,441	1,025,621	912,748	957,478
Culture and recreation	2,206,966	1,929,143	1,783,054	1,711,595
Community planning	964,515	1,174,422	1,057,754	734,235
Transit	975,243	784,803	625,172	432,273
Debt service				
Principal	3,220,353	3,022,641	3,977,645	3,430,490
Interest	780,723	909,066	1,060,483	1,200,536
Capital outlay	1,909,497	1,681,339	1,185,200	471,846
Total expenditures	18,882,605	17,364,715	17,723,848	17,762,124
REVENUES OVER (UNDER) EXPENDITURES	4,214,652	3,418,717	4,196,183	2,252,424
OTHER FINANCING SOURCES (USES)				
Subscription financing	-	5,217	-	-
Transfers in	2,250,886	2,757,745	2,505,294	5,669,047
Transfers out	(4,593,818)	(4,820,018)	(4,608,013)	(3,904,407)
Sale of general capital assets	113,540	-	-	-
Debt issuance expense	-	-	-	-
Bond and notes issued	-	-	-	-
Bonds and note premium	-	-	-	-
Loan proceeds	-	-	-	-
Total other financing sources (uses)	(2,229,392)	(2,057,056)	(2,102,719)	1,764,640
NET CHANGE IN FUND BALANCES	\$ 1,985,260	\$ 1,361,661	\$ 2,093,464	\$ 4,017,064
Debt service as a percentage of noncapital expenditures ¹	23.57%	25.07%	30.46%	26.78%

¹ 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.

2020	2019	2018	2017	2016	2015
\$ 9,931,752	\$ 10,379,715	\$ 9,665,460	\$ 9,738,469	\$ 9,406,993	\$ 9,021,449
2,272,728	2,208,440	2,198,381	2,176,801	2,092,699	2,099,554
-	920,040	1,066,771	-	-	-
-	-	-	-	8,783	4,520
342,264	385,395	441,914	313,630	311,991	524,810
2,117,502	1,813,685	1,648,918	1,421,730	1,324,121	1,166,432
1,693,666	309,714	529,013	2,366,510	444,082	860,690
-	-	-	-	-	-
1,031,026	1,941,310	1,084,691	389,607	598,822	842,417
349,399	488,904	271,060	180,379	218,656	153,221
10,997	115,012	189,182	325,650	355,442	233,959
17,749,334	18,562,215	17,095,390	16,912,776	14,761,589	14,907,052
3,098,589	3,228,267	2,743,838	2,591,667	3,690,017	2,267,186
5,810,656	5,418,395	5,315,659	4,907,038	4,624,905	4,371,774
835,955	697,426	690,110	689,480	687,504	647,495
2,075,321	2,079,923	1,702,090	1,589,532	1,630,966	1,406,347
1,689,773	1,464,194	1,324,366	1,508,275	1,532,196	1,313,438
-	-	-	2,429,500	-	-
3,232,677	2,783,405	6,040,782	1,472,831	2,345,392	2,245,916
1,615,654	2,212,404	2,484,347	1,976,665	2,094,515	1,617,512
1,692,873	3,418,839	4,295,224	-	3,667,908	2,231,599
20,051,498	21,302,853	24,596,416	17,164,988	20,273,403	16,101,267
(2,302,164)	(2,740,638)	(7,501,026)	(252,212)	(5,511,814)	(1,194,215)
-	-	-	-	-	-
8,193,832	7,060,469	6,769,539	6,298,418	6,013,926	4,906,720
(5,677,316)	(3,640,165)	(3,895,158)	(3,792,241)	(2,854,447)	(2,637,763)
-	115,998	-	-	-	-
-	-	-	-	85,155	-
-	-	-	4,232,723	-	-
-	-	-	-	-	-
-	-	3,758,321	-	-	-
2,516,516	3,536,302	6,632,702	6,738,900	3,244,634	2,268,957
\$ 214,352	\$ 795,664	\$ (868,324)	\$ 6,486,688	\$ (2,267,180)	\$ 1,074,742
26.41%	27.93%	41.99%	20.10%	26.74%	27.86%

CITY OF LEBANON

Tax Revenue by Source

Last Ten Fiscal Years - Unaudited

June 30, 2024

Fiscal Year	Property ¹	Franchise Fees ²	Special Assessments ³	Total
2024	10,741,442	2,834,021	1,548,224	15,123,687
2023	11,044,522	2,747,904	479,196	14,271,622
2022	10,293,711	2,554,314	1,820,987	14,669,012
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

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

² 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.

³ 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 Value and Estimated Market Value of Taxable Property

Last Ten Fiscal Years - Unaudited

June 30, 2024

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	** Estimated Actual Value		
2024	1,523,074,828	2,906,292,417	1,523,074,828	2,906,292,417	5.1364	52%
2023	1,453,848,572	2,668,148,644	1,453,848,572	2,668,148,644	5.1364	54%
2022	1,374,784,522	2,247,910,222	1,374,784,522	2,247,910,222	5.1364	61%
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%

* 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

Direct and Overlapping Tax Rates
Last Ten Fiscal Years - Unaudited
June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City of Lebanon:										
General Government	\$ 4.5952	\$ 4.6145	\$ 4.5930	\$ 4.5913	\$ 4.4048	\$ 4.3959	\$ 4.3608	\$ 4.0983	\$ 4.0983	\$ 4.1439
G.O. Bond	1.0746	1.1258	1.1875	1.4154	0.9124	1.3056	1.3195	1.2082	1.2082	1.5000
Lebanon Urban Renewal	0.5633	0.6370	0.7172	0.7386	1.3731	1.4322	1.5181	2.3820	2.3820	2.5909
Lebanon Urban Renewal III	0.3548	0.3252	0.3520	0.3482	0.3368	0.3392	0.3284	0.3601	0.3601	0.3620
Lebanon North Gateway	0.6111	0.6715	0.6856	0.7398	0.7288	0.7058	0.7426	0.7541	0.7541	0.4055
Lebanon Urban Renewal Downtown	0.0366	0.0307	0.0241	0.0093	0.0008	-	-	-	-	-
Lebanon Urban Renewal Mill Race	0.0993	0.0864	0.0468	-	-	-	-	-	-	-
Total City	7.3349	7.4911	7.6062	7.8426	7.7567	8.1787	8.2694	8.8027	8.8027	9.0023
OVERLAPPING RATES:										
Linn County:										
Linn County	1.1336	1.1382	1.1330	1.1328	1.0864	1.0848	1.0779	1.0126	1.0126	1.0240
Local Option	2.9800	2.9800	2.8300	2.9378	3.0162	3.0163	3.0166	3.0162	3.0162	3.0163
	4.1136	4.1182	3.9630	4.0706	4.1026	4.1011	4.0945	4.0288	4.0288	4.0403
School District:										
Linn-Benton ESD	0.2715	0.2727	0.2715	0.2714	0.2601	0.2598	0.2581	0.2425	0.2425	0.2453
Linn-Benton Community College	0.4469	0.4487	0.4440	0.4465	0.4283	0.4275	0.5936	0.3992	0.5383	0.4037
Linn-Benton CC Bond	0.2141	0.2225	0.1614	0.1657	0.1661	0.1676	-	0.1391	-	0.1410
Lebanon Community School District No. 9	4.4423	4.4614	4.4404	4.4402	4.2578	4.2515	5.8757	3.9688	5.5818	4.0137
LCSD No. 9 Bond	1.5176	1.4812	1.5158	1.5320	1.5294	1.5747	-	1.6130	-	1.6804
	6.8924	6.8865	6.8331	6.8558	6.6417	6.6811	6.7274	6.3626	6.3626	6.4841
Special District:										
Lebanon Rural Fire District	2.0112	2.0196	2.0103	2.2947	2.1171	2.1164	2.1092	1.9963	1.9963	2.0220
Lebanon Aquatic District	0.3166	0.2146	0.2849	0.2137	0.2048	0.2045	0.2032	0.1909	0.1909	0.1930
4H Extension District	0.2137	0.0628	0.0624	0.0624	0.0598	0.0598	0.0594	0.0557	0.0557	0.0419
	2.6042	2.2970	2.3576	2.5708	2.3817	2.3807	2.3718	2.2429	2.2429	2.2569
Total Overlapping	13.6102	13.3017	13.1537	13.4972	13.1260	13.1629	13.1937	12.6343	12.6343	12.7813
TOTAL	\$ 20.9451	\$ 20.7928	\$ 20.7599	\$ 21.3398	\$ 20.8827	\$ 21.3416	\$ 21.4631	\$ 21.4370	\$ 21.4370	\$ 21.7836

Source: Linn County Summary of Assessments & Levies Table 6a

THIS PAGE LEFT INTENTIONALLY BLANK

CITY OF LEBANON

Principal Property Taxpayers

Current and Nine Fiscal Years Ago - Unaudited

June 30, 2024

2024				
Taxpayer	Tax	Assessed Value	Rank	% of of Total Tax Amount
Lowes HIW Inc	\$ 1,730,052	\$ 93,436,840	1	16.50%
Entek International LLC	1,303,792	71,940,950	2	12.43%
Samaritan Health Services Inc.	471,909	24,242,049	3	4.50%
Entek Membranes LLC	444,026	24,500,840	4	4.23%
Lumen Technologies, Inc.	435,360	24,022,670	5	4.15%
Cascade Ridge LLC	361,630	17,072,900	7	3.45%
Walmart, Inc.	358,206	17,102,140	6	3.42%
Western Warehousing LLC	251,579	11,816,180	8	2.40%
Lodges at Lebanon LLC	226,412	10,689,150	9	2.16%
Northwest Natural Gas	216,351	11,938,000	10	2.06%
Comcast Corporation		-		-
Entek Manufacutring LLC		-		-
	<u>\$ 5,799,317</u>	<u>\$ 306,761,719</u>		<u>55.30%</u>

Source: Linn County Assessor's records

2015					
% of Total City Taxable Assessed Value	Tax	Assessed Value	Rank	% of of Total Tax Amount	% of Total City Taxable Assessed Value
6.80%	\$ 1,612,834	84,716,590	1	18.50%	9.39%
5.23%	584,589	31,026,530	2	6.71%	3.44%
1.76%	131,633	6,252,900	10	1.51%	0.69%
1.78%	143,323	7,606,750	8	1.64%	0.84%
1.75%	535,198	28,405,100	3	6.14%	3.15%
1.24%				0.00%	0.00%
1.24%	264,230	12,163,700	4	3.03%	1.35%
0.86%	182,553	9,403,260	5	2.09%	1.04%
0.78%				0.00%	0.00%
0.87%	137,012	7,271,800	9	1.57%	0.81%
-	161,770	7,447,000	6	1.86%	0.83%
-	154,714	8,211,280	7	1.77%	0.91%
-					
22.31%	\$ 3,907,856	\$ 202,504,910		44.83%	22.44%

CITY OF LEBANON

Property Tax Levies and Collections

Last Ten Fiscal Years - Unaudited

June 30, 2024

Fiscal Year	Total Tax Levy	Adjustments	Percent of Levy Adjustments	Adjusted Levy	Current Tax Collections	Percent of Levy Collections	Delinquent Tax Collections	Total Tax Collections	Percent Total Tax Collections To Tax Levy	Outstanding Delinquent Taxes	Percent Delinquent Taxes To Tax Levy
2024	11,213,988	(303,008)	2.70%	10,910,980	10,734,699	98.38%	-	10,734,699	98.38%	176,281	1.62%
2023	10,917,259	(300,067)	2.75%	10,617,192	10,263,875	96.67%	269,097	10,532,972	99.21%	84,220	0.79%
2022	10,486,575	(323,115)	3.08%	10,163,459	9,919,513	97.60%	199,085	10,118,598	99.56%	44,861	0.44%
2021	10,504,671	(297,653)	2.83%	10,207,018	9,865,256	96.65%	321,639	10,186,895	99.80%	20,123	0.20%
2020	9,797,767	(295,364)	3.01%	9,502,403	9,259,607	97.44%	237,930	9,497,537	99.95%	4,866	0.05%
2019	9,995,576	(315,451)	3.16%	9,680,125	9,373,508	96.83%	304,253	9,677,761	99.98%	2,364	0.02%
2018	9,545,249	(272,265)	2.85%	9,272,984	9,029,948	97.38%	241,451	9,271,399	99.98%	1,585	0.02%
2017	9,691,494	(436,709)	4.51%	9,254,785	9,191,606	99.32%	58,636	9,250,242	99.95%	4,543	0.05%
2016	9,489,478	(644,743)	6.79%	8,844,735	8,781,556	99.29%	60,853	8,842,409	99.97%	2,326	0.03%
2015	8,912,598	(246,423)	2.76%	8,666,175	8,331,252	96.14%	334,148	8,665,400	99.99%	775	0.01%

Source: Linn County Assessors

CITY OF LEBANON

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years - Unaudited
June 30, 2024

Governmental Activities					
Fiscal Year	General Obligation Bonds	Amount Restricted for Debt Service	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2024	5,030,000	\$ (92,060)	4,937,940	0.17%	243
2023	6,485,000	(222,513)	6,262,487	0.23%	319
2022	7,815,000	(232,428)	7,582,572	0.34%	386
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

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

(1) Taxable values can be found on page 150

(2) Population counts can be found on page 160

CITY OF LEBANON

Debt Per Capita

Last Ten Fiscal Years - Unaudited

June 30, 2024

Governmental Activities									
Fiscal Year	General Obligation (GO) Bonds	GO Bond Debt % of est. property actual value (1)	Full Faith and Credit Obligations	Pension Obligation Bonds	Capital Leases	General Notes	Urban Renewal Agency Notes	Urban Renewal Agency Bonds	Urban Renewal Agency Loan
2024	5,030,000	0.17%	4,770,000	705,009	-	546,248	-	1,459,542	2,482,399
2023	6,485,000	0.24%	5,820,000	910,009	-	637,963	-	1,605,676	2,754,903
2022	7,815,000	0.35%	6,830,000	1,095,009	-	728,882	-	1,745,745	3,019,779
2021	9,050,000	0.45%	7,805,000	1,255,009	32,126	814,043	1,098,851	1,879,792	3,277,241
2020	10,210,000	0.54%	8,735,000	1,395,009	92,415	893,621	1,241,432	2,007,869	3,527,495
2019	11,305,000	0.67%	9,240,000	1,446,658	148,497	972,571	1,384,013	2,510,032	3,770,743
2018	12,335,000	0.84%	9,720,000	1,479,882	225,591	1,060,952	1,710,969	3,021,343	4,007,182
2017	13,280,000	0.98%	10,175,000	1,512,754	-	1,238,514	4,499,824	1,105,000	4,232,723
2016	15,105,000	1.20%	14,589,893	1,546,441	-	1,317,111	4,398,194	1,450,000	-
2015	15,245,000	1.29%	14,157,152	1,579,237	-	1,390,185	3,964,999	1,780,000	-
2014	15,935,000	1.45%	14,992,702	1,610,941	-	1,462,756	4,261,090	2,100,000	-
2013	16,555,000	1.55%	-	1,641,231	-	1,529,902	4,033,730	2,415,000	-

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

(1) ORS 287A.050 limits indebtedness to 3% of real market value (RMV)

Business-type Activities								
Fiscal Year	Notes	Wastewater DEQ Loan	Revenue Bonds	Business Oregon Loans	Total City Debt	Population	GO GO Bond Per Capita	Total Debt Per Capita
2024	-	13,500,000	-	22,446,138	50,941,360	20,329	247.43	2,505.85
2023	-	10,018,456	-	23,484,595	51,718,625	19,662	329.82	2,630.38
2022	-	8,100,350	-	24,503,199	53,839,986	19,650	397.71	2,739.95
2021	-	-	625,000	25,502,369	51,341,452	19,122	473.28	2,684.94
2020	-	480,139	4,395,000	22,710,243	55,690,243	17,335	588.98	3,212.59
2019	-	-	-	22,985,000	53,764,533	17,135	659.76	3,137.70
2018	-	569,287	6,975,000	21,016,054	62,123,278	16,920	729.02	3,671.59
2017	-	612,570	8,205,000	3,855,423	48,718,825	16,720	794.26	2,913.81
2016	-	654,612	5,119,192	-	44,182,459	16,435	919.08	2,688.32
2015	2,510,139	695,449	5,532,584	-	46,856,760	15,740	968.55	2,976.92
2014	2,814,155	735,115	5,935,976	-	49,849,749	15,740	1,012.39	3,167.07
2013	3,106,116	773,643	10,009,369	-	40,066,004	15,690	1,055.13	2,553.60

CITY OF LEBANON

Direct and Overlapping Governmental Activities Debt

Unaudited

June 30, 2024

Jurisdiction	General Obligation Debt Outstanding	Percent Applicable Inside City of Lebanon	Amount Applicable Inside City of Lebanon
City of Lebanon	\$ 5,030,000	100.0000%	\$ 5,030,000
Lebanon School District	25,450,000	51.8314%	13,191,091
Lebanon Fire District	16,105,000	54.7565%	8,818,534
Linn-Benton-Lincoln ESD	5,450,000	4.5121%	245,909
Linn-Benton Community College	54,826,359	5.0756%	2,782,775
Lebanon Aquatic District	311,019	51.8312%	161,205
Subtotal overlapping debt			25,199,514
Direct and overlapping debt			<u><u>\$ 30,229,514</u></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

CITY OF LEBANON

Demographic and Economic Statistics

Last Ten Fiscal Years - Unaudited

June 30, 2024

Fiscal Year	Population (1)	Taxable Personal Income (2)	Per Capita Personal Income
2024	20,329	*	*
2023	19,662	*	*
2022	19,650	*	*
2021	19,122	673,704	35,232
2020	17,335	596,870	34,431
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

* 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.

COMPLIANCE SECTION

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

To the Honorable Mayor and Members of the City Council
City of Lebanon
Lebanon, Oregon

We have audited the basic financial statements of the City of Lebanon, Oregon (the "City") as of and for the year ended June 30, 2024, and have issued our report thereon dated August 14, 2025. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America.

Report on 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 162-010-000 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 162-010-000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except for the following:

Honorable Mayor and Members of the City Council
City of Lebanon
Independent Auditor's Report Required by Oregon State Regulations

Deposit of public funds with financial institutions

- 1) The City did not notify the Oregon State Treasurer of use of approved depositories and subsequent changes prior to June 30, 2024 as required by ORS 295.006.

Budgets legally required

- 1) During the year ended June 30, 2024, expenditures in excess of appropriations occurred as follows:

Fund	Category	Final Budget	Year Actual	Excess
General	Library	\$ 646,321	\$ 698,817	\$ 52,496
General	Capital outlay	-	49,358	49,358
Motel Tax	Materials and services	169,075	268,427	99,352
Engineering Development Review	Engineering	160,925	160,989	64

- 2) In the 2024-25 proposed budget document, the historical information for year ended June 30, 2023 did not agree to actual amounts reported in the financial statements as required by ORS 294.358 as follows:

	Proposed Budget	Year Actual	Variance
Water Utility Fund Resources	\$ 11,497,584	\$ 12,218,903	\$ (721,319)

- 3) In the 2024-25 budget document, the City's transfers in did not agree to transfers out as required by ORS 294.361 (2) as follows:

Transfers In	Transfers Out	Difference
\$ 4,466,834	\$ 4,468,756	\$ (1,922)

- 4) The City's published financial summary, Form LB-1, did not agree with the amounts on the detailed budget sheets as required by ORS 294.438 as follows:

	Budget	LB-1	Variance
2022-23 Actual Amount			
Resources	\$ 80,918,702	\$ 84,895,332	\$ (3,976,630)
Requirements	80,604,549	84,895,332	(4,290,783)
2023-24 Adopted Amount			
Resources	82,609,589	89,520,308	(6,910,719)
Requirements	86,197,789	89,520,308	(3,322,519)
2024-25 Approved Amount			
Resources	81,713,470	85,914,143	(4,200,673)
Requirements	85,577,385	85,915,143	(336,758)

Honorable Mayor and Members of the City Council
City of Lebanon
Independent Auditor’s Report Required by Oregon State Regulations

5) The City's appropriations per the adopted budget resolution number 2024-14 did not agree to the City's adopted budget document as required by ORS 294.398 as follows:

	Resolution	Budget Document	Variance
Equipment Acquisition & Replacement Fund Contingency	\$ -	\$ 527,354	\$ (527,354)
Streets Capital Project Fund Contingency	-	41,698	(41,698)

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.

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

August 14, 2025

By:



Brad Bingenheimer, Partner