



**LEBANON, OREGON**

**Annual Financial Report**

**June 30, 2022**

**CITY OF LEBANON**  
**ANNUAL FINANCIAL REPORT**  
**JUNE 30, 2022**

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# INTRODUCTORY SECTION

- ELECTED AND APPOINTED OFFICIALS
- ORGANIZATIONAL CHART



**CITY OF LEBANON**

925 S. Main Street  
Lebanon, Oregon 97355

(541) 258-4900

[www.lebanonoregon.gov](http://www.lebanonoregon.gov)

**MAYOR AND CITY COUNCIL**

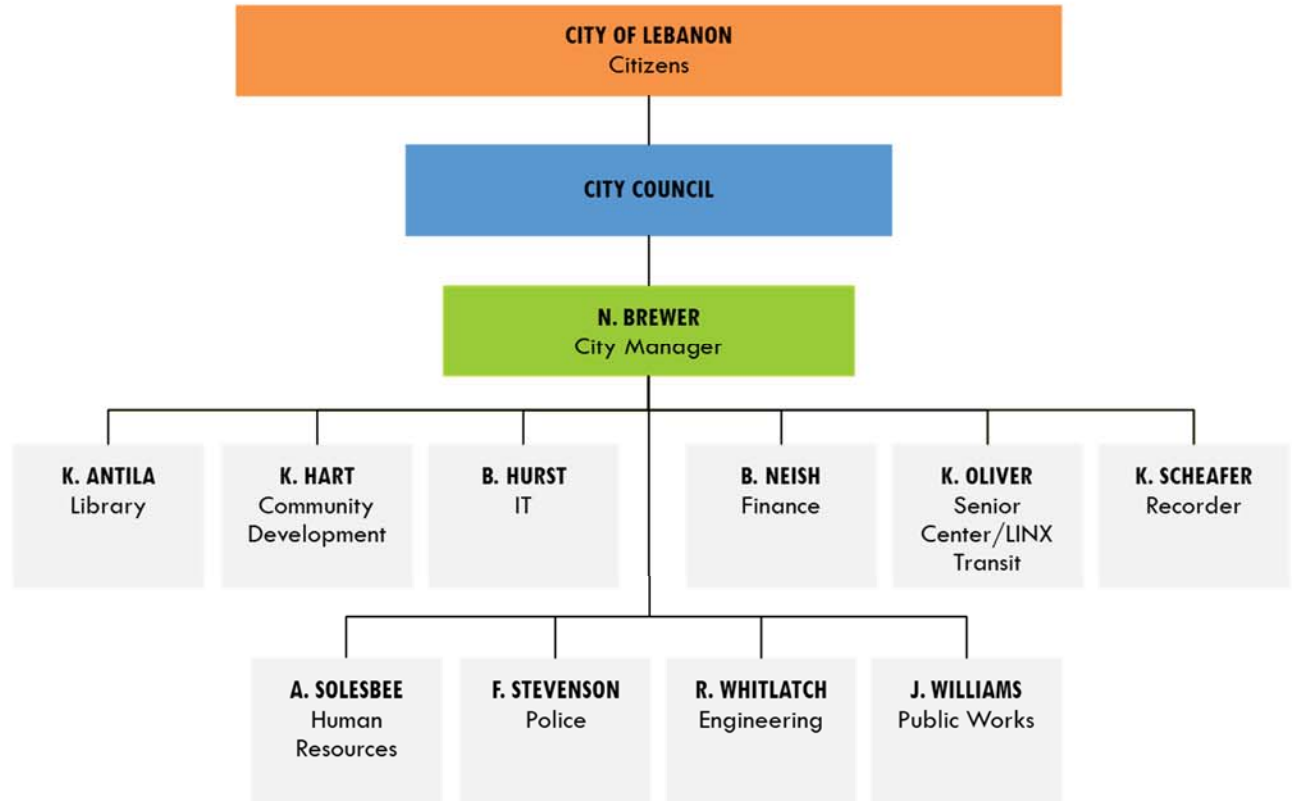
PAUL AZIZ	Mayor
MICHELLE STEINHEBEL	Council President
WAYNE DYKSTRA	Councilor
GAMAEL NASSAR	Councilor
WAYNE RIESKAMP	Councilor
JEREMY SALVAGE	Councilor
KIM ULLFERS	Councilor

**ADMINISTRATION**

NANCY BREWER	City Manager
BRANDON NEISH	Finance Director
CASSANDRA HEADLEY	Accounting Manager



# ORGANIZATION CHART



# FINANCIAL SECTION

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





# INDEPENDENT AUDITOR'S REPORT



**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 (the "City"), as of and for the year ended June 30, 2022, 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, 2022, 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 for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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.

### ***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 Contributions-OPERS, the Schedule of the Proportionate Share of the Net OPEB Liability (Asset)-OPERS, the Schedule of Contributions OPERS Retirement Health Insurance Account and the Schedule of Changes in the OPEB Liability and Related Ratios – Health Insurance in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The General Fund's Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual, included in the requirement supplementary information, 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 auditing standards generally accepted in the United States of America. In our opinion, the General Fund's Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual 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.

**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 July 5, 2023 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*

July 5, 2023

By:



Brad Bingenheimer, Partner

# MANAGEMENT'S DISCUSSION AND ANALYSIS



**CITY OF LEBANON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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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, 2022. 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, 2022 are as follows:

- The City's governmental activities net position increased by \$7,589,701, a 35.0% increase from the previous year. The City's business-type activities net position increased by \$15,859,438, a 26.6% increase from the previous year. The increase in net position on business-type activities is due primarily to a settlement between the City and Jacobs Engineering Group related to a suit filed in 2019<sup>1</sup>.
- Total revenue for the City was \$49,424,050, a 48.7% increase from the previous year. General revenues accounted for \$25,515,400 of revenue, or 51.6% of all revenues. Program specific revenues accounted for \$23,908,650 or 48.4% of total revenues.
- The City had \$25,974,911 in program expenses. Of the program expenses, \$4,547,773 was for providing water service, \$4,834,574 was for providing wastewater service, and \$1,214,603 was for providing storm drainage service.
- The City's long-term liabilities decreased by \$2,932,904, a 4.4% decrease from the previous year.
- Among the governmental funds, the General Fund had \$11,186,696 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 \$6,218,024, the Wastewater Fund had \$6,747,284 and the Storm Drainage Fund had \$595,249 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.

*Government-wide Financial Statements*

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

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<sup>1</sup> City of Lebanon terminates wastewater treatment plant contract (Gehrett, 2020)

**CITY OF LEBANON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, culture and recreation, community planning, and transit. The business-type activities of the City include water, wastewater, and storm drainage operations.

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

*Fund Financial Statements*

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

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

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

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

The City maintains twenty-nine 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.



**CITY OF LEBANON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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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 (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

*Statement of Net Position*

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 24,926,094	\$ 23,231,345	\$ 27,063,071	\$ 10,508,817	\$ 51,989,165	\$ 33,740,162
Capital assets, net	35,923,724	35,231,066	87,631,176	79,023,089	123,554,900	114,254,155
Total assets	<u>60,849,817</u>	<u>58,462,411</u>	<u>114,694,247</u>	<u>89,531,906</u>	<u>175,544,065</u>	<u>147,994,317</u>
Deferred outflows of resources	3,718,472	3,127,131	1,020,038	1,083,501	4,738,510	4,210,632
Long-term liabilities outstanding	28,934,575	36,601,926	34,445,616	29,711,169	63,380,191	66,313,095
Other liabilities	1,392,749	2,451,279	4,430,869	993,404	5,823,618	3,444,683
Total liabilities	<u>30,327,324</u>	<u>39,053,205</u>	<u>38,876,485</u>	<u>30,704,573</u>	<u>69,203,809</u>	<u>69,757,778</u>
Deferred inflows of resources	4,963,881	848,954	1,361,677	294,149	6,325,558	1,143,103
Net position:						
Net investment in capital assets	13,849,672	8,856,238	54,741,143	52,863,606	68,590,815	61,719,844
Restricted	16,045,365	13,076,501	5,184,065	4,281,634	21,229,430	17,358,135
Unrestricted	(617,952)	(245,356)	15,550,915	2,471,445	14,932,963	2,226,089
Total net position	<u>\$ 29,277,084</u>	<u>\$ 21,687,383</u>	<u>\$ 75,476,123</u>	<u>\$ 59,616,685</u>	<u>\$ 104,753,208</u>	<u>\$ 81,304,068</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 \$29,277,084. Of the total net position, \$13,849,672 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, \$16,045,365, is restricted as to how it may be used by budgetary, legal, and external factors. The unrestricted net position was a deficit balance of \$617,952 for 2022. The deficit is caused primarily by the \$6,046,688 in postemployment liabilities related to PERS. Additional notes can be found beginning on page 46 in the Notes to the Financial Statements.

In liabilities and deferred inflows of resources, the City's governmental activities had \$28,934,575 in outstanding long-term liabilities and \$1,392,749 in other liabilities including outstanding accounts, payroll, and interest payable, deposits, and unearned revenue. The City had \$4,915,760 in pension related deferrals and \$48,121 in other postemployment benefits (OPEB) related deferrals. In total, the City's net position increased \$7,589,701 in governmental activities in 2022.

For the City's business-type activities, total net position was \$75,476,123 with \$54,741,143 tied up in net investment in capital assets, \$5,184,065 in restricted net position and an unrestricted net position of \$15,550,915. The City has \$34,445,616 in outstanding long-term liabilities and \$4,430,869 which is \$3,437,465 higher than 2021 due to the inclusion of \$3,000,000 in unearned revenue from American Rescue Plan Act (ARPA) funds unspent at the end of the fiscal year. In deferred inflows of resources, the City had

**CITY OF LEBANON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

\$1,348,476 related to pensions and \$13,201 for OPEB deferrals. In total, the City's net position increased \$15,859,438 in business-type activities in 2022, primarily attributable to settlements from legal suits and unspent system development revenue received.

*Statement of Activities*

The following is a comparison between the June 30, 2022 and 2021 Statement of Activities:

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Fees, fines, charges for services	\$ 3,314,855	\$ 3,073,584	\$ 13,589,682	\$ 12,400,528	\$ 16,904,536	\$ 15,474,112
Operating grants and contributions	5,194,297	3,718,031	-	57,309	5,194,297	3,775,340
Capital grants and contributions	1,146,993	212,044	662,824	422,375	1,809,817	634,419
General revenues:						
Property and other taxes	10,604,294	10,523,164	-	-	10,604,294	10,523,164
Franchise Fees	2,554,314	2,381,699	-	-	2,554,314	2,381,699
Investment earnings	152,728	218,920	121,778	81,274	274,506	300,194
Miscellaneous	60,070	-	22,216	153,157	82,286	153,157
Settlement	-	-	12,000,000	-	12,000,000	-
Total revenues	<u>23,027,551</u>	<u>20,127,442</u>	<u>26,396,499</u>	<u>13,114,643</u>	<u>49,424,050</u>	<u>33,242,085</u>
Expenses:						
General government	2,420,338	2,896,729	-	-	2,420,338	2,896,729
Public safety	6,339,717	5,333,854	-	-	6,339,717	5,333,854
Highways and streets	1,660,065	1,561,346	-	-	1,660,065	1,561,346
Culture and recreation	2,168,385	1,941,534	-	-	2,168,385	1,941,534
Community planning	1,226,562	1,007,658	-	-	1,226,562	1,007,658
Transit	683,301	395,457	-	-	683,301	395,457
Interest and fiscal charges	879,593	997,293	-	-	879,593	997,293
Water	-	-	4,547,773	4,715,845	4,547,773	4,715,845
Wastewater	-	-	4,834,574	6,747,746	4,834,574	6,747,746
Storm Drainage	-	-	1,214,603	464,517	1,214,603	464,517
Total expenses	<u>15,377,961</u>	<u>14,133,871</u>	<u>10,596,950</u>	<u>11,928,108</u>	<u>25,974,911</u>	<u>26,061,979</u>
Increase/(decrease) in net position before transfers	7,649,589	5,993,571	15,799,549	1,186,535	23,449,139	7,180,106
Transfers in (out)	<u>(59,889)</u>	<u>1,104,181</u>	<u>59,889</u>	<u>(1,104,181)</u>	<u>-</u>	<u>-</u>
Special item:						
Gain on transfer of operations	-	-	-	(677,979)	-	(677,979)
Increase/(decrease) in net position	7,589,701	7,097,752	15,859,438	(595,625)	23,449,140	6,502,127
Net position, Beginning (Previously reported)	21,687,383	14,656,347	59,616,685	60,149,379	81,304,068	74,805,726
Restatement	-	(66,716)	-	62,931	-	(3,785)
Net position, Beginning Restated	<u>21,687,383</u>	<u>14,589,631</u>	<u>59,616,685</u>	<u>60,212,310</u>	<u>81,304,068</u>	<u>74,801,941</u>
Net position, Ending	<u>\$ 29,277,084</u>	<u>\$ 21,687,383</u>	<u>\$ 75,476,123</u>	<u>\$ 59,616,685</u>	<u>\$ 104,753,208</u>	<u>\$ 81,304,068</u>

Table 2

Governmental activities increased the City's net position by \$7,589,701 in fiscal year 2021-22, as compared to a \$7,097,752 increase in the prior fiscal year. Revenue, excluding transfers, increased by \$2,900,109 and expenses, excluding transfers, increased \$1,244,089. Key elements of this change, as illustrated in Table 2 above, is primarily the result of increased grants and contributions, both operating and capital. Business-Type

**CITY OF LEBANON  
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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activities total revenues, excluding transfers, increased \$1,281,856 from fiscal year 2021-22, due mainly to increases in charges for service and grants and donations and expenses, excluding transfers, decreased \$1,331,158, which is primarily attributable to reduced debt payments after a revenue bond was paid off in fiscal year 2020-21.

The primary revenues for governmental funds are taxes, fees and licenses, and intergovernmental revenues. The two largest sources of revenues for the City of Lebanon’s General Fund are property taxes and franchise fees.

The State of Oregon does not have a sales tax and there has been a long history of its citizens opposing one. This 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 services levels by budgeting conservatively and providing quality services with lean budgets. The charts showing governmental expenses versus governmental activities demonstrate the funding challenges that Lebanon and other cities face.

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

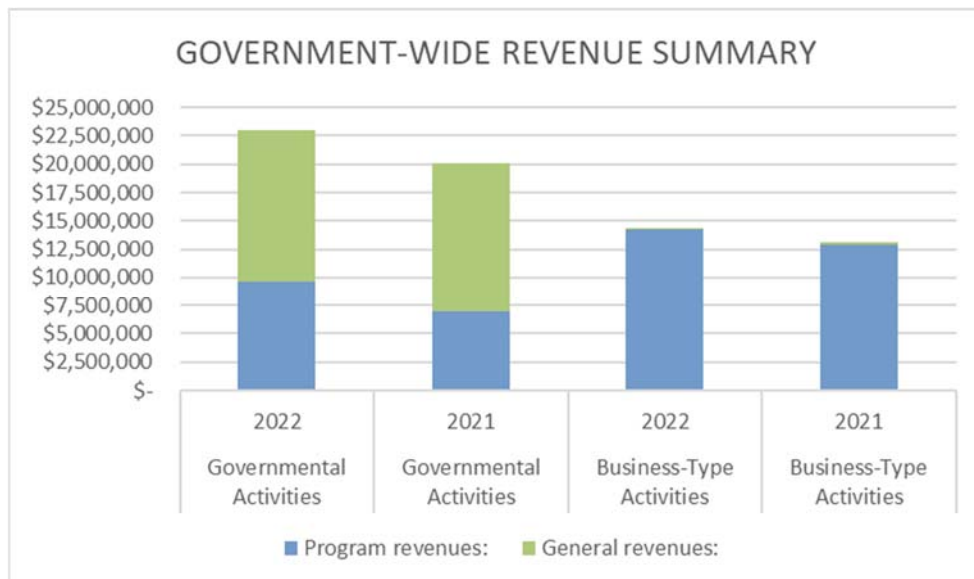


Figure 1

**CITY OF LEBANON  
 MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

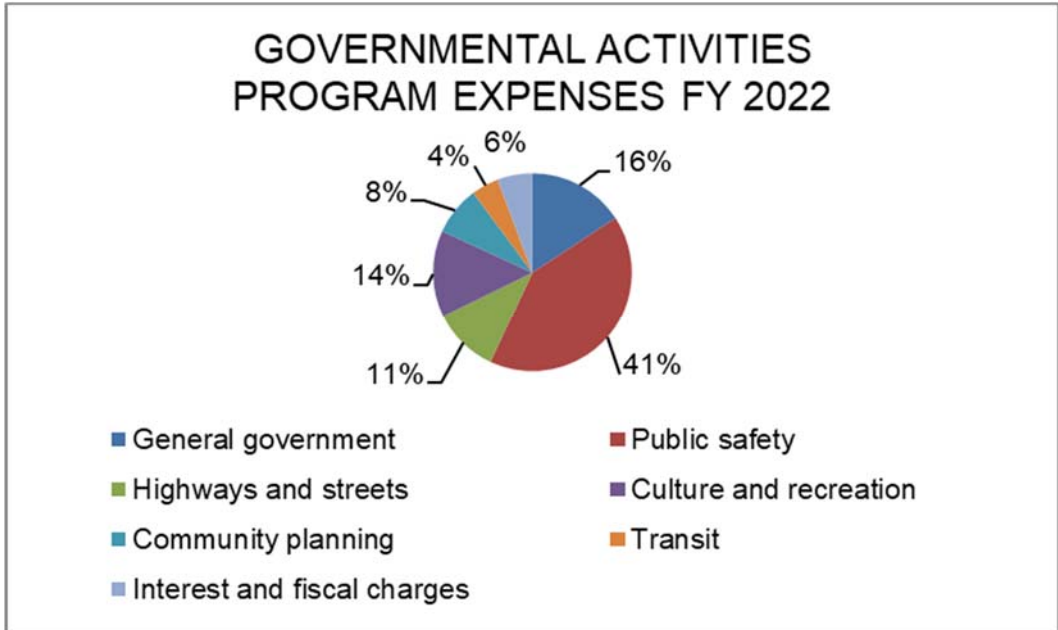


Figure 2

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

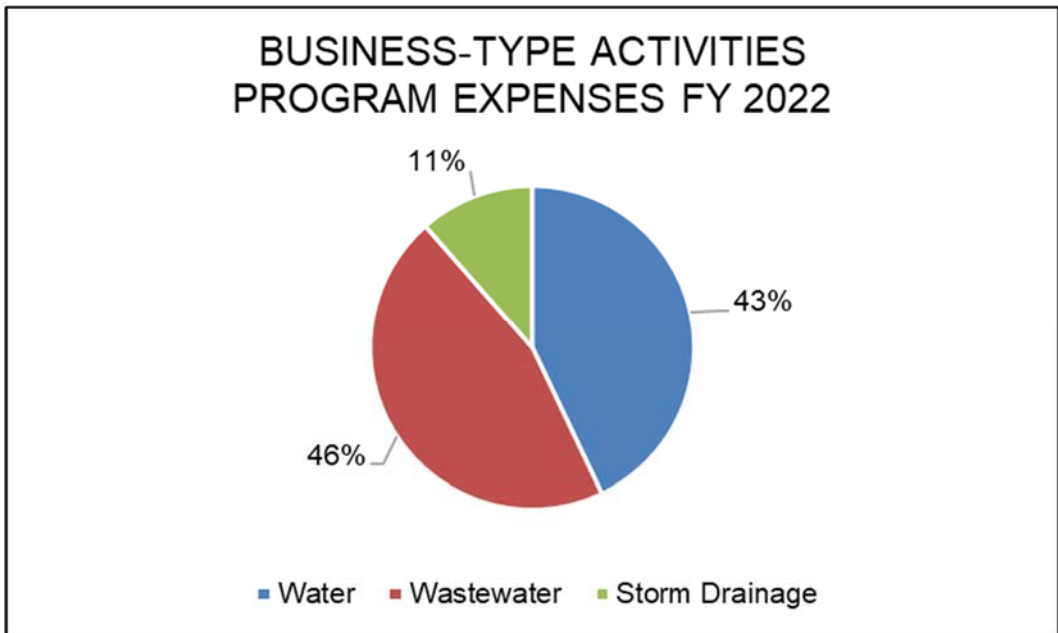


Figure 3

**CITY OF LEBANON  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

***Governmental Funds***

As the City completed the year, its governmental funds reported a combined fund balance of \$21,556,478, an increase of \$2,093,464. The fund balance constitutes restricted, committed, assigned and unassigned amounts. Of the current fund balances, \$232,429 is restricted for debt service, \$25,352 is restricted for public safety, \$6,531,938 is restricted for highway and streets, \$4,141,032 is restricted for culture and recreation, \$1,072,068 is restricted for building and engineering, \$249,387 is restricted for transit, \$2,821,540 is restricted for Urban Renewal Districts, \$571,683 is committed for culture and recreation, \$89,451 is committed for building and engineering, \$863,900 is assigned for equipment replacements and \$4,957,698 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 \$4,957,698, an increase of \$78,102.

***Proprietary Funds***

The City's enterprise funds reported unrestricted net position of \$15,550,915, restricted net position of \$5,184,065 and \$54,741,143 in net investment in capital assets.

**BUDGETARY HIGHLIGHTS**

General Fund resources were budgeted and anticipated to be collected in the amount of \$14,510,731 during the fiscal year. Actual resources of \$11,198,196 were available, \$3,312,535 less than budgeted due in large part to budgeted funds for American Rescue Plan Act funds which were receipted but recorded as unearned revenue ready to be spent. General Fund expenditures budget was under-spent by \$7,251,660. The ending fund balance was greater than the contingency budgeted by \$2,651,305.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2022, the City had invested, before net reduction for accumulated depreciation, \$219,960,679 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 \$13,045,463 from the prior year. Additions to depreciable assets of \$3,760,738 includes additions from construction projects completed during the fiscal year. Additionally, there was an increase in construction in progress of \$9,284,725 primarily due to construction of the Westside Sewer Interceptor which accounted for \$9.1 million.

**CITY OF LEBANON**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Total depreciation expense for the year was \$3,760,690 of which \$1,494,808 is associated with general government activities and \$2,265,882 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	
	2022	2021	2022	2021	2022	2021
	Land	\$ 2,769,703	\$ 2,769,703	\$ 1,278,827	\$ 1,278,827	\$ 4,048,530
Construction in progress	312,280	213,606	10,251,301	1,065,249	10,563,581	1,278,855
Buildings	12,579,676	12,971,668	3,273,776	3,392,080	15,853,452	16,363,748
Vehicles	665,530	561,712	730,775	821,376	1,396,305	1,383,088
Machinery & Equipment	950,491	1,058,886	7,725,741	7,339,595	8,676,232	8,398,481
Improvements	739,435	767,313	247,206	59,037	986,641	826,350
Infrastructure	17,827,434	16,799,101	64,123,550	65,066,925	81,950,984	81,866,026
Intangible	79,175	89,077	-	-	79,175	89,077
Total assets	<u>\$ 35,923,724</u>	<u>\$ 35,231,066</u>	<u>\$ 87,631,176</u>	<u>\$ 79,023,089</u>	<u>\$ 123,554,900</u>	<u>\$ 114,254,155</u>

Table 3

**Long-Term Debt**

At June 30, 2022 the City had total long-term debt outstanding of \$54,853,547. 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 \$5,569,691. Bond premiums decreased by \$179,297. 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	
	2022	2021	2022	2021	2022	2021
	Bonds payable:					
General obligation bonds	\$ 7,815,000	\$ 9,050,000	\$ -	\$ -	\$ 7,815,000	\$ 9,050,000
Full faith and credit obligations	6,830,000	7,805,000	-	625,000	6,830,000	8,430,000
Pension obligation bonds	1,095,009	1,255,009	-	-	1,095,009	1,255,009
Total bonds payable	<u>15,740,009</u>	<u>18,110,009</u>	<u>-</u>	<u>625,000</u>	<u>15,740,009</u>	<u>18,735,009</u>
Other long-term debt:						
Loans and notes payable	5,494,406	7,069,927	32,603,549	25,502,369	38,097,955	32,572,296
Premiums	1,015,583	1,162,766	-	32,114	1,015,583	1,194,880
Finance purchases	-	32,126	-	-	-	32,126
Total long-term debt	<u>\$ 22,249,998</u>	<u>\$ 26,374,828</u>	<u>\$ 32,603,549</u>	<u>\$ 26,159,483</u>	<u>\$ 54,853,547</u>	<u>\$ 52,534,311</u>

Table 4

**CITY OF LEBANON  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**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 COVID-19 pandemic was a continual concern throughout the fiscal year as new variants came to light and a particularly brutal winter threatened additional shutdowns. Additionally, the city continues to face the challenge of costs that are rising faster than revenues as a result of inflation currently over 9%, the highest since the early 1980s.

The City, along with local governments across the State, continues to carefully monitor retirement costs resulting from the State-run pension fund, Oregon Public Employee Retirement System (PERS). Further information on PERS can be found in the notes to the financial statements. Rates increased on July 1, 2021. In September 2022, the PERS Board approved employer contributions increases which will increase costs in Lebanon over 2% of payroll in July 2023.

During preparation of the budget for the ensuing year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The City's adopted budget for the July 1, 2022 to June 30, 2023 annual budget reflects total appropriations of \$67,814,055. 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.
- 3.0% rate increase for Utilities.
- Cost of living increases totaled 3% for American Federation of State, County & Municipal Employees (AFSCME), 4% for Teamsters (Police) employees and 4% for non-union employees.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

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

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



# BASIC FINANCIAL STATEMENTS

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



**CITY OF LEBANON, OREGON**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	Governmental Activities	Business-Type Activities	Total Primary Government
<b>ASSETS</b>			
Cash and cash equivalent - unrestricted	\$ 21,454,471	\$ 25,170,199	\$ 46,624,670
Cash and cash equivalent - restricted	178,670	-	178,670
Taxes receivable	396,337	-	396,337
Accounts receivable, net	1,402,109	1,807,613	3,209,722
Assessments receivable	653,318	589,903	1,243,221
Internal balances	708,892	(708,892)	-
Prepaid	-	1,146	1,146
Inventory	-	166,812	166,812
Net other postemployment benefits asset	132,297	36,291	168,588
Capital assets:			
Capital assets not being depreciated	3,081,983	11,530,127	14,612,110
Depreciable capital assets, net of depreciation	32,762,565	76,101,049	108,863,614
Intangible assets, net of amortization	79,176	-	79,176
Total assets	<u>60,849,818</u>	<u>114,694,248</u>	<u>175,544,066</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related deferrals	3,647,275	1,000,509	4,647,784
OPEB related deferrals	71,197	19,529	90,726
Total deferred outflows of resources	<u>3,718,472</u>	<u>1,020,038</u>	<u>4,738,510</u>
<b>LIABILITIES</b>			
Accounts payable	467,724	866,915	1,334,639
Accrued payroll	490,121	24,669	514,790
Deposits	534	246,940	247,474
Unearned revenue	298,149	3,000,000	3,298,149
Accrued interest payable	136,221	292,345	428,566
Noncurrent liabilities:			
Portion due within one year:			
Compensated absences	159,472	45,840	205,312
Loans, bonds, and notes payable	3,196,810	1,018,604	4,215,414
Portion due after one year:			
Compensated absences	478,417	137,520	615,937
Loans, bonds, and notes payable	19,053,188	31,584,945	50,638,133
Net pension liability	5,763,208	1,580,944	7,344,152
Net OPEB liability	283,480	77,763	361,243
Total liabilities	<u>30,327,324</u>	<u>38,876,485</u>	<u>69,203,809</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related deferrals	4,915,760	1,348,476	6,264,236
OPEB related deferrals	48,121	13,201	61,322
Total deferred inflows of resources	<u>4,963,881</u>	<u>1,361,677</u>	<u>6,325,558</u>
<b>NET POSITION</b>			
Net investment in capital assets	13,849,672	54,741,143	68,590,815
Restricted:			
Debt service	267,007	-	267,007
Public safety	25,352	-	25,352
Highways and streets	6,738,704	-	6,738,704
Culture and recreation	4,639,191	-	4,639,191
Building & engineering	1,072,068	-	1,072,068
Transit	422,649	-	422,649
Urban renewal projects	2,880,394	-	2,880,394
Utility capital projects	-	5,184,065	5,184,065
Unrestricted (deficit)	(617,952)	15,550,916	14,932,964
Total net position	<u>\$ 29,277,085</u>	<u>\$ 75,476,124</u>	<u>\$ 104,753,209</u>

**CITY OF LEBANON, OREGON  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

ACTIVITIES	Program Revenues				Net Revenue (Expense) and Changes in Net Position		
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Totals
<b>Primary government:</b>							
Governmental activities							
General government	\$ 2,420,338	\$ 523,263	\$ 1,658,387	\$ 10,747	\$ (227,942)	\$ -	\$ (227,942)
Public safety	6,339,717	690,856	3,060	7,542	(5,638,259)	-	(5,638,259)
Highways and streets	1,660,065	1,494,688	1,956,360	314,830	2,105,813	-	2,105,813
Culture and recreation	2,168,385	468,190	555,535	811,681	(332,979)	-	(332,979)
Community planning	1,226,562	137,858	13,900	-	(1,074,804)	-	(1,074,804)
Transit	683,301	-	1,007,055	2,193	325,947	-	325,947
Interest and fiscal charges	879,593	-	-	-	(879,593)	-	(879,593)
Total government activities	<u>15,377,961</u>	<u>3,314,855</u>	<u>5,194,297</u>	<u>1,146,993</u>	<u>(5,721,816)</u>	<u>-</u>	<u>(5,721,816)</u>
Business-type activities							
Water	4,547,773	6,232,758	-	235,352	-	1,920,337	1,920,337
Wastewater	4,834,574	6,735,876	-	246,614	-	2,147,916	2,147,916
Storm Drainage	1,214,603	621,047	-	180,858	-	(412,698)	(412,698)
Total business-type activities	<u>10,596,950</u>	<u>13,589,682</u>	<u>-</u>	<u>662,824</u>	<u>-</u>	<u>3,655,555</u>	<u>3,655,555</u>
Total primary government	<u>\$ 25,974,911</u>	<u>\$ 16,904,536</u>	<u>\$ 5,194,297</u>	<u>\$ 1,809,817</u>	<u>(5,721,816)</u>	<u>3,655,555</u>	<u>(2,066,261)</u>
<b>GENERAL REVENUES</b>							
					10,604,294	-	10,604,294
					2,554,314	-	2,554,314
					152,729	121,779	274,508
					60,070	22,216	82,286
					-	12,000,000	12,000,000
					(59,889)	59,889	-
					<u>13,311,518</u>	<u>12,203,884</u>	<u>25,515,402</u>
					7,589,702	15,859,439	23,449,141
					<u>21,687,383</u>	<u>59,616,685</u>	<u>81,304,068</u>
					<u>\$ 29,277,085</u>	<u>\$ 75,476,124</u>	<u>\$ 104,753,209</u>

**CITY OF LEBANON, OREGON  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2022**

	General Fund	Non-Major Governmental Funds	Totals
<b>ASSETS</b>			
Cash and cash equivalent	\$ 5,324,125	\$ 15,765,706	\$ 21,089,831
Taxes receivable	228,715	167,622	396,337
Accounts receivable	660,093	737,129	1,397,222
Assessment receivable	-	653,318	653,318
Restricted cash and investments	-	178,670	178,670
Interfund loan receivable	-	286,484	286,484
<b>TOTAL ASSETS</b>	<b>\$ 6,212,933</b>	<b>\$ 17,788,929</b>	<b>\$ 24,001,862</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 204,009	\$ 201,850	\$ 405,859
Accrued payroll	453,058	16,329	469,387
Unearned revenue	270,272	350	270,622
Deposits	534	-	534
<b>Total liabilities</b>	<b>927,873</b>	<b>218,529</b>	<b>1,146,402</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue - property taxes	117,894	93,432	211,326
Unavailable revenue - receivables	209,468	878,188	1,087,656
<b>Total deferred inflows of resources</b>	<b>327,362</b>	<b>971,620</b>	<b>1,298,982</b>
<b>Fund balances:</b>			
Restricted	-	15,073,746	15,073,746
Committed	-	661,134	661,134
Assigned	-	863,900	863,900
Unassigned	4,957,698	-	4,957,698
<b>Total fund balances</b>	<b>4,957,698</b>	<b>16,598,780</b>	<b>21,556,478</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 6,212,933</b>	<b>\$ 17,788,929</b>	<b>\$ 24,001,862</b>

**CITY OF LEBANON, OREGON  
RECONCILIATION OF GOVERNMENTAL FUNDS  
BALANCE SHEET TO STATEMENT OF NET POSITION  
JUNE 30, 2022**

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<b>TOTAL FUND BALANCE</b>	<b>\$ 21,556,478</b>
Total net position shown in the Statement of Net Position is different because:	
A portion of the City's receivables are collected after year-end but they are not collected soon enough to be available as financial resources for the current year. The revenues related to these receivables are deferred and not reported in the governmental funds.	
	1,298,982
Capital assets are not financial resources and therefore are not reported in the governmental funds.	
	35,887,504
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflow of resources on the statement of net position.	
Net OPEB asset	103,289
Deferred outflows of resources from pensions - current year pension contributions, changes of assumptions, projected and actual earnings on investments, changes in proportionate share, proportionate share of system contributions	2,847,573
Deferred outflows of resources from OPEB - current year pension contributions, changes in assumptions, changes in proportionate share, investment experience, plan experience	55,586
Deferred inflows of resources from pensions - changes in proportionate share, proportionate share of system contributions	(3,837,931)
Deferred inflows of resources from OPEB - projected and actual earnings on investments	<u>(37,570)</u>
	(869,053)
Other long-term liabilities that are not due and payable in the current period and are not reported in the governmental funds include:	
Accrued interest payable	(136,221)
Compensated absences	(535,547)
Contracts, bonds, notes, and loans payable and related premium liability	(22,249,998)
Net pension liability	(4,499,568)
Net OPEB liability	<u>(221,325)</u>
Total long-term liabilities	(27,642,659)
Internal service funds are proprietary-type funds and are not reported with governmental funds. However, because internal service funds primarily benefit governmental activities, their assets, liabilities and net position are reported along with governmental activities in the Statement of Net Position.	
	<u>(954,167)</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 29,277,084</u></b>

**CITY OF LEBANON, OREGON**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	General Fund	Non-Major Governmental Funds	Totals
<b>REVENUES:</b>			
Property and other taxes	\$ 6,410,007	\$ 4,312,873	\$ 10,722,880
Franchise fees	2,554,314	-	2,554,314
Special assessment collections	-	1,820,987	1,820,987
Licenses and permits	7,805	805,215	813,020
Fines, forfeitures, and penalties	399,737	-	399,737
Intergovernmental	1,583,703	3,359,588	4,943,291
Charges for services	116,482	213,888	330,370
Rentals	34,384	21,670	56,054
Contributions	10,747	59,213	69,960
Interest	36,530	114,818	151,348
Miscellaneous	32,987	25,083	58,070
<b>TOTAL REVENUES</b>	<b>11,186,696</b>	<b>10,733,335</b>	<b>21,920,031</b>
<b>EXPENDITURES:</b>			
Current:			
General government	1,575,812	-	1,575,812
Public safety	5,541,711	4,269	5,545,980
Highways and streets	-	912,748	912,748
Culture and recreation	874,853	908,201	1,783,054
Community planning	501,834	555,920	1,057,754
Transit	-	625,172	625,172
Debt service	159,447	4,878,681	5,038,128
Capital outlay	60,292	1,124,908	1,185,200
<b>TOTAL EXPENDITURES</b>	<b>8,713,949</b>	<b>9,009,899</b>	<b>17,723,848</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>2,472,747</b>	<b>1,723,436</b>	<b>4,196,183</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	11,500	2,493,794	2,505,294
Transfers out	(2,406,145)	(2,201,868)	(4,608,013)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(2,394,645)</b>	<b>291,926</b>	<b>(2,102,719)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>78,102</b>	<b>2,015,362</b>	<b>2,093,464</b>
<b>FUND BALANCES, JUNE 30, 2021</b>	<b>4,879,596</b>	<b>14,583,418</b>	<b>19,463,014</b>
<b>FUND BALANCES, JUNE 30, 2022</b>	<b>\$ 4,957,698</b>	<b>\$ 16,598,780</b>	<b>\$ 21,556,478</b>

**CITY OF LEBANON, OREGON  
RECONCILIATION OF STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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<b>NET CHANGE IN FUND BALANCES</b>	<b>\$</b>	<b>2,093,464</b>
The change in net position reported in the Statement of Activities is different because:		
Governmental funds report capital outlay as an expenditure. However, in the Statement of Activities the cost of those assets is capitalized. Their value is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay expenditures	1,084,114	
Contributed Capital	1,077,033	
Amortization	(9,901)	
Depreciation	<u>(1,494,808)</u>	656,438
Long-term debt principal payments are recorded as expenditures in the governmental funds and issuance of long-term debt is recorded as an other financing source. In the Statement of Activities issuance of long-term debt reduces net position and the payment of long-term debt principal increases net position.		
Payment of long-term debt principal	3,977,647	
Bond premium amortization	<u>147,183</u>	4,124,830
Receivables that do not meet the "measurable and available" criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities they are recognized as revenue when levied or earned.		
		(61,186)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Changes related to long-term liabilities included:		
Accrual of interest payable	33,706	
Accrual of compensated absences	42,418	
Accrual of pension items	1,626,811	
Accrual of net OPEB items	<u>27,388</u>	1,730,323
Internal service funds are used by management to charge the costs of administrative support, facilities management, and other services to individual funds. The amount of the governmental activities portion of the net income/loss of the internal service funds is recognized on the Statement of Activities.		
		<u>(954,167)</u>
<b>CHANGE IN NET POSITION</b>	<b>\$</b>	<b><u>7,589,701</u></b>

## FUND FINANCIAL STATEMENTS

### PROPRIETARY FUNDS

#### ENTERPRISE FUNDS:

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

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



**CITY OF LEBANON, OREGON  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022**

	Business Type Activities - Enterprise Funds				Governmental Activities
	Water Funds	Wastewater Funds	Nonmajor Storm Drainage Funds	Totals	Internal Service Funds
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 4,992,617	\$ 19,701,191	\$ 476,391	\$ 25,170,199	\$ 364,640
Accounts receivable, net	523,513	763,606	69,203	1,356,322	4,887
Unbilled revenue	215,784	209,841	25,666	451,291	-
Assessments receivable	225,476	341,908	22,519	589,903	-
Prepaid	1,146	-	-	1,146	-
Inventory	166,812	-	-	166,812	-
Total current assets	6,125,348	21,016,546	593,779	27,735,673	369,527
Noncurrent assets:					
Net OPEB asset	16,374	18,370	1,547	36,291	29,008
Capital assets:					
Capital assets not being depreciated	784,236	10,633,739	112,152	11,530,127	-
Depreciable capital assets, net of depreciation	43,979,617	30,244,777	1,876,655	76,101,049	36,220
Total noncurrent assets	44,780,227	40,896,886	1,990,354	87,667,467	65,228
Total assets	50,905,575	61,913,432	2,584,133	115,403,140	434,755
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension related deferrals	451,425	506,436	42,648	1,000,509	799,702
OPEB related deferrals	8,812	9,885	832	19,529	15,611
Total deferred outflows of resources	460,237	516,321	43,480	1,020,038	815,313
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	42,256	816,228	8,431	866,915	61,865
Accrued payroll	11,396	11,565	1,708	24,669	20,734
Deposits	246,940	-	-	246,940	-
Accrued interest payable	277,179	15,166	-	292,345	-
Unearned revenue	-	3,000,000	-	3,000,000	27,527
Current portion of long-term liabilities:					
Loans and notes payable	678,604	340,000	-	1,018,604	-
Compensated absences	22,556	21,759	1,525	45,840	25,585
Total current liabilities	1,278,931	4,204,718	11,664	5,495,313	135,711
Noncurrent liabilities:					
Noncurrent portion of long-term liabilities:					
Loans and notes payable	20,729,595	10,855,350	-	31,584,945	-
Compensated absences	67,669	65,275	4,576	137,520	76,757
Net pension liability	713,314	800,240	67,390	1,580,944	1,263,640
Net OPEB liability	35,086	39,362	3,315	77,763	62,155
Interfund loan payable	-	-	286,484	286,484	-
Total noncurrent liabilities	21,545,664	11,760,227	361,765	33,667,656	1,402,552
Total liabilities	22,824,595	15,964,945	373,429	39,162,969	1,538,263
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension related deferrals	608,426	682,569	57,481	1,348,476	1,077,829
OPEB related deferrals	5,956	6,682	563	13,201	10,551
Total deferred outflows of resources	614,382	689,251	58,044	1,361,677	1,088,380
<b>NET POSITION</b>					
Net investment in capital assets	23,355,654	29,683,166	1,702,323	54,741,143	36,220
Restricted	897,841	4,014,072	272,152	5,184,065	-
Unrestricted (Deficit)	3,673,340	12,078,319	221,665	15,973,324	(1,412,795)
<b>TOTAL NET POSITION (DEFICIT)</b>	<b>\$ 27,926,835</b>	<b>\$ 45,775,557</b>	<b>\$ 2,196,140</b>	<b>75,898,532</b>	<b>\$ (1,376,575)</b>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time				(422,408)	
Net position of business-type activities				<u>\$ 75,476,124</u>	

**CITY OF LEBANON, OREGON**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business Type Activities - Enterprise Funds				Governmental Activities
	Water Funds	Wastewater Funds	Nonmajor Storm Drainage Funds	Totals	Internal Service Funds
<b>OPERATING REVENUES:</b>					
Special assessment collections	\$ 347,236	\$ 563,370	\$ 49,653	\$ 960,259	\$ -
Intergovernmental	-	-	-	-	116,885
Charges for services	5,863,874	6,169,103	545,584	12,578,561	15,140
Rentals	-	-	-	-	7,850
Miscellaneous	6,914	14,811	12	21,737	1,758
<b>TOTAL OPERATING REVENUE</b>	<b>6,218,024</b>	<b>6,747,284</b>	<b>595,249</b>	<b>13,560,557</b>	<b>141,633</b>
<b>OPERATING EXPENSES:</b>					
Personnel services	958,631	1,187,620	93,985	2,240,236	3,829,314
Materials and services	1,237,129	2,420,840	202,967	3,860,936	966,903
Depreciation and amortization	1,140,947	1,081,122	43,813	2,265,882	-
<b>TOTAL OPERATING EXPENSES</b>	<b>3,336,707</b>	<b>4,689,582</b>	<b>340,765</b>	<b>8,367,054</b>	<b>4,796,217</b>
<b>OPERATING INCOME (LOSS)</b>	<b>2,881,317</b>	<b>2,057,702</b>	<b>254,484</b>	<b>5,193,503</b>	<b>(4,654,584)</b>
<b>NONOPERATING INCOME (EXPENSE):</b>					
Interest income	29,100	88,473	3,550	121,123	2,035
Interest expense	(484,291)	(30,742)	(7,316)	(522,349)	-
Settlement	-	12,000,000	-	12,000,000	-
<b>TOTAL NONOPERATING INCOME (EXPENSE)</b>	<b>(455,191)</b>	<b>12,057,731</b>	<b>(3,766)</b>	<b>11,598,774</b>	<b>2,035</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<b>2,426,126</b>	<b>14,115,433</b>	<b>250,718</b>	<b>16,792,277</b>	<b>(4,652,549)</b>
<b>TRANSFERS AND CONTRIBUTIONS</b>					
Capital contributions	235,352	246,614	180,858	662,824	-
Transfers in	70,769	385,308	-	456,077	3,543,513
Transfers out	(761,535)	(649,874)	(217,922)	(1,629,331)	(267,539)
<b>TOTAL TRANSFERS AND CONTRIBUTIONS</b>	<b>(455,414)</b>	<b>(17,952)</b>	<b>(37,064)</b>	<b>(510,430)</b>	<b>3,275,974</b>
<b>CHANGE IN NET POSITION</b>	<b>1,970,712</b>	<b>14,097,481</b>	<b>213,654</b>	<b>16,281,847</b>	<b>(1,376,575)</b>
<b>NET POSITION, JUNE 30, 2021</b>	<b>25,956,123</b>	<b>31,678,076</b>	<b>1,982,486</b>		<b>-</b>
<b>NET POSITION, JUNE 30, 2022</b>	<b>\$ 27,926,835</b>	<b>\$ 45,775,557</b>	<b>\$ 2,196,140</b>		<b>\$ (1,376,575)</b>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.				(422,409)	
Change in net position of business-type activities				\$ 15,859,438	

**CITY OF LEBANON, OREGON  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Business Type Activities - Enterprise Funds				Governmental Activities
	Water Funds	Wastewater Funds	Nonmajor Storm Drainage Funds	Totals	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash received from customers/tenants	\$ 6,379,293	\$ 6,716,573	\$ 551,986	\$ 13,647,852	\$ 136,746
Cash paid to suppliers for goods and services	(1,228,409)	1,037,452	(206,634)	(397,591)	(877,511)
Cash paid to employees for services	(1,283,537)	(1,422,676)	(119,261)	(2,825,474)	(2,136,384)
<b>NET CASH PROVIDED FROM (USED FOR) OPERATING ACTIVITIES</b>	<u>3,867,347</u>	<u>6,331,349</u>	<u>226,091</u>	<u>10,424,787</u>	<u>(2,877,149)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Cash received from legal settlements	-	12,000,000	-	12,000,000	-
Transfers from (to) other funds	(690,766)	(649,874)	(217,922)	(1,558,562)	3,275,974
<b>NET CASH PROVIDED FROM (USED FOR) NONCAPITAL FINANCING ACTIVITIES</b>	<u>(690,766)</u>	<u>11,350,126</u>	<u>(217,922)</u>	<u>10,441,438</u>	<u>3,275,974</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Proceeds from bonds, contracts and loans	-	8,100,350	-	8,100,350	-
Acquisition and construction of capital assets	(4,157)	(9,709,528)	(112,152)	(9,825,837)	(36,220)
Principal paid on bonds, contracts and loans payable	(899,170)	(725,000)	-	(1,624,170)	-
Interest paid on bonds, contracts and loans payable	(496,649)	(62,121)	(7,316)	(566,086)	-
<b>NET CASH PROVIDED FROM (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(1,399,976)</u>	<u>(2,396,299)</u>	<u>(119,468)</u>	<u>(3,915,743)</u>	<u>(36,220)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest received on investments	29,100	88,473	3,550	121,123	2,035
<b>NET CASH PROVIDED FROM (USED FOR) INVESTING ACTIVITIES</b>	<u>29,100</u>	<u>88,473</u>	<u>3,550</u>	<u>121,123</u>	<u>2,035</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>1,805,705</u>	<u>15,373,649</u>	<u>(107,749)</u>	<u>17,071,605</u>	<u>364,640</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30, 2021</b>	<u>3,186,912</u>	<u>4,327,542</u>	<u>584,140</u>	<u>8,098,594</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, JUNE 30, 2022</b>	<u>\$ 4,992,617</u>	<u>\$ 19,701,191</u>	<u>\$ 476,391</u>	<u>\$ 25,170,199</u>	<u>\$ 364,640</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ 2,881,317	\$ 2,057,702	\$ 254,484	\$ 5,193,503	\$ (4,654,584)
Adjustments to reconcile operating income (loss) to net cash provided from (used for) operating activities:					
Depreciation and amortization	1,140,947	1,081,122	43,813	2,265,882	-
Changes in assets and liabilities:					
Accounts and other receivables	126,517	(30,711)	(4,579)	91,227	(4,887)
Other assets	34,752	-	-	34,752	-
Accounts and claims payable	5,770	458,292	(3,667)	460,395	61,865
Accrued payroll	(6,631)	(7,626)	-	(14,257)	20,734
Compensated absences	(19,893)	(3,904)	(1,263)	(25,060)	102,342
Due to other funds	-	-	(38,684)	(38,684)	-
Deposits	2,950	-	-	2,950	-
Net OPEB asset	4,362	2,946	339	7,647	(29,008)
Pension related deferrals	51,870	10,936	3,127	65,933	(799,702)
OPEB related deferrals	(761)	(1,609)	(100)	(2,470)	(15,611)
Net pension liability	(821,707)	(777,718)	(72,220)	(1,671,645)	1,263,640
Total OPEB liability	(7,708)	(4,629)	(577)	(12,914)	62,155
Pension related deferrals	476,432	546,883	45,476	1,068,791	1,077,829
OPEB related deferrals	(870)	(335)	(58)	(1,263)	10,551
Unearned revenue	-	3,000,000	-	3,000,000	27,527
Total adjustments	<u>986,030</u>	<u>4,273,647</u>	<u>(28,393)</u>	<u>5,231,284</u>	<u>1,777,435</u>
<b>NET CASH PROVIDED FROM (USED FOR) OPERATING ACTIVITIES</b>	<u>\$ 3,867,347</u>	<u>\$ 6,331,349</u>	<u>\$ 226,091</u>	<u>\$ 10,424,787</u>	<u>\$ (2,877,149)</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Contributions of capital from governments, developers, and customers	\$ 306,121	\$ 631,922	\$ 180,858	\$ 1,118,901	\$ -

# Notes to the Basic Financial Statements



**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

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

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

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

**Reporting Entity**

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.

**Basis of Presentation**

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

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

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

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

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

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

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

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

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

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

**Measurement Focus/Basis of Accounting**

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

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

It is the City's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Wastewater, Water, and Storm Drainage funds are charges to customers for sales and services. These funds also recognize fees intended to recover the cost of connecting new customers to the city's utility systems as operating revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Cash and Cash Equivalents**

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

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

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

In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury which administers the LGIP. The LGIP is an open-ended, non-load diversified portfolio offered to any agency, political subdivision, or public corporation of the State that, by law, is made the custodian of, or has control of, any fund. The LGIP is included in the Oregon Short Term Fund (OSTF) which was established by the State Treasurer.

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

Compensated Absences

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

Receivables

Amounts due from individuals, organizations or other governmental units are recorded as receivables at year-end. These amounts include charges for services rendered, or for goods and material provided by the City. Included in accounts receivable are court fines and assessments. These charges often go unpaid, the City has setup an allowance account that reduces the account receivable balance down to an amount that is reasonably expected to be received. Besides court receivables, all other receivables are expected to be collected. The receivables amount is shown net of the allowance for uncollectable accounts.

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

Deferred Inflows/Outflows of Resources:

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

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

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

Inventory

Inventory in the Water fund is determined by physical count and is valued at cost. Expenses are recognized when inventories are consumed. Other inventories are taken for control purposes only with no dollar value assigned.



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

Restricted Assets and Related Liabilities

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

Long-Term Debt

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

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

Capital Assets

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

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

The estimated useful lives are as follows:

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

Use of Estimates

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

Equity Classifications:

*Government-wide Statements and Proprietary Fund Financial Statements*

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted and unrestricted.

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

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

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

*Governmental Fund Financial Statements*

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

- **Nonspendable**: This classification includes amounts that cannot be spent either because it is not spendable form or because of legal or contractual constraints. The City did not have any nonspendable resources as of June 30, 2022.
- **Restricted**: This classification includes fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The City has restricted funds for public works projects, capital projects and debt service.
- **Committed**: This classification includes fund balance amounts that are constrained for specific purpose that are internally imposed by the government through resolution of the highest level of decision-making authority, the City Council, and does not lapse at year-end. The City has committed resources as of June 30, 2022.
- **Assigned**: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to selected staff members or through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- **Unassigned**: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories, and negative fund balances of other governmental funds.

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

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

Property Taxes

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

Inter-Fund Transactions

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

Pensions

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

Other Post-Employment Benefits (OPEB)

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

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

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

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

New accounting standard implemented

In June 2017, the GASB issued Statement No. 87, *Leases* (GASB 87). The statement establishes accounting and financial reporting standards for leases by lessees and lessors. The statement requires lessees to report a “right to use” asset and a lease liability and requires lessors to report a lease receivable and a deferred outflow, for leases with a term of more than one year. The City implemented the provisions of GASB 87 as of July 1, 2021. There was no impact on the City’s financial statements as a result of implementation of this standard.

**CASH AND CASH EQUIVALENTS:**

The City’s cash and cash equivalents at June 30, 2022 are as follows:

Deposits with financial institutions	\$	1,504,361
State of Oregon Local Government Investment Pool		45,297,312
Cash on hand		<u>1,666</u>
Total cash and cash equivalents	\$	<u>46,803,339</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 on their combined cash and cash equivalents balances.

Deposits

*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 failed 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, 2022, none of the City’s deposits with financial institutions were exposed to custodial credit risk.

State of Oregon Local 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

**CITY OF LEBANON**  
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 JUNE 30, 2022

**CASH AND CASH EQUIVALENTS (CONT):**

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.

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

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

**CAPITAL ASSETS:**

The following is a summary of capital asset activity for the fiscal year ended June 30, 2022:

<b>Governmental Activities</b>	<b>July 1, 2021</b>	<b>Additions</b>	<b>Deletions</b>	<b>June 30, 2022</b>
<b>Assets not being depreciated:</b>				
Land	\$ 2,769,703	\$ -	\$ -	\$ 2,769,703
Construction In Progress	213,606	106,280	7,606	312,280
	<u>2,983,309</u>	<u>106,280</u>	<u>7,606</u>	<u>3,081,983</u>
<b>Assets being depreciated:</b>				
Buildings	19,119,295	-	-	19,119,295
Vehicles	2,853,017	177,880	22,734	3,008,163
Machinery & Equipment	4,816,117	48,160	-	4,864,277
Improvements	797,228	-	-	797,228
Infrastructure	70,885,274	1,872,653	-	72,757,927
Total Depreciable Assets	<u>98,470,931</u>	<u>2,098,693</u>	<u>22,734</u>	<u>100,546,890</u>
<b>Less: Accumulated Depreciation</b>				
Buildings	6,147,627	391,993	-	6,539,620
Vehicles	2,291,305	74,062	22,734	2,342,633
Machinery & Equipment	3,757,231	156,555	-	3,913,786
Improvements	29,915	27,878	-	57,793
Infrastructure	54,086,173	844,320	-	54,930,493
Total Accumulated Depreciation	<u>66,312,251</u>	<u>1,494,808</u>	<u>22,734</u>	<u>67,784,325</u>
Net Value of Capital Assets Being Depreciated	<u>32,158,680</u>	<u>603,885</u>	<u>-</u>	<u>32,762,565</u>
<b>Assets being amortized:</b>				
Intangible Assets	99,004	-	-	99,004
<b>Less:</b>				
Amortization	9,927	9,901	-	19,828
Net Value of Capital Assets being Amortized	<u>89,077</u>	<u>(9,901)</u>	<u>-</u>	<u>79,176</u>
Total Governmental Activities--Net Value of Capital Assets	<u>\$ 35,231,066</u>	<u>\$ 700,264</u>	<u>\$ 7,606</u>	<u>\$ 35,923,724</u>

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2022

**CAPITAL ASSETS (CONT):**

<u>Business-type Activities</u>	<u>July 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>
<b>Assets not being depreciated:</b>				
Land	\$ 1,278,827	\$ -	\$ -	\$ 1,278,827
Construction In Progress	1,065,249	9,433,007	246,956	10,251,300
Total assets not being depreciated	2,344,076	9,433,007	246,956	11,530,127
<b>Assets being depreciated:</b>				
Buildings	8,267,076	-	-	8,267,076
Vehicles	1,870,568	-	-	1,870,568
Machinery & Equipment	12,210,374	734,594	-	12,944,968
Improvements	59,037	190,872	-	249,909
Infrastructure	46,572,103	740,404	78,447	47,234,060
Water/Sewer Assets	34,038,737	97,357	-	34,136,094
Total Depreciable Assets	103,017,895	1,763,227	78,447	104,702,675
<b>Less: Accumulated Depreciation</b>				
Buildings	4,874,996	118,305	-	4,993,301
Vehicles	1,049,192	90,603	-	1,139,795
Machinery & Equipment	4,870,779	348,447	-	5,219,226
Improvements	-	2,702	-	2,702
Infrastructure	2,489,577	931,492	3,139	3,417,930
Water/Sewer Assets	13,054,338	774,334	-	13,828,672
Total Accumulated Depreciation	26,338,882	2,265,883	3,139	28,601,626
Net Value of Capital Assets Being Depreciated	76,679,013	(502,656)	75,308	76,101,049
Total Business-type Activities--Net Value of Capital Asset	\$ 79,023,089	\$ 8,930,351	\$ 322,264	\$ 87,631,176
<b>Total Net Value of Capital Assets of Primary Government</b>	<b>\$ 114,254,155</b>	<b>\$ 9,630,615</b>	<b>\$ 329,870</b>	<b>\$ 123,554,900</b>

<b>Depreciation expense was charged to functions of the primary government as follows:</b>				
Governmental Activities:		Business-Type Activities:		
General Government	\$ 343,127	Water	\$ 1,140,948	
Public Safety	219,460	Sewer	1,081,121	
Community Planning	2,984	Storm Drain	43,814	
Transit	13,507	Total depreciation expense	<u>\$ 2,265,883</u>	
Highways and Street	684,766			
Culture and Rec	230,964			
Internal service funds*	-			
Total depreciation expense	<u>\$ 1,494,808</u>			
<b>Amortization expense was charged to functions of primary government as follows:</b>				
Public Safety	\$ 9,901			

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

**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.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2022

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**LONG-TERM LIABILITIES (CONT):**

Governmental Activities

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

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.

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.

January 1, 2011, the City entered a Note Payable agreement with Samaritan Health Services for the N Gateway URD. The original balance of the loan is \$2,283,572 and was satisfied during the 2021-22 fiscal year. The loan carries an interest rate of 5.0% that was changed by the lender to 4.25% during the 2017-18 fiscal year.

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.

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.

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

September 19, 2017, the City entered into a Municipal Lease and Option agreement with Auto Leasing Specialist, LLC for the purchase of two 2017 Dodge Durango SUV's for the Police Department. The original amount financed was \$150,200. The agreement requires four payments of \$34,534, one upon acceptance and annually, thereafter, interest included, beginning September 29, 2017. The finance purchase was made September 2021.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2022

**LONG-TERM LIABILITIES (CONT):**

Changes in long-term obligations for the year ended June 30, 2022:

	<u>6/30/2021</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>6/30/2022</u> <u>Balance</u>	<u>Due within</u> <u>1 Year</u>
<b>Governmental Activities</b>					
Long-term debt:					
Governmental Bonds					
Go Debt Bond Series 2015	\$ 9,050,000	\$ -	\$ 1,235,000	\$ 7,815,000	\$ 1,330,000
2002 Pension Obligation Bond	1,255,009	-	160,000	1,095,009	185,000
NW URD LebanonUR10	-	-	-	-	-
NW URD Lebanon FFC2013	7,805,000	-	975,000	6,830,000	1,010,000
<b>Total Governmental Bonds</b>	<u>18,110,009</u>	<u>-</u>	<u>2,370,000</u>	<u>15,740,009</u>	<u>2,525,000</u>
Governmental Loans/Notes					
Cheadle Lake URD Opus Bank	3,277,241	-	257,462	3,019,779	264,876
GO Debt Loan B07002	814,043	-	85,161	728,882	90,919
NW URD B05003	1,879,792	-	134,047	1,745,745	140,069
N. Gateway URD Samaritan Health	1,098,851	-	1,098,851	-	-
<b>Total Governmental Loans/Notes</b>	<u>7,069,927</u>	<u>-</u>	<u>1,575,521</u>	<u>5,494,406</u>	<u>495,864</u>
Premium	1,162,766	-	147,183	1,015,583	175,946
<b>Total Governmental Bonds and Loans</b>	<u>26,342,702</u>	<u>-</u>	<u>4,092,704</u>	<u>22,249,998</u>	<u>3,196,810</u>
Governmental Finance Purchase					
Police Finance Purchase 2799	32,126	-	32,126	-	-
<b>Total Governmental Finance Purchase</b>	<u>32,126</u>	<u>-</u>	<u>32,126</u>	<u>-</u>	<u>-</u>
Other long-term obligations:					
Net Pension Liability	9,387,425	-	3,624,217	5,763,208	-
Net OPEB Liability	261,708	21,772	-	283,480	-
Compensated Absences	577,965	669,871	609,947	637,889	159,472
<b>Total Governmental Activities</b>	<u>\$ 36,601,926</u>	<u>\$ 691,643</u>	<u>\$ 8,358,994</u>	<u>\$ 28,934,575</u>	<u>\$ 3,356,282</u>

The General Fund is the governmental fund which has paid the largest share in prior years for all other long-term obligations based on the high level of public safety staff that are funded from this source.

**Business-Type Activities**

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

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

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 \$1,168,000. The water and wastewater portion of this debt was paid off during fiscal year 2022. #LebanonFFC2013 (Water).



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**LONG-TERM LIABILITIES (CONT):**

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

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

October 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.

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, 2022 as the project is not complete, though drawdowns of funding have occurred. #R56201.

**Business-Type Activities**

Long-term debt:	<b>6/30/2021 Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>6/30/2022 Balance</b>	<b>Due within 1 Year</b>
Enterprise Bonds					
Water Lebanon FFC2013	\$ 235,000	\$ -	\$ 235,000	\$ -	\$ -
Wastewater Lebanon FFC2015	390,000	-	390,000	-	-
Total Enterprise Bonds	625,000	-	625,000	-	-
Enterprise Loans/Notes					
Water Loan L16003	10,712,145	-	310,469	10,401,676	321,366
Water Loan S16004	11,360,224	-	353,701	11,006,523	357,238
Wastewater JP Morgan Refunding	3,430,000	-	335,000	3,095,000	340,000
Wastewater Loan R56201	-	8,100,350	-	8,100,350	-
Total Enterprise Loans/Notes	25,502,369	8,100,350	999,170	32,603,549	1,018,604
Premiums	32,113	-	32,113	-	-
Total Enterprise Bonds and Loans	26,159,482	8,100,350	1,656,283	32,603,549	1,018,604
Other long-term obligations:					
Net Pension Liability	3,252,589	-	1,671,645	1,580,944	-
Net OPEB Liability	90,677	-	12,914	77,763	-
Compensated Absences	208,420	103,947	129,007	183,360	45,840
<b>Total Business-Type Activities</b>	<b>\$29,711,168</b>	<b>\$8,204,297</b>	<b>\$ 3,469,849</b>	<b>\$34,445,616</b>	<b>\$ 1,064,444</b>

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**LONG-TERM LIABILITIES (CONT):**

The City has no unused lines of credit.

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

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

**Governmental Activities:**

<b>Total Governmental Bonds</b>			<b>Total Governmental Loans/Notes</b>		
	Principal	Interest		Principal	Interest
2023	\$ 2,525,000	\$ 701,164	2023	\$ 495,864	\$ 207,901
2024	2,710,000	591,691	2024	510,353	189,031
2025	2,650,000	490,593	2025	529,994	169,590
2026	3,100,000	369,193	2026	550,130	149,313
2027	3,330,000	221,033	2027	575,640	128,213
2028-2032	<u>1,425,009</u>	<u>61,275</u>	2028-2032	<u>2,832,425</u>	<u>308,416</u>
<b>Total</b>	<b><u>\$ 15,740,009</u></b>	<b><u>\$ 2,434,949</u></b>	<b>Total</b>	<b><u>\$ 5,494,406</u></b>	<b><u>\$ 1,152,464</u></b>

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

**Business-Type Activities:**

**Total Enterprise Loans/Notes \***

	Principal	Interest
2023	\$ 1,018,604	\$ 520,661
2024	1,038,457	500,811
2025	1,053,741	480,455
2026	1,074,471	459,654
2027	1,095,662	438,318
2028-2032	5,323,385	1,854,042
2033-2037	4,446,668	1,322,174
2038-2042	5,007,524	761,321
2043-2047	3,527,720	182,063
2048-2052	<u>916,967</u>	<u>13,758</u>
<b>Total</b>	<b><u>\$ 24,503,199</u></b>	<b><u>\$ 6,533,257</u></b>

\* Enterprise loans/notes excludes additional sewer loan R56201 as project is still on-going at end of FY and final liability has not been determined.

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 (65%) and the Internal Service and Storm Drainage funds liquidate 12% 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 78% with the remaining amounts from the Water, Wastewater, Storm Drainage and Internal Service funds.

**PENSION PLAN:**

Name of Pension Plan

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

Description of Benefit Terms

Plan Benefits

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

**1. Tier One/Tier Two Retirement Benefit (Chapter 238)**

OPERS is a defined benefit pension plan that provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Benefits are established by state statute. This defined benefit pension plan portion of OPERS is closed to new members hired on or after August 29, 2003.

*Pension Benefits*

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

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

*Contributions*

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, 2019 actuarial valuation.

Tier 1/Tier 2 employer contribution rates were 23.25% for both police and general service employees. Employer contributions for the year ended June 30, 2022 were \$901,721.

*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.

**PENSION PLAN (CONT):**

*Disability Benefits*

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

*Benefit Changes After Retirement*

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

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

**2. OPSRP Defined Benefit Pension Program (OPSRP DB)**

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

*Pension Benefits*

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

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

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

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

*Contributions*

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, 2019 actuarial valuation.

OPSRP employer contribution rates were 21.00% for police employees and 16.64% for general service employees. Employer contributions for the year ended June 30, 2022 were \$653,129.

*Death Benefits*

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

*Disability Benefits*

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

**CITY OF LEBANON**  
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**PENSION PLAN (CONT):**

*Benefit Changes After Retirement*

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

Pension Plan ACFR

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

Actuarial Valuations

The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the Entry Age Normal actuarial cost method. For the Tier One/Tier Two component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

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

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2019
Measurement Date	June 30, 2021
Experience Study Report	2018, published July 24, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25% / 0.15%) in accordance with <i>Moro</i> decision, blend based on service.
Mortality	<p><b>Healthy retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Active Members:</b> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Disabled retirees:</b> Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

**PENSION PLAN (CONT):**

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

*Discount Rate*

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

*Depletion Date Projection*

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

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

- 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 our 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.

**CITY OF LEBANON**  
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**PENSION PLAN (CONT):**

*Assumed Asset Allocation*

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

*Long-Term Expected Rate of Return\**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the Oregon PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below.

Asset Class	Target Allocation	Annual Arithmetic Return **	20-Year Annualized Geometric Mean	Annual Standard Deviation
Global Equity	30.62%	7.11%	5.85%	17.05%
Private Equity	25.50%	11.35%	7.71%	30.00%
Core Fixed Income	23.75%	2.80%	2.73%	3.85%
Real Estate	12.75%	6.29%	5.66%	12.00%
Master Limited Partnerships	0.75%	7.65%	5.71%	21.30%
Infrastructure	1.50%	7.24%	6.26%	15.00%
Commodities	0.63%	4.68%	3.10%	18.85%
Hedge Fund of Funds - Multistrategy	1.25%	5.42%	5.11%	8.45%
Hedge Fund of Funds - Diversified	0.63%	5.85%	5.31%	11.05%
Hedge Fund - Macro	5.62%	5.33%	5.06%	7.90%
US Cash	-2.5%***	1.77%	1.76%	1.20%
Assumed Inflation - Mean			2.40%	1.65%

\* Based on the Oregon Investment Council's (OIC) Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, including revisions adopted at the OIC meeting on June 2, 2021.

\*\* 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.

\*\*\* Negative allocation to cash represents levered exposure from allocation to Risk Parity strategy.

**PENSION PLAN (CONT):**

Sensitivity Analysis

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

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City's proportionate share of the net pension liability	\$ 14,422,160	\$ 7,344,152	\$ 1,422,430

Changes Subsequent to the Measurement Date

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

There are no changes subsequent to the June 30, 2021 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

*Deferred Items*

Deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. For the measurement period ending June 30, 2021, employers will report the following deferred items:

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

Employer Contributions

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

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

Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 76, of the June 30, 2021 Oregon PERS ACFR.



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**PENSION PLAN (CONT):**

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

At June 30, 2021, the employer reported a liability of \$7,344,152 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2021, the employer's proportionate share was 0.06137271% which is an increase from the proportionate share of 0.05791944% measured as of June 30, 2020.

For the year ended June 30, 2021, the employer recognized pension expense of \$959,234. On June 30, 2021, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 687,461	\$ -
Changes of assumptions	1,838,463	19,328
Net difference between projected and actual earnings on investments	-	5,436,820
Changes in proportion	565,917	511,219
Differences between employer contributions and proportionate share of contributions	1,092	296,869
Total (prior to post-MD contributions)	3,092,933	6,264,236
Contributions subsequent to the MD	1,554,850	-
Total	<u>\$ 4,647,783</u>	<u>\$ 6,264,236</u>

The City reported \$1,554,850 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer Subsequent Fiscal Years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date)
1st Fiscal Year	\$ (576,678)
2nd Fiscal Year	(654,817)
3rd Fiscal Year	(873,728)
4th Fiscal Year	(1,272,444)
5th Fiscal Year	206,364
Thereafter	-
Total	\$ (3,171,303)

**3. IAP Plan Description:**

**Defined Contribution Plan - OPSRP Individual Account Program (OPSRP IAP)**

*Pension Benefits*

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in

**PENSION PLAN (CONT):**

each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

*Death Benefits*

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

*Recordkeeping*

OPERS contracts with VOYA Financial to maintain IAP participant records.

*Contributions*

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

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, 2022 were \$451,656 excluding amounts to fund employer specific liabilities.

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) RHIA:**

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

Plan Description

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

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

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**OTHER POSTEMPLOYMENT BENEFITS (OPEB) RHIA (CONT):**

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

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, 2019 actuarial valuation.

The City contributed 0.06% 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, 2022, the City had contributions of \$1,453 to the RHIA.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost Sharing Multiple Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2021. That independently audited report was dated December 1, 2021 and can be found at: <https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf>

Valuation Date	December 31, 2019
Measurement Date	June 30, 2021
Experience Study Report	2018, published July 24, 2019
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent
Retiree Healthcare Participation	Healthy retirees : 32% Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	<b>Healthy retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. <b>Active Members:</b> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. adjustments and set-backs as described in the valuation. <b>Disabled retirees:</b> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) RHIA (CONT):**

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

Discount Rate

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

Long-Term Expected Rate of Return

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

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf>

Sensitivity Analysis

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

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City's proportionate share of the net pension liability (asset)	\$ (149,090)	\$ (168,588)	\$ (185,241)

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

At June 30, 2022, the City reported a net OPEB liability/(asset) of \$(168,588) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2021, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2019. Consistent with GASB Statement No. 75, paragraph 59(a), The City's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2022

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) RHIA (CONT):**

during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2021, the City's proportion was 0.04909332% which is a decrease from June 30, 2020 at 0.08379886%. OPEB income for the year ended June 30, 2022 was \$17,559.

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 4,690
Changes of assumptions	3,317	2,508
Net difference between projected and actual earnings on investments	-	40,065
Changes in proportion	42,609	14,058
Differences between employer contributions and proportionate share of contributions	-	-
<b>Total (prior to post-MD contributions)</b>	<b>45,926</b>	<b>61,321</b>
Contributions subsequent to the MD	-	N/A
<b>Total</b>	<b>\$ 45,926</b>	<b>\$ 61,321</b>

No contributions were made 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:

Employer Subsequent Fiscal Years	Deferred Outflow/(Inflow) of Resources (prior to post- measurement date contributions)
1st Fiscal Year	\$ (3,035)
2nd Fiscal Year	9,442
3rd Fiscal Year	(9,147)
4th Fiscal Year	(12,656)
5th Fiscal Year	-
Thereafter	-
<b>Total</b>	<b>\$ (15,396)</b>

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) RHIA (CONT):**

**Changes Subsequent to the Measurement Date**

The City is not aware of any changes subsequent to the June 30, 2021 Measurement Date that meet this requirement and thus require a brief description under the GASB standard.

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

**OTHER POSTEMPLOYMENT BENEFITS (OPEB):**

Plan Description

The City operates a single-employer defined benefit plan as established through negotiations between the City and collective bargaining units. The healthcare plan provides post-retirement medical, dental vision and life insurance benefits to eligible employees, spouses, and their dependents. The City is required by Oregon Revised Statutes 243.303, who were hired after July 1, 2003, to provide retirees and their dependents with group health insurance from the date of retirement to age 65 at the same rate provided to current employees. Premiums for retirees are tiered and based upon the premium rates available to active employees. The retiree is responsible for the premiums. The implicit employer subsidy is measured as the expected health care cost per retiree and dependent, less the gross premiums charged by the insurance carrier for that coverage. The subsidy is only measured for retirees and spouses younger than age 65, at which point such retirees and spouses typically become eligible for Medicare.

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

Funding Policy and Liability

The annual other postemployment benefits (OPEB) cost is calculated based on the Total OPEB Liability, as amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The total OPEB liability was measured as of June 30, 2021 and determined by an actuarial valuation as of that date.

<b>Changes in Total OPEB Liability is as follows:</b>	<b>Total OPEB Liability</b>
Balance as of June 30, 2021	\$ 352,386
Changes for the year:	
Service cost	20,658
Interest on total OPEB liability	8,014
Effect of changes to benefit terms	-
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	1,128
Benefit payments	<u>(20,943)</u>
Balance as of June 30, 2022	<u>\$ 361,243</u>

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2022

**OTHER POSTEMPLOYMENT BENEFITS (OPEB):**

Actuarial Methods and Assumptions

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

Valuation date	July 1, 2020
Measurement date	June 30, 2021
Inflation	2.50%
Salary increases	3.50%
Withdrawal, retirement, and mortality rates	12/31/2019 Oregon PERS valuation
Election and Lapse Rates	40% of eligible employees. 60% of male members and 35% of female members will elect spouse coverage. 5% annual lapse rate
Actuarial cost method	Entry age normal

Discount Rate

Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The assumptions in this report reflect the Bond Buyer 20-Year General Obligation Bond Index. The discount rate in effect for the June 30, 2022 reporting date is 2.16%.

Health Care Cost Trend

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

Sensitivity Analysis

The following presents the City's total OPEB liability of the Plan, calculated using the discount rate of 2.16% as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

	1%	Current Trend	1%
	Decrease	Rate	Increase
Total OPEB liability, 2022	\$ 357,631	\$ 361,243	\$ 364,855

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2022

**OTHER POSTEMPLOYMENT BENEFITS (CONT):**

Participation

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

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

Components of OPEB Expense

<b>OPEB Expense</b>	<u>July 1, 2021 to June 30, 2022</u>
Service costs	\$ 20,658
Interest on total OPEB liability	8,014
Effect of plan changes	-
Recognition of Deferred (Inflows)/Outflows of Resources	
Recognition of economic/demographic (gains) or losses	-
Recognition of assumption changes	3,846
Administrative Expense	n/a
OPEB Expense	<u>\$ 32,518</u>

Deferred (Inflows) and Outflows of Resources

At June 30, 2022, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<b>Fiscal Year Ending June 30, 2022</b>	<b>Deferred (Inflows) of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions or inputs	-	21,680
Benefits Payments	-	23,121
Total as of June 30, 2022	<u>\$ -</u>	<u>\$ 44,801</u>



**OTHER POSTEMPLOYMENT BENEFITS (CONT):**

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

<b>Year Ended June 30:</b>	<b>Annual Recognition</b>
2023	\$ 3,846
2024	\$ 3,846
2025	\$ 3,846
2026	\$ 3,846
2027	\$ 3,846
Thereafter	\$ 2,450

**Changes Subsequent to the Measurement Date**

We are not aware of any changes subsequent to the June 30, 2021 Measurement Date that meet this requirement and thus require a brief description under the GASB No. 75 Standard.

**CONTINGENT LIABILITIES:**

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

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

**RISK MANAGEMENT:**

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

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

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2022

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**COMMITMENT:**

The City had entered into an agreement with Samaritan Health Services under which the City would repay amounts invested by Samaritan Health Services to improve or add infrastructure within the North Gateway Urban Renewal District. The total costs allowed to be repaid under the agreement was \$5,105,900. Improvements must be in place no later than 2029. Amounts invested by Samaritan Health Services are added to an existing loan agreement as described in the Long-term debt note. As of June 30, 2022, the balance of the loan had been paid.

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

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

**INTERFUND TRANSFERS:**

Interfund transfers for the year ended June 30, 2022 were as follows:

	<b>Transfer In</b>	<b>Transfer Out</b>
General Fund	\$ 11,500	\$ 2,406,146
Nonmajor Special Revenue Funds	674,068	1,778,698
Nonmajor Debt Service Funds	1,523,818	-
Nonmajor Capital Project Funds	295,908	423,170
Water Funds	70,769	761,535
Nonmajor Storm Drainage Funds	-	217,922
Wastewater Funds	385,308	649,874
Internal Service Funds	3,543,513	267,539
	<b><u>\$ 6,504,884</u></b>	<b><u>\$ 6,504,884</u></b>

\$3.5 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.

**PROPERTY TAX ABATEMENTS:**

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

For the fiscal year ended June 30, 2022 the City had no property tax abatements.

**CITY OF LEBANON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
 JUNE 30, 2022

**INTERFUND BALANCES:**

Interfund balances at June 30, 2022 consisted of interfund loans as follows:

	<b>Interfund Loan Receivable</b>	<b>Interfund Loan Payable</b>
Storm Drainage Utility Fund	\$ -	\$ 286,484
SDC- Street Improvements Fund	286,484	-
	<u>\$ 286,484</u>	<u>\$ 286,484</u>

The interfund loan payable by the Storm Drainage Utility 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.

**FUND BALANCE:**

Below is a schedule of governmental ending fund balances at June 30, 2022, based on GASB Statements No. 54:

<b>Fund Balances:</b>	<b>General Fund</b>	<b>Non-Major Governmental Funds</b>	<b>Total</b>
<b>Restricted for:</b>			
Urban renewal projects	\$ -	\$ 2,821,540	\$ 2,821,540
Debt service	-	232,429	232,429
Parks	-	3,560,381	3,560,381
Tourism	-	107,296	107,296
Building and planning	-	1,072,068	1,072,068
State foot & bike path	-	20,222	20,222
Highways and streets	-	6,511,716	6,511,716
Boat ramps	-	23,702	23,702
Police programs	-	25,352	25,352
Library services	-	265,946	265,946
Transit	-	249,387	249,387
Senior services	-	173,506	173,506
Cemetery	-	10,201	10,201
	-	15,073,746	15,073,746
<b>Committed to:</b>			
Park Projects	-	571,683	571,683
Engineering	-	89,451	89,451
		661,134	661,134
<b>Assigned to:</b>			
Capital assets	-	863,900	863,900
	-	863,900	863,900
<b>Unassigned</b>	4,957,698	-	4,957,698
	<u>\$ 4,957,698</u>	<u>\$ 16,598,780</u>	<u>\$ 21,556,478</u>

**NET POSITION RESTRICTED THROUGH ENABLING LEGISLATION:**

As of June 30, 2022, the amount of net position restricted by enabling legislation is as follows:

Governmental activities

<b>System development</b> - 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	\$ 8,877,339
<b>Urban renewal taxes</b> - Taxes are restricted to improving and redeveloping designated areas (community development)	2,880,395
<b>Highways and streets</b> - Street maintenance fees are restricted for maintenance of public streets	1,246,398
<b>Motel taxes</b> - state law restricts the use of transient occupancy taxes (motel tax) to fund tourism promotion or finance the debt of tourism-related facilities	184,644

Business-type activities

<b>System development</b> - 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	5,184,065
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# REQUIRED SUPPLEMENTARY INFORMATION

- SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND CONTRIBUTIONS
- SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPERS LIABILITY (ASSET) OPERS AND CONTRIBUTIONS
- SCHEDULE OF CHANGES IN OPEB LIABILITY AND REALTED RATIOS
- STATEMENT OF REVENUES, EXPEDITURES, AND CHANGES IN FUND BALANCES – BUDGET TO ACTUAL FOR MAJOR FUNDS
  - GENERAL FUND
- NOTES TO REQUIRED SUPPLEMENTARY INFORMATION



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

Measurement Date June 30,	Proportion of the net pension liability (asset)**	Proportionate share of the net pension liability (asset)**	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its	Plan fiduciary net position as a percentage of the total pension liability
2021	0.06137271%	\$ 7,344,153	\$ 7,417,793	99.01%	87.60%
2020	0.57919440%	12,640,014	6,679,426	189.24%	75.80%
2019	0.06358675%	10,998,985	6,267,704	175.49%	80.20%
2018	0.06255912%	9,476,883	5,999,153	157.97%	82.10%
2017	0.06167821%	8,314,246	6,315,051	131.66%	83.10%
2016	0.05938091%	8,914,453	5,517,665	161.56%	80.50%
2015	0.06818515%	3,914,823	5,044,543	77.61%	91.90%
2014	0.06443958%	(1,460,660)	5,207,764	-28.05%	103.60%

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

Year Ended June 30,	Statutorily required contribution**	Contributions in relation to the statutorily required contribution**	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
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	832,862	832,862	-	6,267,704	13.29%
2018	823,096	823,096	-	5,999,153	13.72%
2017	638,089	638,089	-	6,315,051	10.10%
2016	595,431	595,431	-	5,517,665	10.79%
2015	457,865	457,865	-	5,044,543	9.08%

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

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

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

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

Measurement Date June 30,	Proportion of the net OPEB liability (asset)**	Proportionate share of the net pension liability (asset)**	Covered payroll	Proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
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%

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

Year Ended June 30,	Actuarially determined contribution	Contributions in relation to the actuarially required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
2022	\$ 1,453	\$ 1,453	\$ -	\$ 8,156,549	0.02%
2021	1,314	1,314	-	7,417,793	0.02%
2020	5,329	5,329	-	6,679,426	0.08%
2019	5,984	5,984	-	6,267,704	0.10%
2018	27,106	27,106	-	5,999,153	0.45%
2017	27,422	27,422	-	6,315,051	0.43%

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

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Service Cost	\$ 20,658	\$ 16,352	\$ -
Interest	8,014	11,323	-
Effect of economic/demographic changes or inputs	-	-	-
Changes of assumptions or other inputs	1,129	28,094	-
Benefit payments	(20,943)	(20,943)	-
<b>Net change in total OPEB liability</b>	<u>8,858</u>	<u>34,826</u>	<u>-</u>
<b>Total OPEB liability - beginning</b>	<u>352,385</u>	<u>317,559</u>	<u>-</u>
<b>Total OPEB liability - ending</b>	<u>\$ 361,243</u>	<u>\$ 352,385</u>	<u>\$ 317,559</u>
Covered-employee payroll	\$ 8,156,549	\$ 7,417,793	\$ 6,679,426
Total OPEB liability as a percentage of covered-employee payroll	4.4289%	4.7505%	4.7543%

**Notes to Schedule:**

(1) Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2022	2.16%
2021	2.21%
2020	2.66%

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

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

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



# GENERAL FUND PRESENTED AS REQUIRED SUPPLEMENTARY INFORMATION

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

**CITY OF LEBANON, OREGON  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property and other taxes	\$ 6,160,000	\$ 6,160,000	\$ 6,410,007	\$ 250,007
Franchise fees	2,404,260	2,404,260	2,554,314	150,054
Licenses and permits	6,000	6,000	7,805	1,805
Fines, forfeitures, and penalties	375,100	375,100	399,737	24,637
Intergovernmental	5,042,871	5,403,871	1,595,203	(3,808,668)
Charges for services	30,500	30,500	116,482	85,982
Rent	15,000	15,000	34,384	19,384
Contributions	-	-	10,747	10,747
Interest	20,000	20,000	36,530	16,530
Miscellaneous	96,000	96,000	32,987	(63,013)
<b>TOTAL REVENUES</b>	<b>14,149,731</b>	<b>14,510,731</b>	<b>11,198,196</b>	<b>(3,312,535)</b>
<b>EXPENDITURES:</b>				
Mayor & City Council	112,275	242,775	212,266	30,509
Community Development	663,150	724,150	501,834	222,316
Finance - Court	427,686	427,686	408,370	19,316
Library	631,895	631,895	597,446	34,449
Police	6,040,400	6,040,400	5,600,930	439,470
Senior Services	319,750	319,750	278,480	41,270
Non-Departmental:				
Materials & services	4,181,525	4,301,025	487,944	3,813,081
Capital outlay	142,000	142,000	-	142,000
Pass-Through	370,000	670,000	467,232	202,768
Contingency	2,306,393	2,306,393	-	2,306,393
Debt service	159,535	159,535	159,447	88
<b>TOTAL EXPENDITURES</b>	<b>15,354,609</b>	<b>15,965,609</b>	<b>8,713,949</b>	<b>7,251,660</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,204,878)</b>	<b>(1,454,878)</b>	<b>2,484,247</b>	<b>3,939,125</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(2,713,075)	(2,463,075)	(2,406,145)	56,930
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(2,713,075)</b>	<b>(2,463,075)</b>	<b>(2,406,145)</b>	<b>56,930</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(3,917,953)</b>	<b>(3,917,953)</b>	<b>78,102</b>	<b>3,996,055</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>3,917,953</b>	<b>3,917,953</b>	<b>4,879,596</b>	<b>961,643</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,957,698</b>	<b>\$ 4,957,698</b>

\* see notes to required supplementary information

# CITY OF LEBANON

## NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2022

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### **BUDGETING:**

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 IN EXCESS OF APPROPRIATIONS**

Oregon law prohibits expenditures in excess of Council approved appropriations. Expenditures in excess of appropriations in individual funds for the year ended June 30, 2022 occurred as follows:

<b><i>Fund Name</i></b>	<b><i>Budget</i></b>	<b><i>Actual</i></b>	<b><i>Variance</i></b>
<b><i>Water</i></b>			
Community Development	41,350	41,563	(213)
<b><i>Wastewater</i></b>			
Community Development	41,360	41,571	(211)
Public Works	3,456,459	3,515,863	(59,404)
<b><i>Storm Drainage</i></b>			
Engineering	346,778	383,756	(36,978)
<b><i>IT Internal Service Fund</i></b>			
Transfers out	(22,760)	(29,809)	(7,049)

# SUPPLEMENTARY INFORMATION

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



# NON-MAJOR GOVERNMENTAL FUNDS



**CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>ASSETS</b>				
Cash and cash equivalent	\$ 6,154,317	\$ 203,538	\$ 9,407,851	\$ 15,765,706
Restricted cash and investments	178,670	-	-	178,670
Taxes receivable	104,154	63,468	-	167,622
Accounts receivable	736,304	-	825	737,129
Assessment receivable	-	-	653,318	653,318
Interfund loan receivable	-	-	286,484	286,484
<b>TOTAL ASSETS</b>	<b>\$ 7,173,445</b>	<b>\$ 267,006</b>	<b>\$ 10,348,478</b>	<b>\$ 17,788,929</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	200,972	-	878	201,850
Accrued payroll	16,329	-	-	16,329
Unearned revenue	350	-	-	350
<b>TOTAL LIABILITIES</b>	<b>217,651</b>	<b>-</b>	<b>878</b>	<b>218,529</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue - property taxes	58,855	34,577	-	93,432
Unavailable revenue - receivables	252,143	-	626,045	878,188
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>310,998</b>	<b>34,577</b>	<b>626,045</b>	<b>971,620</b>
<b>Fund balances:</b>				
Restricted	5,983,662	232,429	8,857,655	15,073,746
Committed	661,134	-	-	661,134
Assigned	-	-	863,900	863,900
<b>TOTAL FUND BALANCES</b>	<b>6,644,796</b>	<b>232,429</b>	<b>9,721,555</b>	<b>16,598,780</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 7,173,445</b>	<b>\$ 267,006</b>	<b>\$ 10,348,478</b>	<b>\$ 17,788,929</b>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
<b>REVENUES:</b>				
Property and other taxes	\$ 2,681,592	\$ 1,631,281	\$ -	\$ 4,312,873
Special assessment collections	-	-	1,820,987	1,820,987
Licenses and permits	805,215	-	-	805,215
Intergovernmental	2,885,079	-	474,509	3,359,588
Charges for services	213,888	-	-	213,888
Rentals	21,670	-	-	21,670
Contributions	59,213	-	-	59,213
Interest	39,467	4,054	71,297	114,818
Miscellaneous	17,120	-	7,963	25,083
<b>TOTAL REVENUES</b>	<b>6,723,244</b>	<b>1,635,335</b>	<b>2,374,756</b>	<b>10,733,335</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	4,269	-	-	4,269
Highways and Streets	912,748	-	-	912,748
Culture and recreation	908,201	-	-	908,201
Community Planning	555,920	-	-	555,920
Transportation	625,172	-	-	625,172
Debt service	1,717,907	3,160,774	-	4,878,681
Capital outlay	329,124	-	795,784	1,124,908
<b>TOTAL EXPENDITURES</b>	<b>5,053,341</b>	<b>3,160,774</b>	<b>795,784</b>	<b>9,009,899</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>1,669,903</b>	<b>(1,525,439)</b>	<b>1,578,972</b>	<b>1,723,436</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	674,068	1,523,818	295,908	2,493,794
Transfers out	(1,778,698)	-	(423,170)	(2,201,868)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,104,630)</b>	<b>1,523,818</b>	<b>(127,262)</b>	<b>291,926</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>565,273</b>	<b>(1,621)</b>	<b>1,451,710</b>	<b>2,015,362</b>
<b>FUND BALANCES, JUNE 30, 2021</b>	<b>6,079,523</b>	<b>234,050</b>	<b>8,269,845</b>	<b>14,583,418</b>
<b>FUND BALANCES, JUNE 30, 2022</b>	<b>\$ 6,644,796</b>	<b>\$ 232,429</b>	<b>\$ 9,721,555</b>	<b>\$ 16,598,780</b>

## NON-MAJOR SPECIAL REVENUE FUNDS

*These funds account for proceeds of specific revenue sources that are legally restricted to expenditure for a specific purpose.*

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

**Motel Tax Fund** – Accounts for transient lodging taxes and tourism activities. Major revenue source are transient lodging taxes collected from local hotels, motels and other overnight lodging, including City owned RV park. Expenses include a contract to support the Lebanon Chamber of Commerce operations, funding of the Lebanon Downtown Associations and to provide funding for the downtown resotation program.

**Building Inspection Fund** – Accounts for the costs of Building Contract Services and development permit processing for the City. The primary source of revenue is for Building Services in applications fees associated with building permits in the City.

**Park Enterprise Fund** – Accounts for supporting the mainteance of developed and undeveloped parkland and trail maintenance. The primary source of revenue is from park shelter reservations and camping fees and from an Intergovernmental Agreement with the Lebanon School District for maintenance.

**Information System Service Fund** – Accounts for maintaining City technology, as well as contracting with the Lebanon Fire Department for technology support. Major funding for this department is transfers from other departments for technology support, grant monies and the Intergovernmental Agreement with the School District.

**State Foot & Bike Service Fund** – Accounts for administration of state gas tax revenues restricted for foot and bike path projects, including sidewalk access ramp installation and replacement. The main revenue source is a portion of the state revenue share of the gas tax. Funds continue to grow to be reserved for future sidewalk, access famp and bike facility projects.

**Engineering Development Review Fund** – Accounts for ensuring responsible land development and construction of quality infrastructure within the City. The primary source of revenues include feeds paid by developers for public infrastructure plan review.

**Street Mainteance Fund** – Accounts for the operations and mainteance of the City's streets and sidewalks, as well as overseeing and designing street improvement projects. The main sources of revenue for this fund is from State Revenue share of gas tax.

**LINX Transit Fund** – Accounts for revenues and expeditures associated with the operation of the City's transit system. Major revenue sources include grant monies.

**STP Street Project Fund** – Accountisn for projects that the City has received moneis from the State in excahnge of federal dollars, specifically for development, improvement and/or preservation of the existing transportation system.

**Boat Ramp Fund** – Accounts for State Grant funding to support the operations of Gills Landing and Cheadle Lake Boat ramps. All funding is from grant monies.

**Police Donations Fund** – Accounts for donated monies from the community to support specific programs and outfreach like National Night Out, Shop-With-A-Cop and Turn Lebanon Blue.



**Library Donations Fund** – Accounts for donations from Alta Ballew Charitable Trust, public and payment for lost or damaged library materials to support special purchases, projects and programs in the Library.

**Senior Services Donations Fund** – Accounts for donations for senior services projects and programs.

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

**Cheadle Lake Urban Renewal District Fund** – Accounts for the Cheadle Lake Urban Renewal boundaries, to fund improvements for the Cheadle Lake park area. Major funding comes from property taxes.

**North Gateway Urban Renewal District Fund** – Accounts for the North Gateway Urban Renewal boundaries, to fund improvements near Reeves Parkway down to Academy Square. Major funding comes from property taxes.

**Downtown Urban Renewal Agency Fund** – Accounts for the Downtown Urban Renewal boundaries, to fund improvements in downtown Lebanon. Major funding comes from property taxes.

**Mill Race Urban Renewal Agency Fund** – Accounts for the Mill Race Urban Renewal District to support projects on the north-end of Lebanon. Major funding comes from property taxes.

**CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2022**

	Motel Tax Fund	Building Inspection Fund	Park Enterprise Fund	State Foot & Bike Path Fund	Engineering Development Review Fund	Street Maintenance Fund
<b>ASSETS</b>						
Cash and cash equivalent	\$ 84,865	\$ 1,085,441	\$ 583,364	\$ 17,373	\$ 98,405	\$ 1,121,275
Taxes receivable	-	-	-	-	-	-
Accounts receivable	129,544	-	-	2,849	-	130,394
Restricted cash and investments	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 214,409</u>	<u>\$ 1,085,441</u>	<u>\$ 583,364</u>	<u>\$ 20,222</u>	<u>\$ 98,405</u>	<u>\$ 1,251,669</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 29,765	\$ 11,898	\$ 7,891	\$ -	\$ 7,919	\$ 20,252
Accrued payroll	-	1,475	3,790	-	1,035	5,241
Unearned revenue	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>29,765</u>	<u>13,373</u>	<u>11,681</u>	<u>-</u>	<u>8,954</u>	<u>25,493</u>
<b>Deferred Inflows of Resources:</b>						
Unavailable revenue - property taxes	-	-	-	-	-	-
Unavailable revenue - receivables	77,348	-	-	1,533	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>77,348</u>	<u>-</u>	<u>-</u>	<u>1,533</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>						
Restricted	107,296	1,072,068	-	18,689	-	1,226,176
Committed	-	-	571,683	-	89,451	-
<b>TOTAL FUND BALANCES</b>	<u>107,296</u>	<u>1,072,068</u>	<u>571,683</u>	<u>18,689</u>	<u>89,451</u>	<u>1,226,176</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 214,409</u>	<u>\$ 1,085,441</u>	<u>\$ 583,364</u>	<u>\$ 20,222</u>	<u>\$ 98,405</u>	<u>\$ 1,251,669</u>

**CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2022**

	LINX Transit Fund	Boat Ramps Fund	Police Donations Fund	Library Donations Fund	Senior Services Donations Fund	Northwest Urban Renewal District Fund
<b>ASSETS</b>						
Cash and cash equivalent	\$ 76,251	\$ 24,025	\$ 25,352	\$ 266,419	\$ 173,976	\$ 2,061,800
Taxes receivable	-	-	-	-	-	48,197
Accounts receivable	473,517	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 549,768</b>	<b>\$ 24,025</b>	<b>\$ 25,352</b>	<b>\$ 266,419</b>	<b>\$ 173,976</b>	<b>\$ 2,109,997</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 122,331	\$ 323	\$ -	\$ 123	\$ 470	\$ -
Accrued payroll	4,788	-	-	-	-	-
Unearned revenue	-	-	-	350	-	-
<b>TOTAL LIABILITIES</b>	<b>127,119</b>	<b>323</b>	<b>-</b>	<b>473</b>	<b>470</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>						
Unavailable revenue - property taxes	-	-	-	-	-	29,683
Unavailable revenue - receivables	173,262	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>173,262</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,683</b>
<b>Fund balances:</b>						
Restricted	249,387	23,702	25,352	265,946	173,506	2,080,314
Committed	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>249,387</b>	<b>23,702</b>	<b>25,352</b>	<b>265,946</b>	<b>173,506</b>	<b>2,080,314</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 549,768</b>	<b>\$ 24,025</b>	<b>\$ 25,352</b>	<b>\$ 266,419</b>	<b>\$ 173,976</b>	<b>\$ 2,109,997</b>

**CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2022**

	Cheadle Lake Urban Renewal District Fund	North Gateway Urban Renewal District Fund	Downtown Urban Renewal District Fund	Mill Race Urban Renewal District Fund	Total
<b>ASSETS</b>					
Cash and cash equivalent	\$ 86,848	\$ 392,332	\$ 46,840	\$ 9,751	\$ 6,154,317
Taxes receivable	17,990	36,006	747	1,214	104,154
Accounts receivable	-	-	-	-	736,304
Restricted cash and investments	178,670	-	-	-	178,670
<b>TOTAL ASSETS</b>	<u>\$ 283,508</u>	<u>\$ 428,338</u>	<u>\$ 47,587</u>	<u>\$ 10,965</u>	<u>\$ 7,173,445</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 200,972
Accrued payroll	-	-	-	-	16,329
Unearned revenue	-	-	-	-	350
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>217,651</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue - property taxes	9,433	19,337	212	190	58,855
Unavailable revenue - receivables	-	-	-	-	252,143
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>9,433</u>	<u>19,337</u>	<u>212</u>	<u>190</u>	<u>310,998</u>
<b>Fund balances:</b>					
Restricted	274,075	409,001	47,375	10,775	5,983,662
Committed	-	-	-	-	661,134
<b>TOTAL FUND BALANCES</b>	<u>274,075</u>	<u>409,001</u>	<u>47,375</u>	<u>10,775</u>	<u>6,644,796</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 283,508</u>	<u>\$ 428,338</u>	<u>\$ 47,587</u>	<u>\$ 10,965</u>	<u>\$ 7,173,445</u>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Motel Tax Fund	Building Inspection Fund	Park Enterprise Fund	Information System Service Fund	State Foot & Bike Path Fund	Engineering Development Review Fund	Street Maintenance Fund
<b>REVENUES:</b>							
Property and other taxes	\$ 204,127	\$ -	\$ 66	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	690,856	350	-	-	114,009	-
Intergovernmental	-	13,900	480,535	-	14,740	-	1,467,111
Charges for services	-	-	189,289	-	-	23,849	750
Rentals	-	-	12,870	-	-	-	8,800
Contributions	-	-	-	-	-	-	-
Interest	661	5,368	1,354	-	79	532	5,010
Miscellaneous	21	5,934	5,047	-	-	1,788	3,870
<b>TOTAL REVENUES</b>	<b>204,809</b>	<b>716,058</b>	<b>689,511</b>	<b>-</b>	<b>14,819</b>	<b>140,178</b>	<b>1,485,541</b>
<b>EXPENDITURES:</b>							
Current:							
Public Safety	-	-	-	-	-	-	-
Highways and Streets	-	-	-	-	-	-	912,748
Culture, education and recreation	129,813	-	755,477	-	-	-	-
Community Planning	-	353,384	-	-	-	132,809	-
Transportation	-	-	-	-	-	-	-
Debt service	244	-	-	-	-	-	-
Capital outlay	-	-	1,104	-	10,000	-	13,309
<b>TOTAL EXPENDITURES</b>	<b>130,057</b>	<b>353,384</b>	<b>756,581</b>	<b>-</b>	<b>10,000</b>	<b>132,809</b>	<b>926,057</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>74,752</b>	<b>362,674</b>	<b>(67,070)</b>	<b>-</b>	<b>4,819</b>	<b>7,369</b>	<b>559,484</b>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in	-	-	601,845	7,050	-	-	45,000
Transfers out	(15,106)	(88,840)	(99,280)	-	-	(14,803)	(151,250)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(15,106)</b>	<b>(88,840)</b>	<b>502,565</b>	<b>7,050</b>	<b>-</b>	<b>(14,803)</b>	<b>(106,250)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>59,646</b>	<b>273,834</b>	<b>435,495</b>	<b>7,050</b>	<b>4,819</b>	<b>(7,434)</b>	<b>453,234</b>
<b>FUND BALANCES, JUNE 30, 2021</b>	<b>47,650</b>	<b>798,234</b>	<b>136,188</b>	<b>(7,050)</b>	<b>13,870</b>	<b>96,885</b>	<b>772,942</b>
<b>FUND BALANCES, JUNE 30, 2022</b>	<b>\$ 107,296</b>	<b>\$ 1,072,068</b>	<b>\$ 571,683</b>	<b>\$ -</b>	<b>\$ 18,689</b>	<b>\$ 89,451</b>	<b>\$ 1,226,176</b>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>LINX Transit Fund</u>	<u>STP Street Project Fund</u>	<u>Boat Ramps Fund</u>	<u>Police Donations Fund</u>	<u>Library Donations Fund</u>	<u>Senior Services Donations Fund</u>	<u>Snedaker Donations Fund</u>
<b>REVENUES:</b>							
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	833,793	-	75,000	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Rentals	-	-	-	-	-	-	-
Contributions	2,193	-	-	7,542	46,373	3,105	-
Interest	737	-	239	113	1,327	922	-
Miscellaneous	460	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<u>837,183</u>	<u>-</u>	<u>75,239</u>	<u>7,655</u>	<u>47,700</u>	<u>4,027</u>	<u>-</u>
<b>EXPENDITURES:</b>							
Current:							
Public Safety	-	-	-	4,269	-	-	-
Highways and Streets	-	-	-	-	-	-	-
Culture, education and recreation	-	-	-	-	19,616	3,295	-
Community Planning	-	-	-	-	-	-	-
Transportation	625,172	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	224,954	-	79,496	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>850,126</u>	<u>-</u>	<u>79,496</u>	<u>4,269</u>	<u>19,616</u>	<u>3,295</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(12,943)</u>	<u>-</u>	<u>(4,257)</u>	<u>3,386</u>	<u>28,084</u>	<u>732</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in	-	-	-	-	20,173	-	-
Transfers out	(75,099)	(24,797)	-	-	-	-	(20,173)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(75,099)</u>	<u>(24,797)</u>	<u>-</u>	<u>-</u>	<u>20,173</u>	<u>-</u>	<u>(20,173)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(88,042)</u>	<u>(24,797)</u>	<u>(4,257)</u>	<u>3,386</u>	<u>48,257</u>	<u>732</u>	<u>(20,173)</u>
<b>FUND BALANCES, JUNE 30, 2021</b>	<u>337,429</u>	<u>24,797</u>	<u>27,959</u>	<u>21,966</u>	<u>217,689</u>	<u>172,774</u>	<u>20,173</u>
<b>FUND BALANCES, JUNE 30, 2022</b>	<u>\$ 249,387</u>	<u>\$ -</u>	<u>\$ 23,702</u>	<u>\$ 25,352</u>	<u>\$ 265,946</u>	<u>\$ 173,506</u>	<u>\$ -</u>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Northwest Urban Renewal District Fund	Cheadle Lake Urban Renewal District Fund	North Gateway Urban Renewal District Fund	Downtown Urban Renewal District Fund	Mill Race Urban Renewal District Fund	Total
<b>REVENUES:</b>						
Property and other taxes	\$ 976,113	\$ 479,414	\$ 925,189	\$ 34,801	\$ 61,882	\$ 2,681,592
Licenses and permits	-	-	-	-	-	805,215
Intergovernmental	-	-	-	-	-	2,885,079
Charges for services	-	-	-	-	-	213,888
Rentals	-	-	-	-	-	21,670
Contributions	-	-	-	-	-	59,213
Interest	17,696	1,287	3,533	311	298	39,467
Miscellaneous	-	-	-	-	-	17,120
<b>TOTAL REVENUES</b>	<b>993,809</b>	<b>480,701</b>	<b>928,722</b>	<b>35,112</b>	<b>62,180</b>	<b>6,723,244</b>
<b>EXPENDITURES:</b>						
Current:						
Public Safety	-	-	-	-	-	4,269
Highways and Streets	-	-	-	-	-	912,748
Culture, education and recreation	-	-	-	-	-	908,201
Community Planning	-	-	18,061	261	51,405	555,920
Transportation	-	-	-	-	-	625,172
Debt service	225,894	351,846	1,139,923	-	-	1,717,907
Capital outlay	-	261	-	-	-	329,124
<b>TOTAL EXPENDITURES</b>	<b>225,894</b>	<b>352,107</b>	<b>1,157,984</b>	<b>261</b>	<b>51,405</b>	<b>5,053,341</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>767,915</b>	<b>128,594</b>	<b>(229,262)</b>	<b>34,851</b>	<b>10,775</b>	<b>1,669,903</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	674,068
Transfers out	(1,277,850)	(11,500)	-	-	-	(1,778,698)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(1,277,850)</b>	<b>(11,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,104,630)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(509,935)</b>	<b>117,094</b>	<b>(229,262)</b>	<b>34,851</b>	<b>10,775</b>	<b>565,273</b>
<b>FUND BALANCES, JUNE 30, 2021</b>	<b>2,590,249</b>	<b>156,981</b>	<b>638,263</b>	<b>12,524</b>	<b>-</b>	<b>6,079,523</b>
<b>FUND BALANCES, JUNE 30, 2022</b>	<b>\$ 2,080,314</b>	<b>\$ 274,075</b>	<b>\$ 409,001</b>	<b>\$ 47,375</b>	<b>\$ 10,775</b>	<b>\$ 6,644,796</b>

**CITY OF LEBANON, OREGON  
MOTEL TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Other taxes	\$ 200,000	\$ 200,000	\$ 204,127	\$ 4,127
Interest	500	500	661	161
Miscellaneous	-	-	21	21
<b>TOTAL REVENUES</b>	<u>200,500</u>	<u>200,500</u>	<u>204,809</u>	<u>4,309</u>
<b>EXPENDITURES:</b>				
Materials and services	160,000	160,000	129,813	30,187
Contingency	42,049	42,049	-	42,049
<b>TOTAL EXPENDITURES</b>	<u>202,049</u>	<u>202,049</u>	<u>129,813</u>	<u>72,236</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,549)</u>	<u>(1,549)</u>	<u>74,996</u>	<u>76,545</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(64,870)	(64,870)	(64,046)	824
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(64,870)</u>	<u>(64,870)</u>	<u>(64,046)</u>	<u>824</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(66,419)</u>	<u>(66,419)</u>	<u>10,950</u>	<u>77,369</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>66,419</u>	<u>66,419</u>	<u>96,346</u>	<u>29,927</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 107,296</u>	<u>\$ 107,296</u>



**CITY OF LEBANON, OREGON  
BUILDING INSPECTION FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 300,000	\$ 300,000	\$ 690,856	\$ 390,856
Intergovernmental	-	-	13,900	13,900
Interest	3,500	3,500	5,368	1,868
Miscellaneous	-	-	5,934	5,934
<b>TOTAL REVENUES</b>	<u>303,500</u>	<u>303,500</u>	<u>716,058</u>	<u>412,558</u>
<b>EXPENDITURES:</b>				
Community Development	335,000	365,000	353,384	11,616
Contingency	473,721	443,721	-	443,721
<b>TOTAL EXPENDITURES</b>	<u>808,721</u>	<u>808,721</u>	<u>353,384</u>	<u>455,337</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(505,221)</u>	<u>(505,221)</u>	<u>362,674</u>	<u>867,895</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(89,580)	(89,580)	(88,840)	740
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(89,580)</u>	<u>(89,580)</u>	<u>(88,840)</u>	<u>740</u>
<b>NET CHANGE IN FUND BALANCE</b>	(594,801)	(594,801)	273,834	868,635
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>594,801</u>	<u>594,801</u>	<u>798,234</u>	<u>203,433</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,072,068</u>	<u>\$ 1,072,068</u>

**CITY OF LEBANON, OREGON  
PARK ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Other taxes	\$ -	\$ -	\$ 66	\$ 66
Licenses and permits	-	-	350	350
Intergovernmental	155,000	155,000	480,535	325,535
Charges for services	111,000	111,000	189,289	78,289
Rentals	9,000	9,000	12,870	3,870
Interest	1,000	1,000	1,354	354
Miscellaneous	-	-	5,047	5,047
<b>TOTAL REVENUES</b>	<b>276,000</b>	<b>276,000</b>	<b>689,511</b>	<b>413,511</b>
<b>EXPENDITURES:</b>				
Public Works	848,240	848,240	756,581	91,659
<b>TOTAL EXPENDITURES</b>	<b>848,240</b>	<b>848,240</b>	<b>756,581</b>	<b>91,659</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(572,240)</b>	<b>(572,240)</b>	<b>(67,070)</b>	<b>505,170</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	601,845	601,845	601,845	-
Transfers out	(100,145)	(100,145)	(99,280)	865
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>501,700</b>	<b>501,700</b>	<b>502,565</b>	<b>865</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(70,540)</b>	<b>(70,540)</b>	<b>435,495</b>	<b>506,035</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>70,540</b>	<b>70,540</b>	<b>136,188</b>	<b>65,648</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 571,683</b>	<b>\$ 571,683</b>

**CITY OF LEBANON, OREGON  
 INFORMATION SYSTEM SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in		\$ -	\$ 7,050	\$ 7,050
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	-	7,050	7,050
<b>NET CHANGE IN FUND BALANCE</b>	-	-	7,050	7,050
<b>FUND BALANCE, JUNE 30, 2021</b>	-	-	(7,050)	(7,050)
<b>FUND BALANCE, JUNE 30, 2022</b>	\$ -	\$ -	\$ -	\$ -

**CITY OF LEBANON, OREGON  
STATE FOOT & BIKE PATH  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 12,998	\$ 12,998	\$ 14,740	\$ 1,742
Interest	20	20	79	59
<b>TOTAL REVENUES</b>	<b>13,018</b>	<b>13,018</b>	<b>14,819</b>	<b>1,801</b>
<b>EXPENDITURES:</b>				
Engineering	23,329	23,329	10,000	13,329
<b>TOTAL EXPENDITURES</b>	<b>23,329</b>	<b>23,329</b>	<b>10,000</b>	<b>13,329</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(10,311)</b>	<b>(10,311)</b>	<b>4,819</b>	<b>15,130</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>10,311</b>	<b>10,311</b>	<b>13,870</b>	<b>3,559</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,689</b>	<b>\$ 18,689</b>

**CITY OF LEBANON, OREGON  
ENGINEERING DEVELOPMENT REVIEW FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 65,000	\$ 65,000	\$ 114,009	\$ 49,009
Charges for services	15,000	15,000	23,849	8,849
Interest	600	600	532	(68)
Miscellaneous	-	-	1,788	1,788
<b>TOTAL REVENUES</b>	<b>80,600</b>	<b>80,600</b>	<b>140,178</b>	<b>59,578</b>
<b>EXPENDITURES:</b>				
Engineering	143,250	143,250	132,809	10,441
Contingency	338	338	-	338
<b>TOTAL EXPENDITURES</b>	<b>143,588</b>	<b>143,588</b>	<b>132,809</b>	<b>10,779</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(62,988)</b>	<b>(62,988)</b>	<b>7,369</b>	<b>70,357</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(14,950)	(14,950)	(14,803)	147
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(14,950)</b>	<b>(14,950)</b>	<b>(14,803)</b>	<b>147</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(77,938)</b>	<b>(77,938)</b>	<b>(7,434)</b>	<b>70,504</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>77,938</b>	<b>77,938</b>	<b>96,885</b>	<b>18,947</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 89,451</b>	<b>\$ 89,452</b>

**CITY OF LEBANON, OREGON  
STREET MAINTENANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,286,775	\$ 1,286,775	\$ 1,467,111	\$ 180,336
Charges for services	-	-	750	750
Rentals	-	-	8,800	8,800
Interest	1,000	1,000	5,010	4,010
Miscellaneous	7,500	7,500	3,870	(3,630)
<b>TOTAL REVENUES</b>	<b>1,295,275</b>	<b>1,295,275</b>	<b>1,485,541</b>	<b>190,266</b>
<b>EXPENDITURES:</b>				
Public Works	1,043,750	1,043,750	889,497	154,253
Engineering	373,426	373,426	36,560	336,866
Contingency	50,000	50,000	-	50,000
<b>TOTAL EXPENDITURES</b>	<b>1,467,176</b>	<b>1,467,176</b>	<b>926,057</b>	<b>541,119</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(171,901)</b>	<b>(171,901)</b>	<b>559,484</b>	<b>731,385</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	45,000	45,000	45,000	-
Transfers out	(155,413)	(155,413)	(151,250)	4,163
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(110,413)</b>	<b>(110,413)</b>	<b>(106,250)</b>	<b>4,163</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(282,314)</b>	<b>(282,314)</b>	<b>453,234</b>	<b>735,548</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>282,314</b>	<b>282,314</b>	<b>772,942</b>	<b>490,628</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,226,176</b>	<b>\$ 1,226,176</b>

**CITY OF LEBANON, OREGON  
 LINX TRANSIT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 828,000	\$ 828,000	\$ 833,793	\$ 5,793
Contributions	12,500	12,500	2,193	(10,307)
Interest	1,000	1,000	737	(263)
Miscellaneous	1,000	1,000	460	(540)
<b>TOTAL REVENUES</b>	<b>842,500</b>	<b>842,500</b>	<b>837,183</b>	<b>(5,317)</b>
<b>EXPENDITURES:</b>				
LINX	901,989	901,989	850,126	51,863
Contingency	127,865	127,865	-	127,865
<b>TOTAL EXPENDITURES</b>	<b>1,029,854</b>	<b>1,029,854</b>	<b>850,126</b>	<b>179,728</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(187,354)</b>	<b>(187,354)</b>	<b>(12,943)</b>	<b>174,411</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(76,770)	(76,770)	(75,099)	1,671
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(76,770)</b>	<b>(76,770)</b>	<b>(75,099)</b>	<b>1,671</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(264,124)</b>	<b>(264,124)</b>	<b>(88,042)</b>	<b>176,082</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>264,124</b>	<b>264,124</b>	<b>337,429</b>	<b>73,305</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 249,387</b>	<b>\$ 249,386</b>

**CITY OF LEBANON, OREGON  
 STP STREET PROJECT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	\$ (26,000)	\$ (26,000)	\$ (24,797)	\$ 1,203
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(26,000)</u>	<u>(26,000)</u>	<u>(24,797)</u>	<u>1,203</u>
<b>NET CHANGE IN FUND BALANCE</b>	(26,000)	(26,000)	(24,797)	1,203
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>26,000</u>	<u>26,000</u>	<u>24,797</u>	<u>(1,203)</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**CITY OF LEBANON, OREGON  
BOAT RAMP FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 8,000	\$ 8,000	\$ 75,000	\$ 67,000
Interest	-	-	239	239
<b>TOTAL REVENUES</b>	<b>8,000</b>	<b>8,000</b>	<b>75,239</b>	<b>67,239</b>
<b>EXPENDITURES:</b>				
Public Works	101,500	101,500	79,496	22,004
Contingency	4,443	4,443	-	4,443
<b>TOTAL EXPENDITURES</b>	<b>105,943</b>	<b>105,943</b>	<b>79,496</b>	<b>26,447</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(97,943)</b>	<b>(97,943)</b>	<b>(4,257)</b>	<b>93,686</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>97,943</b>	<b>97,943</b>	<b>27,959</b>	<b>(69,984)</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 23,702</b>	<b>\$ 23,702</b>

**CITY OF LEBANON, OREGON  
POLICE DONATIONS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Contributions	\$ 12,635	\$ 12,635	\$ 7,542	\$ (5,093)
Interest	100	100	113	13
<b>TOTAL REVENUES</b>	<u>12,735</u>	<u>12,735</u>	<u>7,655</u>	<u>(5,080)</u>
<b>EXPENDITURES:</b>				
Police	<u>35,323</u>	<u>35,323</u>	<u>4,269</u>	<u>31,054</u>
<b>TOTAL EXPENDITURES</b>	<u>35,323</u>	<u>35,323</u>	<u>4,269</u>	<u>31,054</u>
<b>NET CHANGE IN FUND BALANCE</b>	(22,588)	(22,588)	3,386	25,974
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>22,588</u>	<u>22,588</u>	<u>21,966</u>	<u>(622)</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,352</u>	<u>\$ 25,352</u>

**CITY OF LEBANON, OREGON  
LIBRARY DONATIONS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Contributions	\$ 43,650	\$ 43,650	\$ 46,373	\$ 2,723
Interest	1,000	1,000	1,327	327
<b>TOTAL REVENUES</b>	<u>44,650</u>	<u>44,650</u>	<u>47,700</u>	<u>3,050</u>
<b>EXPENDITURES:</b>				
Library	43,650	43,650	19,616	24,034
<b>TOTAL EXPENDITURES</b>	<u>43,650</u>	<u>43,650</u>	<u>19,616</u>	<u>24,034</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,000</u>	<u>1,000</u>	<u>28,084</u>	<u>27,084</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	22,000	22,000	20,173	(1,827)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>22,000</u>	<u>22,000</u>	<u>20,173</u>	<u>(1,827)</u>
<b>NET CHANGE IN FUND BALANCE</b>	23,000	23,000	48,257	25,257
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>214,922</u>	<u>214,922</u>	<u>217,689</u>	<u>2,767</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ 237,922</u>	<u>\$ 237,922</u>	<u>\$ 265,946</u>	<u>\$ 28,024</u>

**CITY OF LEBANON, OREGON  
 SENIOR SERVICES DONATIONS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Rentals	\$ 1,800	\$ 1,800	\$ -	\$ (1,800)
Contributions	4,000	4,000	3,105	(895)
Interest	1,000	1,000	922	(78)
Miscellaneous	500	500	-	(500)
<b>TOTAL REVENUES</b>	<b>7,300</b>	<b>7,300</b>	<b>4,027</b>	<b>(3,273)</b>
<b>EXPENDITURES:</b>				
Senior Center	179,498	179,498	3,295	176,203
<b>TOTAL EXPENDITURES</b>	<b>179,498</b>	<b>179,498</b>	<b>3,295</b>	<b>176,203</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(172,198)</b>	<b>(172,198)</b>	<b>732</b>	<b>172,930</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>172,198</b>	<b>172,198</b>	<b>172,774</b>	<b>576</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 173,506</b>	<b>\$ 173,506</b>

**CITY OF LEBANON, OREGON  
 NORTHWEST URBAN RENEWAL DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 950,000	\$ 950,000	\$ 976,113	\$ 26,113
Interest	13,000	13,000	17,696	4,696
<b>TOTAL REVENUES</b>	<b>963,000</b>	<b>963,000</b>	<b>993,809</b>	<b>30,809</b>
<b>EXPENDITURES:</b>				
Debt service	1,503,850	1,503,850	1,503,744	106
<b>TOTAL EXPENDITURES</b>	<b>1,503,850</b>	<b>1,503,850</b>	<b>1,503,744</b>	<b>106</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(540,850)</b>	<b>(540,850)</b>	<b>(509,935)</b>	<b>30,915</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	240,000	240,000	-	(240,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>240,000</b>	<b>240,000</b>	<b>-</b>	<b>(240,000)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(300,850)</b>	<b>(300,850)</b>	<b>(509,935)</b>	<b>(209,085)</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>2,590,783</b>	<b>2,590,783</b>	<b>2,590,249</b>	<b>(534)</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ 2,289,933</b>	<b>\$ 2,289,933</b>	<b>\$ 2,080,314</b>	<b>\$ (209,619)</b>

**CITY OF LEBANON, OREGON  
 CHEADLE LAKE URBAN RENEWAL DISTRICT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 450,000	\$ 450,000	\$ 479,414	\$ 29,414
Interest	1,000	1,000	1,287	287
<b>TOTAL REVENUES</b>	<b>451,000</b>	<b>451,000</b>	<b>480,701</b>	<b>29,701</b>
<b>EXPENDITURES:</b>				
Cheadle Lake Urban Renewal District activities	249,668	249,668	11,761	237,907
Debt service	351,900	351,900	351,846	54
<b>TOTAL EXPENDITURES</b>	<b>601,568</b>	<b>601,568</b>	<b>363,607</b>	<b>237,961</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(150,568)</b>	<b>(150,568)</b>	<b>117,094</b>	<b>267,662</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>150,568</b>	<b>150,568</b>	<b>156,981</b>	<b>6,413</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 274,075</b>	<b>\$ 274,075</b>

**CITY OF LEBANON, OREGON  
NORTH GATEWAY URBAN RENEWAL DISTRICT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 975,000	\$ 975,000	\$ 925,189	\$ (49,811)
Interest	-	-	3,533	3,533
<b>TOTAL REVENUES</b>	<b>975,000</b>	<b>975,000</b>	<b>928,722</b>	<b>(46,278)</b>
<b>EXPENDITURES:</b>				
North Gateway Urban Renewal District activities	443,645	443,645	18,061	425,584
Debt service	1,147,000	1,147,000	1,139,923	7,077
<b>TOTAL EXPENDITURES</b>	<b>1,590,645</b>	<b>1,590,645</b>	<b>1,157,984</b>	<b>432,661</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(615,645)</b>	<b>(615,645)</b>	<b>(229,262)</b>	<b>386,383</b>
<b>FUND BALANCE, JUNE 30, 2021 (RESTATED)</b>	<b>615,645</b>	<b>615,645</b>	<b>638,263</b>	<b>22,618</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 409,001</b>	<b>\$ 409,001</b>

**CITY OF LEBANON, OREGON  
DOWNTOWN URBAN RENEWAL DISTRICT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 20,100	\$ 20,100	\$ 34,801	\$ 14,701
Interest	20	20	311	291
<b>TOTAL REVENUES</b>	<b>20,120</b>	<b>20,120</b>	<b>35,112</b>	<b>14,992</b>
<b>EXPENDITURES:</b>				
Downtown Urban Renewal District Activites	32,861	32,861	261	32,600
<b>TOTAL EXPENDITURES</b>	<b>32,861</b>	<b>32,861</b>	<b>261</b>	<b>32,600</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(12,741)</b>	<b>(12,741)</b>	<b>34,851</b>	<b>47,592</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>12,741</b>	<b>12,741</b>	<b>12,524</b>	<b>(217)</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 47,375</b>	<b>\$ 47,375</b>



**CITY OF LEBANON, OREGON  
MILL RACE URBAN RENEWAL DISTRICT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 100,000	\$ 100,000	\$ 61,882	\$ (38,118)
Interest	-	-	298	298
<b>TOTAL REVENUES</b>	<u>100,000</u>	<u>100,000</u>	<u>62,180</u>	<u>(37,820)</u>
<b>EXPENDITURES:</b>				
Mill Race Urban Renewal District Activities	<u>100,000</u>	<u>100,000</u>	<u>51,405</u>	<u>48,595</u>
<b>TOTAL EXPENDITURES</b>	<u>100,000</u>	<u>100,000</u>	<u>51,405</u>	<u>48,595</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	10,775	10,775
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,775</u>	<u>\$ 10,775</u>

# Non-Major Governmental Debt Service Funds



## DEBT SERVICE FUNDS

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

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

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

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

**Pension Bond Series Fund** – Accounts for Pension Bond Debt.

**CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR DEBT SERVICE FUNDS  
JUNE 30, 2022**

	G.O. Full Faith & Credit Bond Fund	2013 Full Faith & Credit Bond Fund	Pension Bond Series 2002	Total
<b>ASSETS</b>				
Cash and cash equivalent	\$ 192,861	\$ 10,677	\$ -	\$ 203,538
Taxes receivable	63,468	-	-	63,468
<b>TOTAL ASSETS</b>	<b>\$ 256,329</b>	<b>\$ 10,677</b>	<b>\$ -</b>	<b>\$ 267,006</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Deferred inflows of resources:</b>				
Unavailable revenue - property taxes	34,577	-	-	34,577
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>34,577</b>	<b>-</b>	<b>-</b>	<b>34,577</b>
<b>FUND BALANCES</b>				
Restricted	221,752	10,677	-	232,429
<b>TOTAL FUND BALANCES</b>	<b>221,752</b>	<b>10,677</b>	<b>-</b>	<b>232,429</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 256,329</b>	<b>\$ 10,677</b>	<b>\$ -</b>	<b>\$ 267,006</b>

**CITY OF LEBANON, OREGON  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR DEBT SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	G.O. Full Faith & Credit Bond Fund	2013 Full Faith & Credit Bond Fund	Pension Bond Series 2002	Total
<b>REVENUES:</b>				
Property and other taxes	\$ 1,631,281	\$ -	\$ -	\$ 1,631,281
Interest	4,002	52	-	4,054
<b>TOTAL REVENUES</b>	<b>1,635,283</b>	<b>52</b>	<b>-</b>	<b>1,635,335</b>
<b>EXPENDITURES:</b>				
Debt service	1,636,956	1,277,850	245,968	3,160,774
<b>TOTAL EXPENDITURES</b>	<b>1,636,956</b>	<b>1,277,850</b>	<b>245,968</b>	<b>3,160,774</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,673)</b>	<b>(1,277,798)</b>	<b>(245,968)</b>	<b>(1,525,439)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	1,277,850	245,968	1,523,818
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>1,277,850</b>	<b>245,968</b>	<b>1,523,818</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,673)</b>	<b>52</b>	<b>-</b>	<b>(1,621)</b>
<b>FUND BALANCES, JUNE 30, 2021</b>	<b>223,425</b>	<b>10,625</b>	<b>-</b>	<b>234,050</b>
<b>FUND BALANCES, JUNE 30, 2022</b>	<b>\$ 221,752</b>	<b>\$ 10,677</b>	<b>\$ -</b>	<b>\$ 232,429</b>

**CITY OF LEBANON, OREGON  
G.O. FULL FAITH & CREDIT BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 1,531,960	\$ 1,531,960	\$ 1,631,281	\$ 99,321
Interest	4,000	4,000	4,002	2
<b>TOTAL REVENUES</b>	<u>1,535,960</u>	<u>1,535,960</u>	<u>1,635,283</u>	<u>99,323</u>
<b>EXPENDITURES:</b>				
Debt service	<u>2,038,660</u>	<u>2,038,660</u>	<u>2,038,656</u>	<u>4</u>
<b>TOTAL EXPENDITURES</b>	<u>2,038,660</u>	<u>2,038,660</u>	<u>2,038,656</u>	<u>4</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(502,700)</u>	<u>(502,700)</u>	<u>(403,373)</u>	<u>99,327</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	<u>401,700</u>	<u>401,700</u>	<u>401,700</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>401,700</u>	<u>401,700</u>	<u>401,700</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(101,000)</u>	<u>(101,000)</u>	<u>(1,673)</u>	<u>99,327</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>181,000</u>	<u>181,000</u>	<u>223,425</u>	<u>42,425</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ 80,000</u>	<u>\$ 80,000</u>	<u>\$ 221,752</u>	<u>\$ 141,752</u>

**CITY OF LEBANON, OREGON  
2013 FULL FAITH & CREDIT BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 52	\$ 52
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>52</u>	<u>52</u>
<b>EXPENDITURES:</b>				
Debt service	1,519,900	1,519,900	1,519,900	-
<b>TOTAL EXPENDITURES</b>	<u>1,519,900</u>	<u>1,519,900</u>	<u>1,519,900</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,519,900)</u>	<u>(1,519,900)</u>	<u>(1,519,848)</u>	<u>52</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,509,275	1,509,275	1,519,900	10,625
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,509,275</u>	<u>1,509,275</u>	<u>1,519,900</u>	<u>10,625</u>
<b>NET CHANGE IN FUND BALANCE</b>	(10,625)	(10,625)	52	10,677
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>10,625</u>	<u>10,625</u>	<u>10,625</u>	<u>-</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,677</u>	<u>\$ 10,677</u>

**CITY OF LEBANON, OREGON  
PENSION BOND SERIES 2002  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>EXPENDITURES:</b>				
Debt service	\$ 245,970	\$ 245,970	\$ 245,968	\$ 2
<b>TOTAL EXPENDITURES</b>	<u>245,970</u>	<u>245,970</u>	<u>245,968</u>	<u>2</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(245,970)</u>	<u>(245,970)</u>	<u>(245,968)</u>	<u>2</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	<u>245,970</u>	<u>245,970</u>	<u>245,968</u>	<u>(2)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>245,970</u>	<u>245,970</u>	<u>245,968</u>	<u>(2)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, JUNE 30, 2021</b>	-	-	-	-
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



# Capital Projects Funds



## CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

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

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

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

**CITY OF LEBANON, OREGON  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2022**

	Equipment Acquisition & Replacement Fund	Pioneer Cemetery Restoration Trust Fund	SDC - Street Improvement Fund	Streets Capital Project Fund	SDC - Parks Improvement Fund	SDC - Parks Reimbursement Fund	SDC - Street Reimbursement Fund	Total
<b>ASSETS</b>								
Cash and cash equivalent	\$ 863,075	\$ 10,201	\$ 4,260,351	\$ 596,160	\$ 3,551,041	\$ 439	\$ 126,584	\$ 9,407,851
Accounts receivable	825	-	-	-	-	-	-	825
Assessment receivable	-	-	195,580	-	429,712	-	28,026	653,318
Interfund loan receivable	-	-	286,484	-	-	-	-	286,484
<b>TOTAL ASSETS</b>	<u>\$ 863,900</u>	<u>\$ 10,201</u>	<u>\$ 4,742,415</u>	<u>\$ 596,160</u>	<u>\$ 3,980,753</u>	<u>\$ 439</u>	<u>\$ 154,610</u>	<u>\$ 10,348,478</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 878	\$ 878
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>878</u>	<u>878</u>
<b>Deferred Inflows of Resources:</b>								
Unavailable revenue - receivables	-	-	179,508	-	420,811	-	25,726	626,045
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>179,508</u>	<u>-</u>	<u>420,811</u>	<u>-</u>	<u>25,726</u>	<u>626,045</u>
<b>Fund balances:</b>								
Restricted	-	10,201	4,562,907	596,160	3,559,942	439	128,006	8,857,655
Assigned	863,900	-	-	-	-	-	-	863,900
<b>TOTAL FUND BALANCE</b>	<u>863,900</u>	<u>10,201</u>	<u>4,562,907</u>	<u>596,160</u>	<u>3,559,942</u>	<u>439</u>	<u>128,006</u>	<u>9,721,555</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<u>\$ 863,900</u>	<u>\$ 10,201</u>	<u>\$ 4,742,415</u>	<u>\$ 596,160</u>	<u>\$ 3,980,753</u>	<u>\$ 439</u>	<u>\$ 154,610</u>	<u>\$ 10,348,478</u>

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Equipment Acquisition & Replacement Fund	Pioneer Cemetery Restoration Trust Fund	SDC - Street Improvement Fund	Streets Capital Project Fund	SDC - Parks Improvement Fund	SDC - Parks Reimbursement Fund	SDC - Street Reimbursement Fund	Total
<b>REVENUES:</b>								
Special assessment collections	\$ -	\$ -	\$ 430,315	\$ 290,010	\$ 1,040,273	\$ -	\$ 60,389	\$ 1,820,987
Intergovernmental	-	-	-	474,509	-	-	-	474,509
Interest	4,710	54	33,799	3,616	27,719	2	1,397	71,297
Miscellaneous	7,963	-	-	-	-	-	-	7,963
<b>TOTAL REVENUES</b>	<b>12,673</b>	<b>54</b>	<b>464,114</b>	<b>768,135</b>	<b>1,067,992</b>	<b>2</b>	<b>61,786</b>	<b>2,374,756</b>
<b>EXPENDITURES:</b>								
Capital outlay	-	-	32,643	761,040	2,101	-	-	795,784
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>32,643</b>	<b>761,040</b>	<b>2,101</b>	<b>-</b>	<b>-</b>	<b>795,784</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>12,673</b>	<b>54</b>	<b>431,471</b>	<b>7,095</b>	<b>1,065,891</b>	<b>2</b>	<b>61,786</b>	<b>1,578,972</b>
<b>OTHER FINANCING SOURCES (USES):</b>								
Transfers in	-	-	-	295,908	-	-	-	295,908
Transfers out	(42,401)	-	-	(310,000)	-	-	(70,769)	(423,170)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(42,401)</b>	<b>-</b>	<b>-</b>	<b>(14,092)</b>	<b>-</b>	<b>-</b>	<b>(70,769)</b>	<b>(127,262)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(29,728)</b>	<b>54</b>	<b>431,471</b>	<b>(6,997)</b>	<b>1,065,891</b>	<b>2</b>	<b>(8,983)</b>	<b>1,451,710</b>
<b>FUND BALANCES, JUNE 30, 2021</b>	<b>893,628</b>	<b>10,147</b>	<b>4,131,436</b>	<b>603,157</b>	<b>2,494,051</b>	<b>437</b>	<b>136,989</b>	<b>8,269,845</b>
<b>FUND BALANCES, JUNE 30, 2022</b>	<b>\$ 863,900</b>	<b>\$ 10,201</b>	<b>\$ 4,562,907</b>	<b>\$ 596,160</b>	<b>\$ 3,559,942</b>	<b>\$ 439</b>	<b>\$ 128,006</b>	<b>\$ 9,721,555</b>

**CITY OF LEBANON, OREGON  
EQUIPMENT ACQUISITION & REPLACEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ 4,500	\$ 4,500	\$ 4,710	\$ 210
Miscellaneous	-	-	7,963	7,963
<b>TOTAL REVENUES</b>	<u>4,500</u>	<u>4,500</u>	<u>12,673</u>	<u>8,173</u>
<b>EXPENDITURES:</b>				
Capital outlay	320,817	320,817	42,401	278,416
Contingency	840,156	840,156	-	840,156
<b>TOTAL EXPENDITURES</b>	<u>1,160,973</u>	<u>1,160,973</u>	<u>42,401</u>	<u>1,118,572</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,156,473)</u>	<u>(1,156,473)</u>	<u>(29,728)</u>	<u>1,126,745</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	250,000	250,000	-	(250,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>(250,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(906,473)</u>	<u>(906,473)</u>	<u>(29,728)</u>	<u>876,745</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>906,473</u>	<u>906,473</u>	<u>893,628</u>	<u>(12,845)</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 863,900</u>	<u>\$ 863,900</u>

**CITY OF LEBANON, OREGON  
PIONEER CEMETERY RESTORATION TRUST FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ 50	\$ 50	\$ 54	\$ 4
<b>TOTAL REVENUES</b>	<u>50</u>	<u>50</u>	<u>54</u>	<u>4</u>
<b>EXPENDITURES:</b>				
Capital outlay	10,175	10,175	-	10,175
<b>TOTAL EXPENDITURES</b>	<u>10,175</u>	<u>10,175</u>	<u>-</u>	<u>10,175</u>
<b>NET CHANGE IN FUND BALANCE</b>	(10,125)	(10,125)	54	10,179
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>10,125</u>	<u>10,125</u>	<u>10,147</u>	<u>105</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,201</u>	<u>\$ 10,201</u>

**CITY OF LEBANON, OREGON  
SDC - STREET IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 220,000	\$ 220,000	\$ 430,315	\$ 210,315
Interest	24,000	24,000	26,483	2,483
<b>TOTAL REVENUES</b>	<u>244,000</u>	<u>244,000</u>	<u>456,798</u>	<u>212,798</u>
<b>EXPENDITURES:</b>				
Capital outlay	3,799,801	3,799,801	32,643	3,767,158
<b>TOTAL EXPENDITURES</b>	<u>3,799,801</u>	<u>3,799,801</u>	<u>32,643</u>	<u>3,767,158</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(3,555,801)</u>	<u>(3,555,801)</u>	<u>424,155</u>	<u>3,979,956</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	46,000	46,000	46,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>46,000</u>	<u>46,000</u>	<u>46,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(3,509,801)</u>	<u>(3,509,801)</u>	<u>470,155</u>	<u>3,979,956</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>3,509,801</u>	<u>3,509,801</u>	<u>3,806,268</u>	<u>296,467</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>4,276,423</u>	<u>\$ 4,276,423</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Interfund loan receivable			<u>286,484</u>	
<b>FUND BALANCE - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ 4,562,907</u>	

**CITY OF LEBANON, OREGON  
STREETS CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 120,000	\$ 120,000	\$ 290,010	\$ 170,010
Intergovernmental	602,000	602,000	474,509	(127,491)
Interest	-	-	3,616	3,616
<b>TOTAL REVENUES</b>	<u>722,000</u>	<u>722,000</u>	<u>768,135</u>	<u>46,135</u>
<b>EXPENDITURES:</b>				
Capital outlay	1,081,244	1,081,244	799,929	281,315
Contingency	60,833	60,833	-	60,833
<b>TOTAL EXPENDITURES</b>	<u>1,142,077</u>	<u>1,142,077</u>	<u>799,929</u>	<u>342,148</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(420,077)</u>	<u>(420,077)</u>	<u>(31,794)</u>	<u>388,283</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	26,000	26,000	24,797	(1,203)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>26,000</u>	<u>26,000</u>	<u>24,797</u>	<u>(1,203)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(394,077)</u>	<u>(394,077)</u>	<u>(6,997)</u>	<u>387,080</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>394,077</u>	<u>394,077</u>	<u>603,157</u>	<u>209,080</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 596,160</u>	<u>\$ 596,160</u>



**CITY OF LEBANON, OREGON  
SDC - PARKS IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 290,000	\$ 290,000	\$ 1,040,273	\$ 750,273
Interest	18,000	18,000	27,475	9,475
<b>TOTAL REVENUES</b>	<b>308,000</b>	<b>308,000</b>	<b>1,067,748</b>	<b>759,748</b>
<b>EXPENDITURES:</b>				
Capital outlay	2,490,921	2,490,921	2,101	2,488,820
<b>TOTAL EXPENDITURES</b>	<b>2,490,921</b>	<b>2,490,921</b>	<b>2,101</b>	<b>2,488,820</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,182,921)</b>	<b>(2,182,921)</b>	<b>1,065,647</b>	<b>3,248,568</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	48,940	48,940	48,940	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>48,940</b>	<b>48,940</b>	<b>48,940</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,133,981)</b>	<b>(2,133,981)</b>	<b>1,114,587</b>	<b>3,248,568</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>2,133,981</b>	<b>2,133,981</b>	<b>2,445,355</b>	<b>311,374</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,559,942</b>	<b>\$ 3,559,942</b>

**CITY OF LEBANON, OREGON  
SDC - PARKS REIMBURSEMENTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 2	\$ 2
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
<b>EXPENDITURES:</b>				
Capital outlay	437	437	-	437
<b>TOTAL EXPENDITURES</b>	<u>437</u>	<u>437</u>	<u>-</u>	<u>437</u>
<b>NET CHANGE IN FUND BALANCE</b>	(437)	(437)	2	439
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>437</u>	<u>437</u>	<u>437</u>	<u>(99)</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 439</u>	<u>\$ 340</u>

**CITY OF LEBANON, OREGON  
SDC - STREET REIMBURSEMENTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 24,500	\$ 24,500	\$ 60,389	\$ 35,889
Interest	1,500	1,500	1,397	(103)
<b>TOTAL REVENUES</b>	<u>26,000</u>	<u>26,000</u>	<u>61,786</u>	<u>35,786</u>
<b>EXPENDITURES:</b>				
Capital outlay	140,809	140,809	70,769	70,040
<b>TOTAL EXPENDITURES</b>	<u>140,809</u>	<u>140,809</u>	<u>70,769</u>	<u>70,040</u>
<b>NET CHANGE IN FUND BALANCE</b>	(114,809)	(114,809)	(8,983)	105,826
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>114,809</u>	<u>114,809</u>	<u>136,989</u>	<u>22,180</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,006</u>	<u>\$ 128,006</u>

# Proprietary Funds



## ENTERPRISE FUNDS

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

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

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF NET POSITION**  
**WATER FUNDS**  
**JUNE 30, 2022**

	Water Utility Fund	SDC - Water Improvement Fund	SDC - Water Reimbursement Fund	Total Water Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 4,320,252	\$ 649,372	\$ 22,993	\$ 4,992,617
Accounts receivable, net	523,513	-	-	523,513
Unbilled receivables	215,784	-	-	215,784
Assessments receivable	-	224,191	1,285	225,476
Prepays	1,146	-	-	1,146
Inventory	166,812	-	-	166,812
Total current assets	<u>5,227,507</u>	<u>873,563</u>	<u>24,278</u>	<u>6,125,348</u>
Noncurrent assets:				
Net OPEB asset	16,374	-	-	16,374
Capital assets:				
Capital assets not being depreciated	784,236	-	-	784,236
Depreciable capital assets, net of depreciation	43,979,617	-	-	43,979,617
Total noncurrent assets	<u>44,780,227</u>	<u>-</u>	<u>-</u>	<u>44,780,227</u>
Total Assets	<u>50,007,734</u>	<u>873,563</u>	<u>24,278</u>	<u>50,905,575</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related deferrals	451,425	-	-	451,425
OPEB related deferrals	8,812	-	-	8,812
Total deferred outflows of resources	<u>460,237</u>	<u>-</u>	<u>-</u>	<u>460,237</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	42,256	-	-	42,256
Accrued payroll	11,396	-	-	11,396
Deposits	246,940	-	-	246,940
Accrued interest payable	277,179	-	-	277,179
Current portion of long-term liabilities:				
Loans and notes payable	678,604	-	-	678,604
Accrued compensated absences	22,556	-	-	22,556
Total current liabilities	<u>1,278,931</u>	<u>-</u>	<u>-</u>	<u>1,278,931</u>
Noncurrent liabilities:				
Noncurrent portion of long-term liabilities:				
Loans and notes payable	20,729,595	-	-	20,729,595
Accrued compensated absences	67,669	-	-	67,669
Net pension liability	713,314	-	-	713,314
Total OPEB liability	35,086	-	-	35,086
Total noncurrent liabilities	<u>21,545,664</u>	<u>-</u>	<u>-</u>	<u>21,545,664</u>
Total Liabilities	<u>22,824,595</u>	<u>-</u>	<u>-</u>	<u>22,824,595</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferrals	608,426	-	-	608,426
OPEB related deferrals	5,956	-	-	5,956
Total deferred inflows of resources	<u>614,382</u>	<u>-</u>	<u>-</u>	<u>614,382</u>
<b>NET POSITION</b>				
Net investment in capital assets	23,355,654	-	-	23,355,654
Restricted	-	873,563	24,278	897,841
Unrestricted	3,673,340	-	-	3,673,340
Total net position	<u>\$ 27,028,994</u>	<u>\$ 873,563</u>	<u>\$ 24,278</u>	<u>\$ 27,926,835</u>

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**WATER FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Water Utility Fund	SDC - Water Improvement Fund	SDC - Water Reimbursement Fund	Total Water Funds
<b>OPERATING REVENUES:</b>				
Special assessment collections	\$ -	\$ 345,333	\$ 1,903	\$ 347,236
Charges for services	5,863,874	-	-	5,863,874
Miscellaneous	6,914	-	-	6,914
<b>TOTAL OPERATING REVENUES</b>	<b>5,870,788</b>	<b>345,333</b>	<b>1,903</b>	<b>6,218,024</b>
<b>OPERATING EXPENSES:</b>				
Personnel services	958,631	-	-	958,631
Materials and services	1,237,129	-	-	1,237,129
Depreciation	1,140,947	-	-	1,140,947
<b>TOTAL OPERATING EXPENSES</b>	<b>3,336,707</b>	<b>-</b>	<b>-</b>	<b>3,336,707</b>
<b>OPERATING INCOME (LOSS)</b>	<b>2,534,081</b>	<b>345,333</b>	<b>1,903</b>	<b>2,881,317</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Interest income	21,177	7,776	147	29,100
Interest expense	(484,291)	-	-	(484,291)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(463,114)</b>	<b>7,776</b>	<b>147</b>	<b>(455,191)</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<b>2,070,967</b>	<b>353,109</b>	<b>2,050</b>	<b>2,426,126</b>
Capital contributions	235,352	-	-	235,352
Transfers in	70,769	-	-	70,769
Transfers out	(761,535)	-	-	(761,535)
<b>CHANGE IN NET POSITION</b>	<b>1,615,553</b>	<b>353,109</b>	<b>2,050</b>	<b>1,970,712</b>
<b>NET POSITION, JUNE 30, 2021</b>	<b>25,413,441</b>	<b>520,454</b>	<b>22,228</b>	<b>25,956,123</b>
<b>NET POSITION, JUNE 30, 2022</b>	<b>\$ 27,028,994</b>	<b>\$ 873,563</b>	<b>\$ 24,278</b>	<b>\$ 27,926,835</b>

**CITY OF LEBANON, OREGON  
WATER UTILITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 5,278,000	\$ 5,278,000	\$ 5,863,874	\$ 585,874
Interest	15,000	15,000	21,177	6,177
Miscellaneous	100,000	100,000	6,914	(93,086)
<b>TOTAL REVENUES</b>	<b>5,393,000</b>	<b>5,393,000</b>	<b>5,891,965</b>	<b>498,965</b>
<b>EXPENDITURES:</b>				
Operating:				
Community Development	40,750	41,350	41,563	(213)
Public Works	2,160,000	2,160,000	2,075,869	84,131
Engineering	1,603,150	1,603,150	541,949	1,061,201
Subtotal for Operating	3,803,900	3,804,500	2,659,381	1,145,119
Non-Operating:				
Capital Projects	1,033,902	1,033,902	940	1,032,962
Debt Service	1,153,790	1,153,790	1,153,769	21
Contingency	250,000	249,400	-	249,400
<b>TOTAL EXPENDITURES</b>	<b>6,241,592</b>	<b>6,241,592</b>	<b>3,814,090</b>	<b>2,427,502</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(848,592)</b>	<b>(848,592)</b>	<b>2,077,875</b>	<b>2,926,467</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(802,308)	(802,308)	(790,687)	11,621
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(802,308)</b>	<b>(802,308)</b>	<b>(790,687)</b>	<b>11,621</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,650,900)</b>	<b>(1,650,900)</b>	<b>1,287,188</b>	<b>2,938,088</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>2,550,900</b>	<b>2,550,900</b>	<b>3,639,727</b>	<b>1,088,827</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ 900,000</b>	<b>\$ 900,000</b>	<b>4,926,915</b>	<b>\$ 4,026,915</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Capital assets, net accumulated depreciation			44,763,853	
Net OPEB asset			16,374	
Deferred outflows from OPEB - RHIA			8,812	
Deferred outflows from pension			451,425	
Accrued compensated absences payable			(90,225)	
Loans and notes payable			(21,408,199)	
Interest payable			(277,179)	
OPEB liability			(35,086)	
Net pension liability			(713,314)	
Deferred inflows from OPEB			(5,956)	
Deferred inflows from pension			(608,426)	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2022</b>			<b>\$ 27,028,994</b>	



**CITY OF LEBANON, OREGON  
SDC - WATER IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 120,000	\$ 120,000	\$ 347,284	\$ 227,284
Interest	3,000	3,000	7,776	4,776
<b>TOTAL REVENUES</b>	<u>123,000</u>	<u>123,000</u>	<u>355,060</u>	<u>232,060</u>
<b>EXPENDITURES:</b>				
Water	370,629	370,629	-	370,629
<b>TOTAL EXPENDITURES</b>	<u>370,629</u>	<u>370,629</u>	<u>-</u>	<u>370,629</u>
<b>NET CHANGE IN FUND BALANCE</b>	(247,629)	(247,629)	355,060	602,689
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>247,629</u>	<u>247,629</u>	<u>308,489</u>	<u>60,860</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>663,549</u>	<u>\$ 663,549</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable Revenue			<u>210,014</u>	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ 873,563</u>	

**CITY OF LEBANON, OREGON  
SDC - WATER REIMBURSEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 650	\$ 650	\$ 1,959	\$ 1,309
Interest	130	130	147	17
<b>TOTAL REVENUES</b>	<u>780</u>	<u>780</u>	<u>2,106</u>	<u>1,326</u>
<b>EXPENDITURES:</b>				
Water	<u>21,559</u>	<u>21,559</u>	<u>-</u>	<u>21,559</u>
<b>TOTAL EXPENDITURES</b>	<u>21,559</u>	<u>21,559</u>	<u>-</u>	<u>21,559</u>
<b>NET CHANGE IN FUND BALANCE</b>	(20,779)	(20,779)	2,106	22,885
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>20,779</u>	<u>20,779</u>	<u>20,968</u>	<u>189</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>23,074</u>	<u>\$ 23,074</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable Revenue			<u>1,204</u>	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ 24,278</u>	

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF NET POSITION**  
**WASTEWATER FUNDS**  
**JUNE 30, 2022**

	Wastewater Utility Fund	SDC- Wastewater Improvement Fund	SDC - Wastewater Reimbursement Fund	Total Wastewater Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 16,029,027	\$ 3,077,150	\$ 595,014	\$ 19,701,191
Accounts receivable, net	763,606	-	-	763,606
Unbilled receivables	209,841	-	-	209,841
Assessments receivable	-	290,756	51,152	341,908
Total current assets	17,002,474	3,367,906	646,166	21,016,546
Noncurrent assets:				
Capital assets:				
Capital assets not being depreciated	10,633,739	-	-	10,633,739
Depreciable capital assets, net of depreciation	30,244,777	-	-	30,244,777
Net OPEB asset	18,370	-	-	18,370
Total noncurrent assets	40,896,886	-	-	40,896,886
Total assets	57,899,360	3,367,906	646,166	61,913,432
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related deferrals	506,436	-	-	506,436
OPEB related deferrals	9,885	-	-	9,885
Total deferred outflows of resources	516,321	-	-	516,321
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	816,228	-	-	816,228
Accrued payroll	11,565	-	-	11,565
Accrued interest payable	15,166	-	-	15,166
Unearned revenue	3,000,000	-	-	3,000,000
Current portion of long-term liabilities:				
Loans and notes payable	340,000	-	-	340,000
Accrued compensated absences	21,759	-	-	21,759
Total current liabilities	4,204,718	-	-	4,204,718
Noncurrent liabilities:				
Noncurrent portion of long-term liabilities:				
Loans and notes payable	10,855,350	-	-	10,855,350
Accrued compensated absences	65,275	-	-	65,275
Net pension liability	800,240	-	-	800,240
Total OPEB liability	39,362	-	-	39,362
Total noncurrent liabilities	11,760,227	-	-	11,760,227
Total liabilities	15,964,945	-	-	15,964,945
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferrals	682,569	-	-	682,569
OPEB related deferrals	6,682	-	-	6,682
Total deferred inflows of resources	689,251	-	-	689,251
<b>NET POSITION</b>				
Net investment in capital assets	29,683,166	-	-	29,683,166
Restricted	-	3,367,906	646,166	4,014,072
Unrestricted	12,078,319	-	-	12,078,319
Total net position	\$ 41,761,485	\$ 3,367,906	\$ 646,166	\$ 45,775,557

**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
WASTEWATER FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Wastewater Utility Fund	SDC- Wastewater Improvement Fund	SDC - Wastewater Reimbursement Fund	Elimination	Total Wastewater Funds
<b>OPERATING REVENUES:</b>					
Special assessment collections	\$ -	\$ 482,142	\$ 81,228	\$ -	\$ 563,370
Charges for services	6,169,103	-	-	-	6,169,103
Miscellaneous	14,811	-	-	-	14,811
<b>TOTAL OPERATING REVENUES</b>	<b>6,183,914</b>	<b>482,142</b>	<b>81,228</b>	<b>-</b>	<b>6,747,284</b>
<b>OPERATING EXPENSES:</b>					
Wastewater:					
Personnel services	1,187,620	-	-	-	1,187,620
Materials and services	2,420,840	-	-	-	2,420,840
Deprecation	1,081,122	-	-	-	1,081,122
<b>TOTAL OPERATING EXPENSES</b>	<b>4,689,582</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,689,582</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,494,332</b>	<b>482,142</b>	<b>81,228</b>	<b>-</b>	<b>2,057,702</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Interest income	62,561	21,739	4,173	-	88,473
Interest expense	(30,742)	-	-	-	(30,742)
Settlement	12,000,000	-	-	-	12,000,000
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>12,031,819</b>	<b>21,739</b>	<b>4,173</b>	<b>-</b>	<b>12,057,731</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<b>13,526,151</b>	<b>503,881</b>	<b>85,401</b>	<b>-</b>	<b>14,115,433</b>
Capital contributions	246,614	-	-	-	246,614
Transfers in	436,969	-	-	(51,661)	385,308
Transfers out	(649,874)	(22,868)	(28,793)	51,661	(649,874)
<b>CHANGE IN NET POSITION</b>	<b>13,559,860</b>	<b>481,013</b>	<b>56,608</b>	<b>-</b>	<b>14,097,481</b>
<b>NET POSITION, JUNE 30, 2021</b>	<b>28,201,625</b>	<b>2,886,893</b>	<b>589,558</b>	<b>-</b>	<b>31,678,076</b>
<b>NET POSITION, JUNE 30, 2022</b>	<b>\$ 41,761,485</b>	<b>\$ 3,367,906</b>	<b>\$ 646,166</b>	<b>\$ -</b>	<b>\$ 45,775,557</b>

**CITY OF LEBANON, OREGON  
WASTEWATER FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 5,819,000	\$ 5,819,000	\$ 6,169,706	\$ 350,706
Interest	10,000	10,000	62,561	52,561
Miscellaneous	3,000	3,000	14,811	11,811
<b>TOTAL REVENUES</b>	<u>5,832,000</u>	<u>5,832,000</u>	<u>6,247,078</u>	<u>415,078</u>
<b>EXPENDITURES:</b>				
Operating:				
Community Development	41,000	41,360	41,570	(210)
Public Works	3,456,459	3,456,459	3,515,862	(59,403)
Engineering	1,772,050	1,771,690	927,800	843,890
Subtotal for Operating	5,269,509	5,269,509	4,485,232	784,277
Non-Operating:				
Capital projects	14,200,000	14,200,000	9,008,525	5,191,475
Principal - Debt	335,000	335,000	335,000	-
Interest - Debt	50,430	50,430	50,421	9
Debt service	385,430	385,430	385,421	9
<b>TOTAL EXPENDITURES</b>	<u>19,854,939</u>	<u>19,854,939</u>	<u>13,879,178</u>	<u>5,975,761</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(14,022,939)</u>	<u>(14,022,939)</u>	<u>(7,632,100)</u>	<u>6,390,839</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Settlement	-	-	12,000,000	12,000,000
Loan proceeds	14,000,000	14,000,000	8,100,350	(5,899,650)
Transfers out	(1,070,058)	(1,070,058)	(1,051,575)	18,483
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>12,929,942</u>	<u>12,929,942</u>	<u>19,048,775</u>	<u>6,118,833</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(1,092,997)</u>	<u>(1,092,997)</u>	<u>11,416,675</u>	<u>12,509,672</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>1,092,997</u>	<u>1,092,997</u>	<u>1,757,295</u>	<u>664,298</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>13,173,970</u>	<u>\$ 13,173,970</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Capital assets, net accumulated depreciation			40,878,516	
Net OPEB asset			18,370	
Deferred outflows from OPEB			9,885	
Deferred outflows from pension			506,436	
Accrued compensated absences payable			(87,034)	
Loans and notes payable			(11,195,350)	
Interest payable			(15,166)	
Total OPEB liability			(39,362)	
Net pension liability			(800,240)	
Deferred inflows from OPEB			(6,682)	
Deferred inflows from pension			(682,569)	
Unavailable revenue			710	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ 41,761,485</u>	

**CITY OF LEBANON, OREGON  
SDC - WASTEWATER IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 140,000	\$ 140,000	\$ 479,584	\$ 339,584
Interest	17,500	17,500	21,739	4,239
<b>TOTAL REVENUES</b>	<b>157,500</b>	<b>157,500</b>	<b>501,323</b>	<b>343,823</b>
<b>EXPENDITURES:</b>				
Wastewater	2,661,716	2,661,716	22,868	2,638,848
<b>TOTAL EXPENDITURES</b>	<b>2,661,716</b>	<b>2,661,716</b>	<b>22,868</b>	<b>2,638,848</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(2,504,216)</b>	<b>(2,504,216)</b>	<b>478,455</b>	<b>2,982,671</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>2,504,216</b>	<b>2,504,216</b>	<b>2,609,883</b>	<b>105,667</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>3,088,338</b>	<b>\$ 3,088,338</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable revenue			279,568	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2022</b>			<b>\$ 3,367,906</b>	

**CITY OF LEBANON, OREGON  
SDC - WASTEWATER REIMBURSEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 36,000	\$ 36,000	\$ 80,766	\$ 44,766
Interest	2,800	2,800	4,173	1,373
<b>TOTAL REVENUES</b>	<u>38,800</u>	<u>38,800</u>	<u>84,939</u>	<u>46,139</u>
<b>EXPENDITURES:</b>				
Wastewater	<u>570,798</u>	<u>570,798</u>	<u>28,793</u>	<u>542,005</u>
<b>TOTAL EXPENDITURES</b>	<u>570,798</u>	<u>570,798</u>	<u>28,793</u>	<u>542,005</u>
<b>NET CHANGE IN FUND BALANCE</b>	(531,998)	(531,998)	56,146	588,144
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>531,998</u>	<u>531,998</u>	<u>540,836</u>	<u>8,838</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	596,982	<u>\$ 596,982</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Unavailable revenue			<u>49,184</u>	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ 646,166</u>	

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR STORM DRAINAGE FUNDS**  
**JUNE 30, 2022**

	Storm Drainage Fund	SDC - Drainage Improvement Fund	SDC - Drainage Reimbursement Fund	Total Storm Drainage Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 218,417	\$ 228,100	\$ 29,874	\$ 476,391
Accounts receivable, net	69,203	-	-	69,203
Unbilled receivables	25,666	-	-	25,666
Assessments receivable	-	19,160	3,359	22,519
Total current assets	<u>313,286</u>	<u>247,260</u>	<u>33,233</u>	<u>593,779</u>
Noncurrent assets:				
Capital assets:				
Capital assets not being depreciated	112,152	-	-	112,152
Depreciable capital assets, net of depreciation	1,876,655	-	-	1,876,655
Net OPEB asset	1,547	-	-	1,547
Total noncurrent assets	<u>1,990,354</u>	<u>-</u>	<u>-</u>	<u>1,990,354</u>
Total assets	<u>2,303,640</u>	<u>247,260</u>	<u>33,233</u>	<u>2,584,133</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related deferrals	42,648	-	-	42,648
OPEB related deferrals	832	-	-	832
Total deferred outflows of resources	<u>43,480</u>	<u>-</u>	<u>-</u>	<u>43,480</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	90	8,341	-	8,431
Accrued payroll	1,708	-	-	1,708
Current portion of long-term liabilities:				
Accrued compensated absences	1,525	-	-	1,525
Total current liabilities	<u>3,323</u>	<u>8,341</u>	<u>-</u>	<u>11,664</u>
Noncurrent liabilities:				
Noncurrent portion of long-term liabilities:				
Accrued compensated absences	4,576	-	-	4,576
Net pension liability	67,390	-	-	67,390
Total OPEB liability	3,315	-	-	3,315
Interfund loan payable	286,484	-	-	286,484
Total noncurrent liabilities	<u>361,765</u>	<u>-</u>	<u>-</u>	<u>361,765</u>
Total liabilities	<u>365,088</u>	<u>8,341</u>	<u>-</u>	<u>373,429</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferrals	57,481	-	-	57,481
OPEB related deferrals	563	-	-	563
Total deferred inflows of resources	<u>58,044</u>	<u>-</u>	<u>-</u>	<u>58,044</u>
<b>NET POSITION</b>				
Net investment in capital assets	1,702,323	-	-	1,702,323
Restricted	-	238,919	33,233	272,152
Unrestricted	221,665	-	-	221,665
Total net position	<u>\$ 1,923,988</u>	<u>\$ 238,919</u>	<u>\$ 33,233</u>	<u>\$ 2,196,140</u>



**CITY OF LEBANON, OREGON  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
NONMAJOR STORM DRAINAGE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Storm Drainage Fund	SDC - Drainage Improvement Fund	SDC - Drainage Reimbursement Fund	Elimination	Total Storm Drainage Funds
<b>OPERATING REVENUES:</b>					
Special assessment collections	\$ -	\$ 42,352	\$ 7,301	\$ -	\$ 49,653
Charges for services	545,584	-	-	-	545,584
Miscellaneous	12	-	-	-	12
<b>TOTAL OPERATING REVENUES</b>	<b>545,596</b>	<b>42,352</b>	<b>7,301</b>	<b>-</b>	<b>595,249</b>
<b>OPERATING EXPENSES:</b>					
Storm Drainage					
Personnel services	93,985	-	-	-	93,985
Materials and services	202,967	-	-	-	202,967
Deprecation	43,813	-	-	-	43,813
<b>TOTAL OPERATING EXPENSES</b>	<b>340,765</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>340,765</b>
<b>OPERATING INCOME (LOSS)</b>	<b>204,831</b>	<b>42,352</b>	<b>7,301</b>	<b>-</b>	<b>254,484</b>
<b>NONOPERATING REVENUE (EXPENSE):</b>					
Interest income	1,400	1,874	276	-	3,550
Interest expense	(7,316)	-	-	-	(7,316)
<b>TOTAL NONOPERATING REVENUE (EXPENSE)</b>	<b>(5,916)</b>	<b>1,874</b>	<b>276</b>	<b>-</b>	<b>(3,766)</b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<b>198,915</b>	<b>44,226</b>	<b>7,577</b>	<b>-</b>	<b>250,718</b>
Capital Contributions	180,858				180,858
Transfers in	42,152	-	-	(42,152)	-
Transfers out	(217,922)	(22,152)	(20,000)	42,152	(217,922)
<b>CHANGE IN NET POSITION</b>	<b>204,003</b>	<b>22,074</b>	<b>(12,423)</b>	<b>-</b>	<b>213,654</b>
<b>NET POSITION, JUNE 30, 2021</b>	<b>1,719,985</b>	<b>216,845</b>	<b>45,656</b>	<b>-</b>	<b>1,982,486</b>
<b>NET POSITION, JUNE 30, 2022</b>	<b>\$ 1,923,988</b>	<b>\$ 238,919</b>	<b>\$ 33,233</b>	<b>\$ -</b>	<b>\$ 2,196,140</b>

**CITY OF LEBANON, OREGON  
STORM DRAINAGE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 498,000	\$ 498,000	\$ 545,584	\$ 47,584
Interest	1,000	1,000	1,400	400
Miscellaneous	-	-	12	12
<b>TOTAL REVENUES</b>	<u>499,000</u>	<u>499,000</u>	<u>546,996</u>	<u>47,996</u>
<b>EXPENDITURES:</b>				
Operating:				
Public Works	187,800	187,800	141,993	45,807
Engineering	346,778	346,778	383,756	(36,978)
Subtotal operating	534,578	534,578	525,749	8,829
Non-Operating:				
Contingency	42,166	42,166	-	42,166
<b>TOTAL EXPENDITURES</b>	<u>576,744</u>	<u>576,744</u>	<u>525,749</u>	<u>50,995</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(77,744)</u>	<u>(77,744)</u>	<u>21,247</u>	<u>98,991</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(131,211)	(131,211)	(130,401)	810
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(131,211)</u>	<u>(131,211)</u>	<u>(130,401)</u>	<u>810</u>
<b>NET CHANGE IN FUND BALANCE</b>	(208,955)	(208,955)	(109,154)	99,801
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>283,955</u>	<u>283,955</u>	<u>420,642</u>	<u>136,687</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>311,488</u>	<u>\$ 236,488</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Capital Assets, net accumulated depreciation			1,988,807	
Net OPEB asset			1,547	
Deferred outflows from OPEB			832	
Deferred outflows from pension			42,648	
Accrued compensated absences payable			(6,101)	
Interfund loan payable			(286,484)	
Net OPEB liability			(3,315)	
Net pension liability			(67,390)	
Deferred inflows from OPEB			(563)	
Deferred inflows from pension			(57,481)	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ 1,923,988</u>	

**CITY OF LEBANON, OREGON  
SDC - DRAINAGE IMPROVEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 15,000	\$ 15,000	\$ 45,994	\$ 30,994
Interest	1,400	1,400	1,874	474
<b>TOTAL REVENUES</b>	<u>16,400</u>	<u>16,400</u>	<u>47,868</u>	<u>31,468</u>
<b>EXPENDITURES:</b>				
Storm drainage	214,734	214,734	22,152	192,582
<b>TOTAL EXPENDITURES</b>	<u>214,734</u>	<u>214,734</u>	<u>22,152</u>	<u>192,582</u>
<b>NET CHANGE IN FUND BALANCE</b>	(198,334)	(198,334)	25,716	224,050
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>198,334</u>	<u>198,334</u>	<u>194,229</u>	<u>(4,105)</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>219,945</u>	<u>\$ 219,945</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS:</b>				
Unavailable revenue			<u>18,974</u>	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ 238,919</u>	

**CITY OF LEBANON, OREGON  
SDC - DRAINAGE REIMBURSEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Special assessment collections	\$ 3,000	\$ 3,000	\$ 7,915	\$ 4,915
Interest	175	175	276	101
<b>TOTAL REVENUES</b>	<u>3,175</u>	<u>3,175</u>	<u>8,191</u>	<u>5,016</u>
<b>EXPENDITURES:</b>				
Storm drainage	45,809	45,809	20,000	25,809
<b>TOTAL EXPENDITURES</b>	<u>45,809</u>	<u>45,809</u>	<u>20,000</u>	<u>25,809</u>
<b>NET CHANGE IN FUND BALANCE</b>	(42,634)	(42,634)	(11,809)	30,825
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>42,634</u>	<u>42,634</u>	<u>41,716</u>	<u>(918)</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	29,907	<u>\$ 29,907</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS:</b>				
Unavailable revenue			<u>3,326</u>	
<b>NET POSITION - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ 33,233</u>	

## INTERNAL SERVICES FUNDS

*These funds account for activities and services performed primarily for other organizational units within the City. Charges are based on recovering costs from the benefited City units.*

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2022**

	Administrative Services Fund	Information Technology Fund	Custodial & Maintenance Services Fund	Total Internal Service Fund
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 38,416	\$ 208,304	\$ 117,920	\$ 364,640
Accounts receivable, net	-	4,887	-	4,887
Total current assets	<u>38,416</u>	<u>213,191</u>	<u>117,920</u>	<u>369,527</u>
Noncurrent assets:				
Capital assets:				
Depreciable capital assets, net of depreciation	-	36,220	-	36,220
Net OPEB asset	17,110	8,993	2,905	29,008
Total noncurrent assets	<u>17,110</u>	<u>45,213</u>	<u>2,905</u>	<u>65,228</u>
Total assets	<u>55,526</u>	<u>258,404</u>	<u>120,825</u>	<u>434,755</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related deferrals	471,699	247,919	80,084	799,702
OPEB related deferrals	9,208	4,840	1,563	15,611
Total deferred outflows of resources	<u>480,907</u>	<u>252,759</u>	<u>81,647</u>	<u>815,313</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	26,800	34,896	169	61,865
Accrued payroll	11,616	6,949	2,169	20,734
Unearned revenue	-	27,527	-	27,527
Current portion of long-term liabilities:				
Accrued compensated absences	15,425	6,214	3,946	25,585
Total current liabilities	<u>53,841</u>	<u>75,586</u>	<u>6,284</u>	<u>135,711</u>
Noncurrent liabilities:				
Noncurrent portion of long-term liabilities:				
Accrued compensated absences	46,276	18,643	11,838	76,757
Net pension liability	745,351	391,746	126,543	1,263,640
Total OPEB liability	36,662	19,269	6,224	62,155
Total noncurrent liabilities	<u>828,289</u>	<u>429,658</u>	<u>144,605</u>	<u>1,402,552</u>
Total liabilities	<u>882,130</u>	<u>505,244</u>	<u>150,889</u>	<u>1,538,263</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferrals	635,751	334,142	107,936	1,077,829
OPEB related deferrals	6,223	3,271	1,057	10,551
Total deferred inflows of resources	<u>641,974</u>	<u>337,413</u>	<u>108,993</u>	<u>1,088,380</u>
<b>NET POSITION (DEFICIT)</b>				
Net investment in capital assets	-	36,220	-	36,220
Unrestricted (deficit)	(987,671)	(367,714)	(57,410)	(1,412,795)
Total net position (deficit)	<u>\$ (987,671)</u>	<u>\$ (331,494)</u>	<u>\$ (57,410)</u>	<u>\$ (1,376,575)</u>

**CITY OF LEBANON, OREGON**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Administrative Services Fund	Information Technology Fund	Custodial & Maintenance Services Fund	Total Internal Service Fund
<b>OPERATING REVENUES:</b>				
Intergovernmental	\$ -	\$ 113,183	\$ 3,702	\$ 116,885
Charges for services	15,140	-	-	15,140
Rentals	-	7,850	-	7,850
Miscellaneous	461	479	818	1,758
<b>TOTAL OPERATING REVENUES</b>	<u>15,601</u>	<u>121,512</u>	<u>4,520</u>	<u>141,633</u>
<b>OPERATING EXPENSES:</b>				
Internal Service Fund				
Personnel	2,248,677	1,188,122	392,515	3,829,314
Materials and services	360,314	568,682	37,907	966,903
<b>TOTAL OPERATING EXPENSES</b>	<u>2,608,991</u>	<u>1,756,804</u>	<u>430,422</u>	<u>4,796,217</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(2,593,390)</u>	<u>(1,635,292)</u>	<u>(425,902)</u>	<u>(4,654,584)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Interest income	867	676	492	2,035
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<u>867</u>	<u>676</u>	<u>492</u>	<u>2,035</u>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS</b>	<u>(2,592,523)</u>	<u>(1,634,616)</u>	<u>(425,410)</u>	<u>(4,652,549)</u>
Transfers in	1,837,492	1,332,931	373,090	3,543,513
Transfers out	<u>(232,640)</u>	<u>(29,809)</u>	<u>(5,090)</u>	<u>(267,539)</u>
<b>NET CHANGE IN NET POSITION</b>	<u>(987,671)</u>	<u>(331,494)</u>	<u>(57,410)</u>	<u>(1,376,575)</u>
<b>NET POSITION, JUNE 30, 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION (DEFICIT), JUNE 30, 2022</b>	<u>\$ (987,671)</u>	<u>\$ (331,494)</u>	<u>\$ (57,410)</u>	<u>\$ (1,376,575)</u>

**CITY OF LEBANON, OREGON  
ADMINISTRATIVE SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 15,140	\$ 15,140	\$ 15,140	\$ -
Interest	-	-	867	867
Miscellaneous	-	-	461	461
<b>TOTAL REVENUES</b>	<u>15,140</u>	<u>15,140</u>	<u>16,468</u>	<u>1,328</u>
<b>EXPENDITURES:</b>				
Administrative Services Fund				
City Manager's Office	233,870	233,870	210,256	23,614
Human Resources	258,550	258,550	253,637	4,913
City Attorney	230,000	230,000	209,400	20,600
City Recorder	266,185	266,185	249,132	17,053
Finance	727,640	727,640	698,896	28,744
<b>TOTAL EXPENDITURES</b>	<u>1,716,245</u>	<u>1,716,245</u>	<u>1,621,321</u>	<u>94,924</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,701,105)</u>	<u>(1,701,105)</u>	<u>(1,604,853)</u>	<u>96,252</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,933,745	1,933,745	1,837,492	96,253
Transfers out	(232,640)	(232,640)	(232,640)	0
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,701,105</u>	<u>1,701,105</u>	<u>1,604,852</u>	<u>(96,253)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, JUNE 30, 2021</b>	-	-	-	-
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS</b>				
Net OPEB asset			17,110	
Deferred outflows from OPEB			9,208	
Deferred outflows from pension			471,699	
Accrued compensated absences payable			(61,701)	
Total OPEB liability			(36,662)	
Net pension liability			(745,351)	
Deferred inflows from OPEB			(6,223)	
Deferred inflows from pension			(635,751)	
<b>NET POSITION (DEFICIT) - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ (987,671)</u>	



**CITY OF LEBANON, OREGON  
INFORMATION TECHNOLOGY FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 30,000	\$ 30,000	\$ 113,183	\$ 83,183
Rentals	21,000	21,000	7,850	(13,150)
Interest	1,000	1,000	676	(324)
Miscellaneous	160	160	479	319
<b>TOTAL REVENUES</b>	<b>52,160</b>	<b>52,160</b>	<b>122,188</b>	<b>70,028</b>
<b>EXPENDITURES:</b>				
Information Technology	1,319,930	1,319,930	1,239,090	80,840
<b>TOTAL EXPENDITURES</b>	<b>1,319,930</b>	<b>1,319,930</b>	<b>1,239,090</b>	<b>80,840</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,267,770)</b>	<b>(1,267,770)</b>	<b>(1,116,902)</b>	<b>150,868</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,290,530	1,290,530	1,290,530	-
Transfers out	(22,760)	(22,760)	(29,809)	(7,049)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,267,770</b>	<b>1,267,770</b>	<b>1,260,721</b>	<b>(7,049)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>143,819</b>	<b>143,819</b>
<b>FUND BALANCE, JUNE 30, 2021</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE, JUNE 30, 2022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>143,819</b>	<b>\$ 143,819</b>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS:</b>				
Capital Assets, net accumulated depreciation			36,220	
Net OPEB asset			8,993	
Deferred outflows from OPEB			4,840	
Deferred outflows from pension			247,919	
Accrued compensated absences payable			(24,857)	
Total OPEB liability			(19,269)	
Net pension liability			(391,746)	
Deferred inflows from OPEB			(3,271)	
Deferred inflows from pension			(334,142)	
<b>NET POSITION (DEFICIT) - GAAP BASIS, JUNE 30, 2022</b>			<b>\$ (331,494)</b>	

**CITY OF LEBANON, OREGON  
CUSTODIAL & MAINTENANCE SERVICES FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 3,702	\$ 3,702
Interest	-	-	492	492
Miscellaneous	-	-	818	818
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>5,012</u>	<u>5,012</u>
<b>EXPENDITURES:</b>				
Public Works	368,000	368,000	257,430	110,570
<b>TOTAL EXPENDITURES</b>	<u>368,000</u>	<u>368,000</u>	<u>257,430</u>	<u>110,570</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(368,000)</u>	<u>(368,000)</u>	<u>(252,418)</u>	<u>115,582</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	373,090	373,090	373,090	-
Transfers out	(5,090)	(5,090)	(5,090)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>368,000</u>	<u>368,000</u>	<u>368,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>-</u>	<u>-</u>	<u>115,582</u>	<u>115,582</u>
<b>FUND BALANCE, JUNE 30, 2021</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, JUNE 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>115,582</u>	<u>\$ 115,582</u>
<b>ADJUSTMENT TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) BASIS:</b>				
Net OPEB asset			2,905	
Deferred outflows from OPEB			1,563	
Deferred outflows from pension			80,084	
Accrued compensated absences payable			(15,784)	
Total OPEB liability			(6,224)	
Net pension liability			(126,543)	
Deferred inflows from OPEB			(1,057)	
Deferred inflows from pension			(107,936)	
<b>NET POSITION (DEFICIT) - GAAP BASIS, JUNE 30, 2022</b>			<u>\$ (57,410)</u>	

# STATISTICAL SECTION

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



# FINANCIAL TRENDS

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

	2022	2021	2020 (restated)	2019 (restated)	2018 (restated)	2017 (restated)	2016 (restated)	2015	2014 (restated)	2013 (restated)
<b>Governmental activities</b>										
Net investment in capital assets	\$ 13,849,672	\$ 8,856,238	\$ 8,130,402	\$ 5,703,160	\$ 1,253,407	\$ 413,910	\$ (2,551,961)	\$ (4,571,488)	\$ (5,561,848)	\$ 9,734,594
Restricted for special purposes	16,045,365	13,076,501	9,699,384	8,925,225	9,080,170	13,884,088	7,317,116	9,307,133	9,077,679	10,117,153
Unrestricted	(617,952)	(245,356)	(3,240,155)	(1,188,885)	(1,597,185)	(7,525,275)	(1,745,001)	2,669,363	32,281	3,113,842
<b>Total governmental activities</b>	<b>\$ 29,277,085</b>	<b>\$ 21,687,383</b>	<b>\$ 14,589,631</b>	<b>\$ 13,439,500</b>	<b>\$ 8,736,392</b>	<b>\$ 6,772,723</b>	<b>\$ 3,020,154</b>	<b>\$ 7,405,008</b>	<b>\$ 3,548,112</b>	<b>\$ 22,965,589</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 54,741,143	\$ 52,863,606	\$ 51,904,102	\$ 51,413,603	\$ 41,668,611	\$ 41,352,926	\$ 34,315,146	\$ 35,314,282	\$ 33,176,772	\$ 23,544,414
Restricted for special purposes	5,184,065	4,281,634	-	-	-	-	372,011	372,011	372,011	372,011
Unrestricted	15,550,916	2,471,445	8,308,208	6,098,145	10,565,798	7,940,784	7,103,153	5,228,222	3,204,875	3,752,659
<b>Total business-type activities net position</b>	<b>\$ 75,476,124</b>	<b>\$ 59,616,685</b>	<b>\$ 60,212,310</b>	<b>\$ 57,511,748</b>	<b>\$ 52,234,409</b>	<b>\$ 49,293,710</b>	<b>\$ 41,790,310</b>	<b>\$ 40,914,515</b>	<b>\$ 36,753,658</b>	<b>\$ 27,669,084</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 68,590,815	\$ 61,719,844	\$ 60,034,504	\$ 57,116,763	\$ 42,922,018	\$ 41,766,836	\$ 31,763,185	\$ 30,742,794	\$ 27,614,924	\$ 33,279,008
Restricted for special purposes	21,229,430	17,358,135	9,699,384	8,925,225	9,080,170	13,884,088	7,689,127	9,679,144	9,449,690	10,489,164
Unrestricted	14,932,964	2,226,089	5,068,053	4,909,260	8,968,613	415,509	5,358,152	7,897,585	3,237,156	6,866,501
<b>Total primary government net position</b>	<b>\$ 104,753,209</b>	<b>\$ 81,304,068</b>	<b>\$ 74,801,941</b>	<b>\$ 70,951,248</b>	<b>\$ 60,970,801</b>	<b>\$ 56,066,433</b>	<b>\$ 44,810,464</b>	<b>\$ 48,319,523</b>	<b>\$ 40,301,770</b>	<b>\$ 50,634,673</b>

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>Expenses</b>										
<i>Governmental activities:</i>										
General government	\$ 2,420,338	\$ 2,896,729	\$ 4,649,890	\$ 4,569,948	\$ 4,342,450	\$ 4,421,484	\$ 8,725,784	\$ 3,838,417	\$ 16,199,250	\$ 9,979,089
Public Safety	6,339,717	5,654,519	5,844,719	5,445,062	6,415,641	5,129,853	4,633,244	4,371,024	4,492,848	4,507,518
Highways and streets	1,660,065	1,561,346	993,516	776,254	767,327	703,860	763,014	924,469	735,708	711,593
Culture and recreation	2,168,385	1,941,534	2,925,581	2,554,557	1,826,698	1,634,994	2,087,770	1,463,996	1,562,044	1,629,143
Community Planning	1,226,562	686,993	2,025,709	1,622,675	2,882,196	1,584,953	1,532,196	1,313,438	1,604,091	486,140
Urban Renewal Projects	-	-	-	120,130	-	-	-	-	-	-
Transit	683,301	395,457	457,805	-	-	-	-	-	203,652	214,512
Interest on long-term debt	879,593	997,293	1,138,426	2,108,959	1,334,187	1,322,439	2,810,526	1,465,963	974,686	1,070,600
<b>Total governmental activities expenses</b>	<b>15,377,961</b>	<b>14,133,871</b>	<b>18,035,646</b>	<b>17,197,585</b>	<b>17,568,499</b>	<b>14,797,583</b>	<b>20,552,534</b>	<b>13,377,307</b>	<b>25,772,279</b>	<b>18,598,595</b>
<i>Business-type activities</i>										
Expenses										
Water	4,547,773	4,715,845	3,803,815	3,115,306	2,726,011	2,437,650	3,899,986	1,712,057	1,424,620	1,555,413
Sewer	4,834,574	6,747,746	4,150,372	3,587,488	3,730,750	3,184,497	5,368,069	3,093,617	2,056,295	2,439,795
Stormwater	1,214,603	464,517	150,497	130,772	40,688	124,393	71,320	232,473	174,433	150,987
<b>Total business-type activities expenses</b>	<b>10,596,950</b>	<b>11,928,108</b>	<b>8,104,684</b>	<b>6,833,566</b>	<b>6,497,449</b>	<b>5,746,540</b>	<b>9,339,375</b>	<b>5,038,147</b>	<b>3,655,348</b>	<b>4,146,195</b>
<b>Total Expenses</b>	<b>\$ 25,974,911</b>	<b>\$ 26,061,979</b>	<b>\$ 26,140,330</b>	<b>\$ 24,031,151</b>	<b>\$ 24,065,948</b>	<b>\$ 20,544,123</b>	<b>\$ 29,891,909</b>	<b>\$ 18,415,454</b>	<b>\$ 29,427,627</b>	<b>\$ 22,744,790</b>
<b>Program revenues</b>										
<i>Governmental activities</i>										
Charges for services										
General government	\$ 523,263	\$ 793,822	\$ 824,811	\$ 822,595	\$ 996,032	\$ 485,897	\$ 537,903	\$ 425,842	\$ 278,853	\$ 411,542
Public Safety	690,856	608,506	69,969	451,292	369,923	487,910	520,209	471,251	485,259	725,630
Highways and streets	1,494,688	630,430	197,239	319,516	357,319	8,900	-	907,817	895,783	-
Culture and recreation	468,190	920,956	835,121	587,327	718,191	400,125	80,627	64,317	69,558	54,705
Community Planning	137,858	119,413	111,836	58,102	123,451	1,383,205	-	-	-	-
Transit	-	457	-	-	-	-	-	-	-	-
Operating grants and contributions	5,194,297	3,718,031	71,813	16,500	3,678	328,038	483,235	707,441	373,498	404,388
Capital grants and contributions	1,146,993	212,044	959,213	1,924,810	1,081,013	61,569	261,499	219,070	-	-
<b>Total governmental activities program revenues</b>	<b>9,656,145</b>	<b>7,003,659</b>	<b>3,070,002</b>	<b>4,180,142</b>	<b>3,649,607</b>	<b>3,155,644</b>	<b>1,883,473</b>	<b>2,795,738</b>	<b>2,102,951</b>	<b>1,596,265</b>
<i>Business-type activities</i>										
Charges for services										
Water	6,232,758	5,556,195	5,475,941	5,681,237	5,398,022	5,356,789	4,902,311	4,533,296	4,265,930	4,231,975
Sewer	6,735,876	6,290,547	6,114,866	5,925,338	5,896,849	5,959,957	5,060,820	4,980,435	4,752,859	4,753,165
Stormwater	621,047	553,786	581,058	513,969	482,477	477,268	432,855	425,223	409,233	397,601
Operating grants and contributions	-	57,309	-	-	-	-	-	4,207	-	-
Capital grants and contributions	662,824	422,375	48,479	2,302,172	-	-	-	-	-	-
<b>Total business-type activities program revenues</b>	<b>14,252,505</b>	<b>12,880,212</b>	<b>12,220,344</b>	<b>14,422,716</b>	<b>11,777,348</b>	<b>11,794,014</b>	<b>10,395,986</b>	<b>9,943,161</b>	<b>9,428,022</b>	<b>9,382,741</b>
<b>Total program revenues</b>	<b>\$ 23,908,650</b>	<b>\$ 19,883,871</b>	<b>\$ 15,290,346</b>	<b>\$ 18,602,858</b>	<b>\$ 15,426,955</b>	<b>\$ 14,949,658</b>	<b>\$ 12,279,459</b>	<b>\$ 12,738,899</b>	<b>\$ 11,530,973</b>	<b>\$ 10,979,006</b>
<b>Net (expense)/revenues</b>										
<i>Governmental activities</i>	\$ (5,721,816)	\$ (7,130,212)	\$ (14,965,644)	\$ (13,017,443)	\$ (13,918,892)	\$ (11,641,939)	\$ (18,669,061)	\$ (10,581,569)	\$ (23,669,328)	\$ (17,002,330)
<i>Business-type activities</i>	3,655,555	952,104	4,115,660	7,589,150	5,279,899	6,047,474	1,056,611	4,905,014	5,772,674	5,236,546
<b>Total net expenses</b>	<b>\$ (2,066,261)</b>	<b>\$ (6,178,108)</b>	<b>\$ (10,849,984)</b>	<b>\$ (5,428,293)</b>	<b>\$ (8,638,993)</b>	<b>\$ (5,594,465)</b>	<b>\$ (17,612,450)</b>	<b>\$ (5,676,555)</b>	<b>\$ (17,896,654)</b>	<b>\$ (11,765,784)</b>

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General revenues and other changes in net position</b>										
<b>Governmental activities</b>										
Taxes and assessments	\$ 10,604,294	\$ 10,523,164	\$ 11,823,641	\$ 11,371,894	\$ 10,975,454	\$ 10,863,745	\$ 10,655,535	\$ 9,190,655	\$ 8,779,348	\$ 9,060,052
Franchise fees	2,554,314	2,381,699	2,272,728	2,208,440	2,198,381	2,176,801	2,092,699	2,099,554	2,000,707	1,898,832
Earnings on investments	152,729	218,920	349,399	488,904	271,060	180,379	219,077	154,932	151,205	93,658
Miscellaneous	60,070	-	77,716	115,011	(36,409)	206,073	986,451	2,018,770	(3,095,918)	169,430
Gain (Loss) on asset disposal	-	-	-	115,998	-	(538,667)	-	-	-	62,516
Transfers	(59,889)	1,104,181	1,592,291	3,420,304	3,392,071	2,506,177	330,446	975,770	(3,583,491)	2,596,178
<b>Total governmental activities</b>	<b>13,311,518</b>	<b>14,227,964</b>	<b>16,115,775</b>	<b>17,720,551</b>	<b>16,800,557</b>	<b>15,394,508</b>	<b>14,284,208</b>	<b>14,439,681</b>	<b>4,251,851</b>	<b>13,880,666</b>
<b>Business-type activities</b>										
Taxes and assessments	-	-	-	-	-	-	-	-	-	-
Franchise fees	-	-	-	-	-	-	-	-	-	-
Earnings on investments	121,779	81,274	177,193	171,561	134,875	121,240	42,393	34,778	15,447	4,813
Miscellaneous	22,216	153,157	-	-	-	3,840,863	107,236	195,619	(287,038)	187,113
Gain (Loss) on asset disposal	-	(677,979)	-	-	-	-	-	-	-	-
Settlement	12,000,000	-	-	-	-	-	-	-	-	-
Transfers	59,889	(1,104,181)	(1,592,291)	(2,483,372)	(3,392,071)	(2,506,177)	(330,446)	(975,770)	3,583,491	(2,596,178)
<b>Total business-type activities</b>	<b>12,203,884</b>	<b>(1,547,729)</b>	<b>(1,415,098)</b>	<b>(2,311,811)</b>	<b>(3,257,196)</b>	<b>1,455,926</b>	<b>(180,817)</b>	<b>(745,373)</b>	<b>3,311,900</b>	<b>(2,404,252)</b>
<b>Total general revenues</b>	<b>\$ 25,515,402</b>	<b>\$ 12,680,235</b>	<b>\$ 14,700,677</b>	<b>\$ 15,408,740</b>	<b>\$ 13,543,361</b>	<b>\$ 16,850,434</b>	<b>\$ 14,103,391</b>	<b>\$ 13,694,308</b>	<b>\$ 7,563,751</b>	<b>\$ 11,476,414</b>
<b>Change in net position</b>										
Governmental activities	\$ 7,589,702	\$ 7,097,752	\$ 1,150,131	\$ 4,703,108	\$ 2,881,665	\$ 3,752,569	\$ (4,384,853)	\$ 3,858,112	\$ (19,417,477)	\$ (3,121,664)
Business-type activities	15,859,439	(595,625)	2,700,562	5,277,339	2,022,703	7,503,400	875,794	4,159,641	9,084,574	2,832,294
<b>Total</b>	<b>\$ 23,449,141</b>	<b>\$ 6,502,127</b>	<b>\$ 3,850,693</b>	<b>\$ 9,980,447</b>	<b>\$ 4,904,368</b>	<b>\$ 11,255,969</b>	<b>\$ (3,509,059)</b>	<b>\$ 8,017,753</b>	<b>\$ (10,332,903)</b>	<b>\$ (289,370)</b>

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Fund</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,026	\$ 55,205	\$ -	\$ -
Committed	-	-	-	-	-	-	113,253	24,931	24,931	24,931
Assigned	-	-	-	-	-	-	1,700	1,800	1,800	1,800
Unassigned	4,957,698	4,879,596	4,041,142	4,198,099	3,526,750	2,672,274	2,031,337	1,754,690	962,238	723,540
<b>Total general fund</b>	<b>\$ 4,957,698</b>	<b>\$ 4,879,596</b>	<b>\$ 4,041,142</b>	<b>\$ 4,198,099</b>	<b>\$ 3,526,750</b>	<b>\$ 2,672,274</b>	<b>\$ 2,146,290</b>	<b>\$ 1,781,421</b>	<b>\$ 988,969</b>	<b>\$ 750,271</b>
<b>All other governmental funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,319	\$ 2,319	\$ -	\$ -
Restricted	15,073,746	13,461,580	9,677,493	9,325,225	9,080,170	14,076,646	8,020,698	63,945,915	8,935,282	9,996,468
Committed	661,134	233,073	1,818,424	1,780,242	1,890,083	-	89,060	85,757	85,757	85,757
Assigned	863,900	893,628	-	-	-	-	-	-	-	-
Unassigned	-	(4,863)	(91,109)	(71,968)	(61,069)	(1,444,662)	(1,494,823)	(655,867)	-	-
<b>Total all other governmental funds</b>	<b>\$ 16,598,780</b>	<b>\$ 14,583,418</b>	<b>\$ 11,404,808</b>	<b>\$ 11,033,499</b>	<b>\$ 10,909,184</b>	<b>\$ 12,631,984</b>	<b>\$ 6,617,254</b>	<b>\$ 63,378,124</b>	<b>\$ 9,021,039</b>	<b>\$ 10,082,225</b>
<b>Governmental Funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,345	\$ 57,524	\$ -	\$ -
Restricted	15,073,746	13,461,580	9,677,493	9,325,225	9,080,170	14,076,646	8,020,698	9,815,915	8,935,282	9,996,468
Committed	661,134	233,073	1,818,424	1,780,242	1,890,083	-	202,313	110,688	110,688	110,688
Assigned	863,900	893,628	-	-	-	-	1,700	1,800	1,800	1,800
Unassigned	4,957,698	4,874,733	3,950,033	4,126,131	3,465,681	1,227,612	536,514	1,098,823	962,238	723,540
<b>Total Governmental Funds</b>	<b>\$ 21,556,478</b>	<b>\$ 19,463,014</b>	<b>\$ 15,445,950</b>	<b>\$ 15,231,598</b>	<b>\$ 14,435,934</b>	<b>\$ 15,304,258</b>	<b>\$ 8,817,570</b>	<b>\$ 11,084,750</b>	<b>\$ 10,010,008</b>	<b>\$ 10,832,496</b>

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>REVENUES</b>										
Property and other taxes	\$ 10,722,880	\$ 10,559,624	\$ 9,931,752	\$ 10,379,715	\$ 9,665,460	\$ 9,738,469	\$ 9,406,993	\$ 9,021,449	\$ 8,468,458	\$ 7,969,546
Franchise fees	2,554,314	2,381,699	2,272,728	2,208,440	2,198,381	2,176,801	2,092,699	2,099,554	2,000,707	1,898,832
Special assessment collections	1,820,987	1,496,409	-	920,040	1,066,771	-	-	-	235,181	-
Licenses and permits	813,020	644,136	-	-	-	-	8,783	4,520	6,303	7,698
Fines, forfeitures, and penalties	399,737	494,708	342,264	385,395	441,914	313,630	311,991	524,810	457,604	450,486
Intergovernmental	4,943,291	3,718,031	2,117,502	1,813,685	1,648,918	1,421,730	1,324,121	1,166,432	1,094,004	1,108,827
Charges for services	330,370	275,415	1,693,666	309,714	529,013	2,366,510	444,082	860,690	828,580	702,703
Rentals	56,054	16,177	-	-	-	-	-	-	-	-
Contributions	69,960	63,274	1,031,026	1,941,310	1,084,691	389,607	598,822	842,417	343,905	311,736
Interest	151,348	218,920	349,399	488,904	271,060	180,379	218,656	153,221	151,180	93,313
Miscellaneous	58,070	146,155	10,997	115,012	189,182	325,650	355,442	233,959	187,258	454,906
<b>Total Revenue</b>	<b>21,920,031</b>	<b>20,014,548</b>	<b>17,749,334</b>	<b>18,562,215</b>	<b>17,095,390</b>	<b>16,912,776</b>	<b>14,761,589</b>	<b>14,907,052</b>	<b>13,773,180</b>	<b>12,998,047</b>
<b>EXPENDITURES</b>										
Current operating:										
General government	1,575,812	2,797,842	3,098,589	3,228,267	2,743,838	2,591,667	3,690,017	2,267,186	4,124,393	4,184,477
Public safety	5,545,980	6,025,829	5,810,656	5,418,395	5,315,659	4,907,038	4,624,905	4,371,774	4,424,875	4,388,860
Highways and streets	912,748	957,478	835,955	697,426	690,110	689,480	687,504	647,495	648,390	665,480
Culture and recreation	1,783,054	1,711,595	2,075,321	2,079,923	1,702,090	1,589,532	1,630,966	1,406,347	1,510,229	1,526,233
Community planning	1,057,754	734,235	1,689,773	1,464,194	1,324,366	1,508,275	1,532,196	1,313,438	1,445,909	473,999
Transit	625,172	432,273	-	-	-	2,429,500	-	-	-	214,512
Debt service	5,038,128	4,631,026	4,848,331	4,995,809	8,525,129	3,449,496	4,439,907	3,863,428	3,535,519	2,728,152
Capital outlay	1,185,200	471,846	1,692,873	3,418,839	4,295,224	-	3,667,908	2,231,599	14,866,318	2,454,145
<b>Total expenditures</b>	<b>17,723,848</b>	<b>17,762,124</b>	<b>20,051,498</b>	<b>21,302,853</b>	<b>24,596,416</b>	<b>17,164,988</b>	<b>20,273,403</b>	<b>16,101,267</b>	<b>30,555,633</b>	<b>16,635,858</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>4,196,183</b>	<b>2,252,424</b>	<b>(2,302,164)</b>	<b>(2,740,638)</b>	<b>(7,501,026)</b>	<b>(252,212)</b>	<b>(5,511,814)</b>	<b>(1,194,215)</b>	<b>(16,782,453)</b>	<b>(3,637,811)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	2,505,294	5,669,047	8,193,832	7,060,469	6,769,539	6,298,418	6,013,926	4,906,720	18,925,950	4,542,149
Transfers out	(4,608,013)	(3,904,407)	(5,677,316)	(3,640,165)	(3,895,158)	(3,792,241)	(2,854,447)	(2,637,763)	(15,032,614)	(1,636,417)
Sale of general capital assets	-	-	-	115,998	-	-	-	-	-	62,516
Debt issuance expense	-	-	-	-	-	-	85,155	-	(3,626,623)	-
Bond and notes issued	-	-	-	-	-	4,232,723	-	-	-	-
Bonds and note premium	-	-	-	-	-	-	-	-	15,693,252	-
Loan proceeds	-	-	-	-	3,758,321	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(2,102,719)</b>	<b>1,764,640</b>	<b>2,516,516</b>	<b>3,536,302</b>	<b>6,632,702</b>	<b>6,738,900</b>	<b>3,244,634</b>	<b>2,268,957</b>	<b>15,959,965</b>	<b>2,968,248</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 2,093,464</b>	<b>\$ 4,017,064</b>	<b>\$ 214,352</b>	<b>\$ 795,664</b>	<b>\$ (868,324)</b>	<b>\$ 6,486,688</b>	<b>\$ (2,267,180)</b>	<b>\$ 1,074,742</b>	<b>\$ (822,488)</b>	<b>\$ (669,563)</b>
Debt service as a percentage of noncapital expenditures <sup>1</sup>	30.46%	26.78%	26.41%	27.93%	41.99%	20.10%	26.74%	27.86%	22.53%	19.24%

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



# REVENUE CAPACITY

**CITY OF LEBANON**  
**TAX REVENUE BY SOURCE, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2022**

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<b>Fiscal Year</b>	<b>Property</b> <sup>1</sup>	<b>Franchise Fees</b> <sup>2</sup>	<b>Special Assessments</b> <sup>3</sup>	<b>Total</b>
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
2014	8,174,076	2,000,707	235,181	10,409,964
2013	7,706,103	1,898,832	-	9,604,935

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

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

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

Source: Linn County and Prior Year Financial Statements

**CITY OF LEBANON**

**ASSESSED AND ESTIMATED VALUE OF TAXABLE PROPERTY**

**LAST TEN FISCAL YEARS**

**June 30, 2022**

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		
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%
2014	962,821,787	1,102,083,377	962,821,787	1,102,083,377	5.1364	87%
2013	933,115,746	1,069,308,045	933,115,746	1,069,308,045	5.1364	87%

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

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

Source: Linn County Assessors

**CITY OF LEBANON**  
**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2022**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>City of Lebanon:</b>										
General Government	\$ 4.5930	\$ 4.5913	\$ 4.4048	\$ 4.3959	\$ 4.3608	\$ 4.0983	\$ 4.0983	\$ 4.1439	\$ 4.1581	\$ 4.4294
G.O. Bond	1.1875	1.4154	0.9124	1.3056	1.3195	1.2082	1.2082	1.5000	1.5182	1.7515
Lebanon Urban Renewal	0.7172	0.7386	1.3731	1.4322	1.5181	2.3820	2.3820	2.5909	2.7130	1.8586
Lebanon Urban Renewal III	0.3520	0.3482	0.3368	0.3392	0.3284	0.3601	0.3601	0.3620	0.3450	0.3423
Lebanon North Gateway	0.6856	0.7398	0.7288	0.7058	0.7426	0.7541	0.7541	0.4055	0.2832	0.2359
Lebanon Urban Renewal Downtown	0.0241	0.0093	0.0008	-	-	-	-	-	-	-
Lebanon Urban Renewal Mill Race	0.0468	-	-	-	-	-	-	-	-	-
<b>Total City</b>	<b>7.6062</b>	<b>7.8426</b>	<b>7.7567</b>	<b>8.1787</b>	<b>8.2694</b>	<b>8.8027</b>	<b>8.8027</b>	<b>9.0023</b>	<b>9.0175</b>	<b>8.6177</b>
<b>OVERLAPPING RATES:</b>										
<b>Linn County:</b>										
Linn County	1.1330	1.1328	1.0864	1.0848	1.0779	1.0126	1.0126	1.0240	1.0273	1.0953
Local Option	2.8300	2.9378	3.0162	3.0163	3.0166	3.0162	3.0162	3.0163	2.7242	2.7250
	3.9630	4.0706	4.1026	4.1011	4.0945	4.0288	4.0288	4.0403	3.7515	3.8203
<b>School District:</b>										
Linn-Benton ESD	0.2715	0.2714	0.2601	0.2598	0.2581	0.2425	0.2425	0.2453	0.2461	0.2623
Linn-Benton Community College	0.4440	0.4465	0.4283	0.4275	0.5936	0.3992	0.5383	0.4037	0.5580	0.5811
Linn-Benton CC Bond	0.1614	0.1657	0.1661	0.1676	-	0.1391	-	0.1410	-	-
Lebanon Community School District No. 9	4.4404	4.4402	4.2578	4.2515	5.8757	3.9688	5.5818	4.0137	5.6645	6.0338
LCSD No. 9 Bond	1.5158	1.5320	1.5294	1.5747	-	1.6130	-	1.6804	-	-
	6.8331	6.8558	6.6417	6.6811	6.7274	6.3626	6.3626	6.4841	6.4686	6.8772
<b>Special District:</b>										
Lebanon Rural Fire District	2.0103	2.2947	2.1171	2.1164	2.1092	1.9963	1.9963	2.0220	2.0346	2.1563
Lebanon Aquatic District	0.2849	0.2137	0.2048	0.2045	0.2032	0.1909	0.1909	0.1930	0.1937	0.2065
4H Extension District	0.0624	0.0624	0.0598	0.0598	0.0594	0.0557	0.0557	0.0419	0.0421	0.0448
	2.3576	2.5708	2.3817	2.3807	2.3718	2.2429	2.2429	2.2569	2.2704	2.4076
<b>Total Overlapping</b>	<b>13.1537</b>	<b>13.4972</b>	<b>13.1260</b>	<b>13.1629</b>	<b>13.1937</b>	<b>12.6343</b>	<b>12.6343</b>	<b>12.7813</b>	<b>12.4905</b>	<b>13.1051</b>
<b>TOTAL</b>	<b>\$20.7599</b>	<b>\$21.3398</b>	<b>\$20.8827</b>	<b>\$21.3416</b>	<b>\$21.4631</b>	<b>\$21.4370</b>	<b>\$21.4370</b>	<b>\$21.7836</b>	<b>\$21.5080</b>	<b>\$21.7228</b>

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

**CITY OF LEBANON  
 PRINCIPAL PROPERTY TAXPAYERS  
 CURRENT YEAR AND TEN YEARS AGO  
 June 30, 2022**

Taxpayer	2022						2013					
	Tax	Assessed Value	Rank	% of Total Tax Amount	% of Total City Taxable Assessed Value		Tax	Assessed Value	Rank	% of Total Tax Amount	% of Total City Taxable Assessed Value	
Lowes HIW Inc	\$ 1,543,053	\$ 84,666,790	1	14.71%	6.16%		\$ 1,564,829	85,698,700	1	17.95%	9.50%	
Entek International LLC	1,310,481	72,174,510	2	12.50%	5.25%		583,252	32,049,260	2	6.69%	3.55%	
Lumen Technologies, Inc.	530,309	29,207,000	3	5.06%	2.12%		450,676	24,764,300	3	5.17%	2.74%	
Entek Membranes LLC	461,249	25,403,500	4	4.40%	1.85%		135,993	7,472,710	10	1.56%	0.83%	
Samaritan Health Services Inc.	419,166	22,141,410	5	4.00%	1.61%		144,435	7,217,130	9	1.66%	0.80%	
Walmart, Inc.	350,681	16,604,040	6	3.34%	1.21%		269,465	12,528,610	4	3.09%	1.39%	
Cascade Ridge LLC	349,061	16,575,640	7	3.33%	1.21%					0.00%	0.00%	
Western Warehousing LLC	227,578	11,478,030	8	2.17%	0.83%		171,468	9,098,180	6	1.97%	1.01%	
Lodges at Lebanon LLC	221,975	10,377,820	9	2.12%	0.75%					0.00%	0.00%	
Northwest Natural Gas	205,208	11,302,000	10	1.96%	0.82%					0.00%	0.00%	
Comcast Corporation		-		-	-		173,552	8,069,200	5	1.99%	0.89%	
Entek Manufacutring LLC		-		-	-		144,482	7,939,170	8	1.66%	0.88%	
	<u>\$ 5,618,760</u>	<u>\$ 299,930,740</u>		<u>53.58%</u>	<u>21.82%</u>		<u>\$ 3,638,152</u>	<u>\$ 194,837,260</u>		<u>41.74%</u>	<u>21.59%</u>	

Source: Linn County Assessor's records

**CITY OF LEBANON**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2022**

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Adjustments</b>	<b>Percent of Levy Adjustments</b>	<b>Adjusted Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collections</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent Total Tax Collections To Tax Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Percent Delinquent Taxes To Tax Levy</b>
2022	10,486,575	(323,115)	3.08%	10,163,459	9,919,513	97.60%	261,099	10,180,612	100.17%	397,495	3.91%
2021	10,504,671	(297,653)	2.83%	10,207,018	9,865,256	96.65%	363,031	10,228,287	100.21%	425,831	4.17%
2020	9,797,767	(295,364)	3.01%	9,502,403	9,259,607	97.44%	248,989	9,508,596	100.07%	464,207	4.89%
2019	9,995,576	(315,451)	3.16%	9,680,125	9,373,508	96.83%	468,695	9,842,203	101.67%	495,053	5.11%
2018	9,545,249	(272,265)	2.85%	9,272,984	9,029,948	97.38%	298,295	9,328,243	100.60%	913,045	9.85%
2017	9,691,494	(436,709)	4.51%	9,254,785	9,191,606	99.32%	249,276	9,440,882	102.01%	906,859	9.80%
2016	9,489,478	(644,743)	6.79%	8,844,735	8,781,556	99.29%	234,508	9,016,064	101.94%	906,859	10.25%
2015	8,912,598	(246,423)	2.76%	8,666,175	8,331,252	96.14%	379,887	8,711,139	100.52%	873,021	10.07%
2014	8,432,423	(224,178)	2.66%	8,208,245	7,855,319	95.70%	305,977	8,161,296	99.43%	868,617	10.58%
2013	7,970,748	(258,127)	3.24%	7,712,621	7,405,792	96.02%	329,470	7,735,262	100.29%	680,510	8.82%

Source: Linn County Assessors

# DEBT CAPACITY

**CITY OF LEBANON**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**June 30, 2022**

<b>Governmental Activities</b>					
<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Amount Restricted for Debt Service</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (1)</b>	<b>Per Capita (2)</b>
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
2014	15,935,000	(197,282)	15,737,718	1.43%	1,000
2013	16,555,000	(107,881)	16,447,119	1.54%	1,048

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**  
**June 30, 2022**

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<b>Governmental Activities</b>									
<b>Fiscal Year</b>	<b>General Obligation (GO) Bonds</b>	<b>GO Bond Debt % of est. property actual value (1)</b>	<b>Full Faith and Credit Obligations</b>	<b>Pension Obligation Bonds</b>	<b>Capital Leases</b>	<b>General Notes</b>	<b>Urban Renewal Agency Notes</b>	<b>Urban Renewal Agency Bonds</b>	<b>Urban Renewal Agency Loan</b>
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)

**CITY OF LEBANON**  
**DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
**June 30, 2022**

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<b>Business-type Activities</b>								
<b>Fiscal Year</b>	<b>Notes</b>	<b>Wastewater DEQ Loan</b>	<b>Revenue Bonds</b>	<b>Business Oregon Loans</b>	<b>Total City Debt</b>	<b>Population</b>	<b>GO GO Bond Per Capita</b>	<b>Total Debt Per Capita</b>
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****June 30, 2022**

<b>Jurisdiction</b>	<b>General Obligation Debt Outstanding</b>	<b>Percent Applicable Inside City of Lebanon</b>	<b>Amount Applicable Inside City of Lebanon</b>
City of Lebanon	\$ 7,815,000	100.0000%	\$ 7,815,000
Lebanon School District	31,540,000	51.6406%	16,287,445
Lebanon Fire District	15,050,000	54.5976%	8,216,939
Linn-Benton-Lincoln ESD	6,040,000	4.4779%	270,465
Linn-Benton Community College	50,655,487	6.3971%	3,240,482
Lebanon Aquatic District	311,019	51.6400%	160,610
Subtotal overlapping debt			28,175,941
Direct and overlapping debt			<u><u>\$ 35,990,941</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

# DEMOGRAPH AND ECONOMIC INFORMATION

**CITY OF LEBANON  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS  
 June 30, 2022**

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<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Taxable Personal Income (2)</b>	<b>Per Capita Personal Income</b>
2022	19,650	*	*
2021	19,122	*	*
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
2014	15,740	392,374	24,928
2013	15,690	363,319	23,156

\* 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.

# OPERATING INFORMATION

**CITY OF LEBANON**  
**FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**June 30, 2022**

<b>Function</b>	<b>2022*</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
General government	21.97	19.25	22.00	21.80	20.43	20.43	18.55	15.80	17.80	19.80
Public safety	40.01	45.00	44.00	44.00	41.50	41.50	40.00	39.00	42.00	43.98
Highways and streets	4.94	6.00	6.00	5.00	5.00	5.00	6.00	6.00	7.00	7.00
Culture and recreation	12.17	13.32	13.07	14.07	12.28	12.28	10.87	9.37	11.63	11.63
Transportation	6.99	4.06	6.06	3.54	3.34	3.43	3.34	3.43	3.43	3.43
Sewer	14.75	12.25	5.00	5.00	5.00	4.50	5.00	5.00	5.50	7.50
Water	11.15	6.25	10.00	10.00	6.00	6.50	6.00	6.00	6.50	8.50
<b>Total</b>	<b>111.98</b>	<b>106.13</b>	<b>106.13</b>	<b>103.42</b>	<b>93.55</b>	<b>93.63</b>	<b>89.76</b>	<b>84.59</b>	<b>93.85</b>	<b>101.83</b>

\* 2022 based on actual hours worked. Prior years based on budgeted figures

# REPORTS ON LEGAL AND OTHER REGULATORY REQUIREMENTS 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, 2022, and have issued our report thereon dated July 5, 2023. 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:

Budgets legally required (ORS Chapter 294)

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:

<u>Fund/Appropriation Category</u>	<u>LB-1</u>	<u>Budget</u>	<u>Variance</u>
2020-2021 Actual			
Resources	\$ 60,468,964	\$ 60,144,469	\$ 324,495
Requirements	60,468,964	60,144,469	324,495
2021-2022 Adopted			
Resources	73,880,190	73,854,190	26,000
Requirements	73,880,190	73,854,190	26,000
2022-2023 Approved			
Resources	73,574,190	86,931,364	13,357,174
Requirements	73,574,190	86,931,364	13,357,174

The historical information for years ended June 30, 2020 and 2021 in the 2022-23 budget document did not agree to actual amounts as reported in the audited financial statements for those years.

Expenditures in excess of appropriations occurred during the year ended June 30, 2022 as follows:

<u>Fund/Appropriation Category</u>	<u>Actual</u>	<u>Appropriations</u>	<u>Variance</u>
Water Utility			
Community Development	\$ 41,563	\$ 41,350	\$ 213
Wastewater			
Community Development	41,570	41,360	210
Public Works	3,515,862	3,456,459	59,403
Storm Drainage			
Engineering	383,756	346,778	36,978

**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*

July 5, 2023

By:

A handwritten signature in black ink, appearing to read 'Brad Bingenheimer', written over a horizontal line.

Brad Bingenheimer, Partner