

We noted matters involving the internal control structure and its operation that we consider to be significant deficiencies under standards established by the American Institute of Certified Public Accountants, which are noted in our management letter dated October 25, 2023.

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

A handwritten signature in cursive script that reads "Tara M. Kamp, CPA".

Tara M. Kamp, CPA  
PAULY, ROGERS AND CO., P.C.



PAULY, ROGERS, AND CO., P.C.  
12700 SW 72<sup>nd</sup> Ave. Tigard, OR 97223  
(503) 620-2632 (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

October 25, 2023

### **Independent Auditor's Report Required by Oregon State Regulations**

We have audited the basic financial statements of the Clatskanie Rural Fire Protection District as of and for the year ended June 30, 2023, and have issued our report thereon dated October 25, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

#### **Compliance**

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 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)**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the Clatskanie Rural Fire Protection District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except for the following:

#### **OAR 162-10-0230 Internal Control**

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting, except for the following:

1. During our review of the 2023-24 budget process, we noted that the budget resolution did not match the detailed budget and as a result the resources did not equal requirements.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**AUDITOR'S COMMENTS AND DISCLOSURES  
REQUIRED BY STATE REGULATIONS**

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
 ACTUAL AND BUDGET - CASH BASIS  
 For the Year Ended June 30, 2023

LENGTH OF SERVICE RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
RECEIPTS:				
Earnings on Investments	\$ 600	\$ 600	\$ 2,558	\$ 1,958
Miscellaneous Income	700	700	849	149
Total Receipts	<u>1,300</u>	<u>1,300</u>	<u>3,407</u>	<u>2,107</u>
DISBURSEMENTS:				
Personnel Services	<u>116,538</u>	<u>116,538</u> (1)	<u>8,520</u>	<u>108,018</u>
Total Disbursements	<u>116,538</u>	<u>116,538</u>	<u>8,520</u>	<u>108,018</u>
Excess of Receipts Over, (Under) Disbursements	(115,238)	(115,238)	(5,113)	110,125
Net Change in Fund Balance	(115,238)	(115,238)	(5,113)	110,125
Beginning Fund Balance	<u>115,238</u>	<u>115,238</u>	<u>115,383</u>	<u>145</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,270</u>	<u>\$ 110,270</u>

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB #54 due to its financing resources being derived primarily from General Fund transfers.

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
 ACTUAL AND BUDGET - CASH BASIS  
 For the Year Ended June 30, 2023

SICK LEAVE/UNEMPLOYMENT RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
RECEIPTS:				
Earnings on Investments	\$ 300	\$ 300	\$ 1,979	\$ 1,679
Total Receipts	<u>300</u>	<u>300</u>	<u>1,979</u>	<u>1,679</u>
DISBURSEMENTS:				
Personnel Services	84,860	84,860 (1)	-	84,860
Total Disbursements	<u>84,860</u>	<u>84,860</u>	<u>-</u>	<u>84,860</u>
Excess of Receipts Over, (Under) Disbursements	(84,560)	(84,560)	1,979	86,539
Net Change in Fund Balance	(84,560)	(84,560)	1,979	86,539
Beginning Fund Balance	<u>84,560</u>	<u>84,560</u>	<u>84,582</u>	<u>22</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 86,561</u></u>	<u><u>\$ 86,561</u></u>

(1) Appropriation Level

Note:

This fund's activities have been combined with the General Fund activities in accordance with GASB #54 due to its financing resources being derived primarily from General Fund transfers.

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
 ACTUAL AND BUDGET - CASH BASIS  
 For the Year Ended June 30, 2023

FACILITIES IMPROVEMENT RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
RECEIPTS:				
Earnings on Investments	\$ -	\$ -	\$ 4,199	\$ 4,199
Total Receipts	-	-	4,199	4,199
DISBURSEMENTS:				
Capital Outlay	361,769	361,769 (1)	-	(361,769)
Total Disbursements	361,769	361,769	-	361,769
Excess of Receipts Over, (Under) Disbursements	(361,769)	(361,769)	4,199	365,968
Other Financing Sources, (Uses):				
Transfers In	361,769	361,769	361,769	-
Total Other Financing Sources, (Uses)	361,769	361,769	361,769	-
Net Change in Fund Balance	-	-	365,968	365,968
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ 365,968	\$ 365,968

(1) Appropriation Level

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - CASH BASIS  
For the Year Ended June 30, 2023

	<u>FIRE EQUIPMENT RESERVE FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)</u>
RECEIPTS:				
Grant Receipts	\$ 5,000	\$ 5,000	4,920	\$ (80)
Earnings on Investments	1,700	1,700	13,594	11,894
Total Receipts	<u>6,700</u>	<u>6,700</u>	<u>18,514</u>	<u>11,814</u>
DISBURSEMENTS:				
Capital Outlay	684,621	684,621 (1)	-	684,621
Total Disbursements	<u>684,621</u>	<u>684,621</u>	<u>-</u>	<u>684,621</u>
Excess of Receipts over, under Disbursements	(677,921)	(677,921)	18,514	696,435
Other Financing Sources, (Uses):				
Transfers In	112,500	112,500	22,500	90,000
Total Other Financing Sources, (Uses)	<u>112,500</u>	<u>112,500</u>	<u>22,500</u>	<u>90,000</u>
Net Change in Fund Balance	(565,421)	(565,421)	41,014	606,435
Beginning Fund Balance	<u>565,421</u>	<u>565,421</u>	<u>566,457</u>	<u>1,036</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 607,471</u>	<u>\$ 607,471</u>

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - CASH BASIS

For the Year Ended June 30, 2023

<u>EMS EQUIPMENT RESERVE FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
RECEIPTS:				
Earnings on Investments	\$ 1,200	\$ 1,200	\$ 8,057	\$ 6,857
Total Receipts	1,200	1,200	8,057	6,857
DISBURSEMENTS:				
Capital Outlay	486,500	486,500 (1)	270,337	216,163
Total Disbursements	486,500	486,500	270,337	216,163
Excess of Receipts Over, (Under) Disbursements	(485,300)	(485,300)	(262,280)	223,020
Other Financing Sources, (Uses):				
Transfers In	90,000	90,000	90,000	-
Total Other Financing Sources, (Uses)	90,000	90,000	90,000	-
Net Change in Fund Balance	(395,300)	(395,300)	(172,280)	223,020
Beginning Fund Balance	395,300	395,300	395,721	421
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 223,441</u>	<u>\$ 223,441</u>

(1) Appropriation Level



CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - CASH BASIS  
For the Year Ended June 30, 2023

<u>AMBULANCE FUND</u>				VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>RECEIPTS:</b>				
Customer Fees	\$ 290,000	\$ 290,000	\$ 388,466	\$ 98,466
Earnings on Investments	500	500	4,495	3,995
Miscellaneous Income	7,500	7,500	7,280	(220)
<b>Total Receipts</b>	<b>298,000</b>	<b>298,000</b>	<b>400,241</b>	<b>102,241</b>
<b>DISBURSEMENTS:</b>				
Materials and Services	220,000	220,000 (1)	147,440	72,560
Contingency	13,000	13,000 (1)	-	13,000
<b>Total Disbursements</b>	<b>233,000</b>	<b>233,000</b>	<b>147,440</b>	<b>85,560</b>
Excess of Receipts Over, (Under) Disbursements	65,000	65,000	252,801	187,801
<b>Other Financing Sources, (Uses):</b>				
Transfers Out	(115,000)	(115,000) (1)	(115,000)	-
<b>Total Other Financing Sources, (Uses)</b>	<b>(115,000)</b>	<b>(115,000)</b>	<b>(115,000)</b>	<b>-</b>
Net Change in Fund Balance	(50,000)	(50,000)	137,801	187,801
Beginning Fund Balance	50,000	50,000	91,469	41,469
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 229,270</u>	<u>\$ 229,270</u>

(1) Appropriation Level

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - CASH BASIS  
For the Year Ended June 30, 2023

<u>GENERAL FUND</u>				VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>RECEIPTS:</b>				
Taxes	\$ 2,740,327	\$ 2,740,327	\$ 2,828,450	\$ 88,123
Earnings on Investments	4,000	4,000	29,565	25,565
Grants	60,000	60,000	88,788	28,788
Strategic Investment Plan	283,000	283,000	270,249	(12,751)
Contract Fees	245,000	245,000	397,066	152,066
Miscellaneous Income	15,000	15,000	42,048	27,048
<b>Total Receipts</b>	<b>3,347,327</b>	<b>3,347,327</b>	<b>3,656,166</b>	<b>308,839</b>
<b>DISBURSEMENTS:</b>				
Fire Department	3,913,817	3,913,817 (1)	3,322,979	590,838
Contingency	189,241	189,241 (1)	-	378,482
<b>Total Disbursements</b>	<b>4,103,058</b>	<b>4,103,058</b>	<b>3,322,979</b>	<b>780,079</b>
Excess of Receipts Over, (Under) Disbursements	(755,731)	(755,731)	333,187	1,088,918
<b>Other Financing Sources, (Uses):</b>				
Transfers In	100,000	115,000	115,000	-
Transfers Out	(474,269)	(474,269) (1)	(474,269)	-
<b>Total Other Financing Sources, (Uses)</b>	<b>(374,269)</b>	<b>(359,269)</b>	<b>(359,269)</b>	<b>-</b>
Net Change in Fund Balance	(1,130,000)	(1,115,000)	(26,082)	1,088,918
Beginning Fund Balance	1,200,000	1,200,000	852,264	(347,736)
Ending Fund Balance	<u>\$ 70,000</u>	<u>\$ 85,000</u>	<u>\$ 826,182</u>	<u>\$ 741,182</u>

(1) Appropriation Level

Reconciliation to Governmental Fund Balance as required by GASB #54:

Ending Fund Balance:

Length of Service Fund

110,270

Sick Leave/Unemployment Fund

86,561

\$ 1,023,013

CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION  
For the Year Ended June 30, 2023

SCHEDULE OF CHANGES IN THE TOTAL OPEB - RHIA LIABILITY

Year Ended June 30,	Service Cost	Difference Between Expected and Actual Experience	Changes in Assumptions	Difference Between Projected and Actual Investment Earnings	Employer Actual Contributions	Changes in Employer Proportion	Employer Total Expense
2023	\$ 21,007	\$ 576	\$ 709	\$ 1,622	\$ 189	\$ -	24,103
2022	20,811	660	353	5,635	148	21	27,628
2021	21,094	1,883	979	-	185	263	24,404
2020	24,721	2,663	21	1,247	646	593	29,891
2019	13,934	608	34	2,312	5,180	256	22,324
2018	5,332	-	-	1,645	4,562	136	11,675

SCHEDULE OF TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability Beginning (Asset)	Net Change in Total OPEB Liability (Asset)	Total OPEB Liability (Asset) Ending	Covered Payroll	Total OPEB Liability as a Percentage of Covered Payroll	Discount Rate
2023	\$ (23,712)	\$ 2,443	\$ (21,269)	\$ 1,854,741	0.0115 %	6.90 %
2022	(18,422)	(5,290)	(23,712)	1,449,381	0.0164	6.90
2021	(20,197)	1,775	(18,422)	1,494,625	0.0123	7.20
2020	(10,724)	(9,473)	(20,197)	1,330,391	0.0152	7.20
2019	(3,551)	(7,173)	(10,724)	1,326,826	0.0081	7.20
2018	2,498	(6,049)	(3,551)	1,040,984	0.0034	7.50

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are 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.

CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION  
For the Year Ended June 30, 2023

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) CRFPD's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.01 %	\$ 2,215,367	\$ 1,449,381	152.8 %	84.5 %
2022	0.01	1,944,919	1,494,625	130.1	87.6
2021	0.01	3,113,203	1,330,391	234.0	75.8
2020	0.01	2,250,175	1,326,826	169.6	80.2
2019	0.01	1,753,916	1,040,984	168.5	82.1
2018	0.01	1,428,726	884,568	161.5	83.1
2017	0.01	1,783,742	979,205	182.2	80.5
2016	0.01	448,956	914,330	49.1	91.2
2015	0.01	(128,010)	789,557	(16.2)	103.6
2014	0.01	288,195	553,648	52.1	92.0

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are 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.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ 410,509	\$ 410,509	-	\$ 1,854,741	22.1 %
2022	333,582	333,582	-	1,449,381	23.0
2021	329,156	329,156	-	1,494,625	22.0
2020	296,315	296,315	-	1,330,391	22.3
2019	233,624	233,624	-	1,326,826	17.6
2018	205,452	205,452	-	1,040,984	19.7
2017	150,684	150,684	-	884,568	17.0
2016	131,811	131,811	-	979,205	13.5
2015	128,651	128,651	-	914,330	14.1
2014	101,675	101,675	-	789,557	12.9

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are 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.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**SUPPLEMENTARY INFORMATION**

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**10. VOLUNTEER LENGTH OF SERVICE AWARD PROGRAM**

On June 13, 2001, the District adopted a length of service award program for volunteers. This plan is a defined contribution plan under which the District has no obligation to make contributions with respect to the plan. The plan assets are held in a fiduciary capacity District by the Oregon Fire District Directors Association and are subject to the claims of creditors of the District until distributed to the volunteers. Therefore, the plan assets are reported by the District in a Fiduciary Fund.

The District may authorize and make contributions to the plan for each volunteer based on a point system as described in the Schedule B attachment to the Plan Document. Volunteers are eligible to take plan distributions on the earlier of the date the volunteer becomes totally disabled, reaches age 55 or separates from volunteer service to the District.

Vesting occurs after 5 years of service.

The District's contributions to the Plan for the years ending June 30, 2023, 2022, and 2021 were \$11,657, \$882, and \$20,000 respectively.

**11. TAX ABATEMENTS**

As of June 30, 2023, Columbia County provides tax abatements through one program: Strategic Investment Program.

**Strategic Investment Program (ORS 285C.600)**

- The Oregon Strategic Investment program is a State of Oregon economic development program established, that allows for property tax exemptions for up to fifteen years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

For the fiscal year ended June 30, 2023, Clatskanie Rural Fire Protection District had abated property taxes totaling \$750,314 under these programs.

<u>Tax Abatement Program</u>	<u>Amount of Taxes Abated during the Fiscal Year</u>
Strategic Investment Program (ORS 285C.600)	<u>\$750,314</u>
	<u>\$ 750,314</u>

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**6. PROPERTY TAX LIMITATIONS**

The State of Oregon imposes a constitutional limit on property taxes for schools and nonschool government operations. School operations include community colleges, local school districts, and education service districts. on bonded debt. The State further reduced property taxes by replacing the previous constitutional limits on tax bases. The limitation provides that property taxes for nonschool operations are limited to \$10.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

**7. RISK MANAGEMENT**

The Fire District 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 Fire District purchases commercial insurance to minimize its exposure to these risks. Settled claims have not exceeded this commercial coverage for any of the past three years.

**8. INTERFUND TRANSFERS**

Interfund Transfers were done to finance operations between funds.

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 474,269	\$ 115,000
Ambulance Fund	115,000	-
EMS Equipment Reserve Fund	-	90,000
Facilities Improvement Reserve Fund	-	361,769
Fire Equipment Reserve Fund	-	22,500
	<hr/>	<hr/>
Total	\$ 589,269	\$ 589,269

**9. VOLUNTEER YEARS OF SERVICE AWARD PROGRAM**

On January 1, 1990, the District established a whole-life insurance policy program for qualifying volunteers. This program is administered by the District through John Hancock Insurance and is a non-qualified defined benefit plan. The plan provides for a monthly benefit beginning at age 65, equal to \$10 per month for every year of service, not to exceed \$250 per month. The Plan states that no participant shall, at any time, have any vested rights or interest in this plan, or in any benefits or payments payable under the Plan. The Plan may be discontinued, modified or reduced at any time, prior to or after the death or separation from service of any participant or beneficiary. Effective June, 2001, the District is no longer allowing any new volunteers to participate in this program. The District paid \$8,520 in benefits for this program during the fiscal year ending June 30, 2023.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**5. OTHER POSTEMPLOYMENT BENEFIT PLAN - (RHIA)**

**Plan Description:**

As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

**Funding Policy:**

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in 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.

Participating districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2023. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The District's contributions to RHIA for the years ended June 30, 2021, 2022 and 2023 were \$185, \$148 and \$189, respectively, which equaled the required contributions each year.

Since the District's financial statements are presented on the cash basis of accounting, no RHIA related amounts are reported on the Statement of Net Position.



**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**3. PENSION PLAN (CONTINUED)**

*Pension Benefits:*

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

*Death Benefits:*

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

*Contributions:*

Employees of the District pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2023.

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

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

**4. OTHER POSTEMPLOYMENT BENEFITS**

*Plan Description:*

The IAFF Local Health Trust Retiree Program is a cost-sharing multiple-employer post-employment benefit plan that provides health insurance to eligible retirees of employers who participate in the Trust (an OPEB plan). As of the most recent valuation date (June 30, 2018), the Trust has six participating employers, Tualatin Valley Fire and Rescue, Molalla Rural Fire Protection, Clatskanie Rural Fire Protection, Woodburn Fire District, Canby Fire District, and District of Newberg Police Department. This plan has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

The program allows eligible retirees and their dependents to purchase continuation coverage under the Trust's health insurance plans from the date of retirement until eligibility for Medicare. Clatskanie Rural Fire Protection is required by ORS 243.303 to provide retirees with group health insurance from the date of retirement to age 65 at the same rate provided to current employees.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**3. PENSION PLAN (CONTINUED)**

Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate – The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$ 3,928,762	\$ 2,215,367	\$ 781,335

**Changes Subsequent to the Measurement Date**

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to 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 collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

**Deferred Compensation Plan**

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of resignation, death, disability, or retirement; unforeseeable emergency; or by requesting a de minimis distribution from inactive accounts valued less than \$5,000. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

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

*Plan Description:*

Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member’s IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**3. PENSION PLAN (CONTINUED)**

**Long-Term Expected Rate of Return:**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. 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. 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.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Compound Annual (Geometric) Return</b>
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
<i>Assumed Inflation - Mean</i>		2.40%

*(Source: June 30, 2022 PERS ACFR; p. 74)*

**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 the 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.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**3. PENSION PLAN (CONTINUED)**

**Actuarial Methods and Assumptions:**

Valuation date	December 31, 2020
Experience Study Report	2020. Published July 20, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of 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 2020 Experience Study which is reviewed for the four-year period ending December 31, 2020.

**Assumed Asset Allocation:**

<b>Asset Class/Strategy</b>	<b>Low Range</b>	<b>High Range</b>	<b>OIC Target</b>
Debt Securities	15.0%	25.0%	20.0%
Public Equity	25.0%	35.0%	30.0%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Risk Parity	0.0%	3.5%	2.5%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2022 PERS ACFR; p. 104)

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**3. PENSION PLAN (CONTINUED)**

**Contributions** – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were \$410,509, excluding amounts to fund employer specific liabilities.

Since the District's financial statements are reported on the cash basis, no amounts are reported on the balance sheet for pension related assets, deferred outflows, liabilities or deferred inflows. Had the District's financial statements been reported in accordance with GAAP, it would have reported a net pension liability of \$2,215,367 at June 30, 2023 for its proportionate share of the net pension asset. The pension asset was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2022 and 2021, the District's proportion was .0.14 percent and .016 percent, respectively. Pension expense for the year ended June 30, 2023 was \$355,233.

The rates in effect for the year ended June 30, 2023 were:

- (1) Tier 1/Tier 2 – 30.27%
- (2) OPSRP general services – 23.81%

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 2, 2023. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf>

**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 PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**3. PENSION PLAN (CONTINUED)**

- ii. **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 contributions are met:
    - member was employed by PERS employer at the time of death,
    - member died within 120 days after termination of PERS covered employment,
    - member died as a result of injury sustained while employed in a PERS-covered job, or
    - member was on an official leave of absence from a PERS-covered job at the time of death.
  - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
  - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **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 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.
  - ii. **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. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
  - iii. **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.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**2. CASH AND INVESTMENTS (CONTINUED)**

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. The District does not have any investments that have a maturity date.

Credit Risk

Oregon Revised Statutes does not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

Concentration of Credit/Deposit Risk

At year-end, the District's net carrying amount of deposits was \$461,232 and the bank balance was \$506,076 of which \$250,000 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program. Oregon Revised Statutes and District policy require depository institutions to maintain on deposit, with the collateral pool manager, securities having a value not less than 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. The District also held \$5,007 at a credit union which was insured by NCUA.

**3. PENSION PLAN**

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2022-Annual-Comprehensive-Financial-Report.pdf>  
If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
- i. **Pension Benefits.** The PERS 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, and 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 benefits 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 1 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 2 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.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

**2. CASH AND INVESTMENTS (CONTINUED)**

discounts and reduced by amortization of premiums, both computed by the straight-line method, which approximates fair value.

Cash and Investments at June 30 consisted of:

<b><u>Deposits with Financial Institutions:</u></b>		<b><u>Reported in:</u></b>	
Demand Deposits \$	461,232	Governmental Funds \$	2,449,163
Investments	2,316,681	Fiduciary Funds	328,750
<b>Total</b>	<b>\$ 2,777,913</b>	<b>Total</b>	<b>\$ 2,777,913</b>

**Investments**

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued.

The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

The audited financial reports of the Oregon Short Term Fund can be found here:  
[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)  
 If the link has expired please contact the Oregon Short Term Fund directly.  
 The District had the following investments and maturities:

<u>Investment Type</u>	<u>Investment Maturities in Months</u>		
	<u>Fair Value</u>	<u>Less than 3</u>	<u>More than 3</u>
State Treasurer's Investment Pool	\$ 1,987,931	\$ -	\$ 1,070,315
LOSAP Investment	328,750	-	287,567
<b>Total</b>	<b>\$ 2,316,681</b>	<b>\$ -</b>	<b>\$ 1,357,882</b>

**Deposits**

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.



**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, laws or regulations of other governments or constraints through constitutional provisions or enabling legislation.

Unrestricted net position – consists of all other assets not included in the other categories previously mentioned.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**J. FUND EQUITY**

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Authority to classify portions of ending fund balance as Assigned has been given to the Fire Chief and Finance Director.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for disbursements. When unrestricted resources are spent, the order of spending is committed, assigned, and unassigned.

**2. CASH AND INVESTMENTS**

Oregon Revised Statutes (294.035) and District policy authorize the authority to invest in obligations of the U.S. Treasury and agencies, time certificates of deposit, bankers' acceptances, repurchase agreements, and the State of Oregon Local Government Investment Pool. Such investments are stated at cost, increased by accretion of

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. CASH AND EQUIVALENTS (CONTINUED)**

**Level 3** – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund’s own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

**F. PROPERTY TAXES**

Property taxes are recorded when received. Real and personal property are assessed and property taxes become a lien against the property as of July 1 of each year. Property taxes are payable in three installments, following the lien date on November 15, February 15, and May 15. Taxes not received by May 15<sup>th</sup> are considered delinquent. As required by law, the County manages tax collections for the District. Substantially all taxes receivable are considered collectible through liens on the underlying property.

**G. RETIREMENT PLANS**

The District is a participating employer in the State of Oregon Public Employees Retirement System Plan. PERS 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.

Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS’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. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

**H. USE OF ESTIMATES**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements during the reporting period. Actual results could differ from those estimates.

**I. NET POSITION**

Net position is comprised of the various net earnings from operations, non-operating receipts, disbursements and contributions of capital. Net position is classified in the following three categories:

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Other District funds:

**FIDUCIARY FUND**

This fund accounts for the investments held in the Oregon Fire Districts Directors Association length of service award program (LOSAP) on behalf of the District's volunteers.

**D. BUDGET**

A budget is prepared and legally adopted for each fund in the main program categories required by the Oregon Local Budget Law. The budgets for all funds are adopted on a basis consistent with the cash basis of accounting. The District begins its budget process early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring with a public hearing being held approximately three weeks later. The board may amend the budget prior to adoption; however, budgeted disbursements for each fund may not be increased by more than ten percent. The budget is adopted and appropriations are made no later than June 30th.

Disbursements budgets are appropriated at the following levels for each fund: Personal Services, Materials and Services, Capital Outlay, Interfund Transactions, Debt Service, and Operating Contingency.

Disbursements cannot legally exceed the above appropriations levels. Appropriations lapse at the fiscal year end. Supplemental appropriations may occur if the Board approves them due to a need which exists which was not determined at the time the budget was adopted. Budget amounts shown in the basic financial statements reflect the original appropriations. Disbursements of the various funds were within authorized appropriation levels.

**E. CASH AND EQUIVALENTS**

**Cash and cash equivalents**

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

**Fair Value Inputs and Methodologies and Hierarchy**

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

**Level 1** – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

**Level 2** – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)**

normally are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

**C. DESCRIPTION OF FUNDS**

The District reports the following major funds:

**GENERAL FUND**

This fund accounts for all financial receipts and disbursements of the District, except those required to be accounted for in another fund. The primary sources of receipts are property taxes and interest on investments and the primary disbursements are for public safety. The Length of Service Fund and the Sick Leave/Unemployment Fund do not meet the GASB Statement No. 54 definition of a special revenue fund. Therefore, these funds are consolidated with the General Fund.

**AMBULANCE FUND**

This fund accounts for charges for ambulance service and related disbursements for providing this service. The primary sources of receipts are charges for ambulance service and transfers from the General Fund.

**EMERGENCY MEDICAL SERVICE EQUIPMENT RESERVE FUND**

This fund accounts for the accumulation of receipts to replace emergency medical equipment. The primary sources of receipts are operating transfers from the General Fund and interest on investments.

**FIRE EQUIPMENT RESERVE FUND**

This fund accounts for the accumulation of receipts to replace firefighting equipment. The primary sources of receipts are operating transfers from the General Fund and interest on investments.

**FACILITIES IMPROVEMENT RESERVE FUND**

This fund accounts for the accumulation of receipts for facilities improvement. The primary sources of receipts are operating transfers from the General Fund and interest on investments.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the District have been prepared in conformity with the Cash Basis of accounting as applied to government units, a special purpose framework. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

**A. THE FINANCIAL REPORTING ENTITY**

The District was organized under provisions of Oregon Statutes Chapter 478 for the purpose of providing fire protection and other emergency services. Clatskanie Rural Fire Protection District is a municipal corporation governed by an elected five member board. As required by the cash basis of accounting, these financial statements present Clatskanie Rural Fire Protection District (the primary government) and any component units. Component units, as established by GASB Statement 61, are separate organizations that are included in the District's reporting entity because of the significance of their operational or financial relationships with the District. The District has no component units.

The District is an Oregon municipal corporation, exempt from federal and state income taxes.

**B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION**

**BASIS OF ACCOUNTING**

The Statement of Net Position –Cash Basis and the Statement of Activities –Cash Basis were prepared using the economic resources measurement focus and the Cash Basis of accounting. Under the Cash Basis of accounting, receipts are recorded when received and disbursements are recorded as paid in cash or by check. This basis of accounting is applied to both the government-wide financial statements, and the governmental fund financial statements uniformly.

This basis of accounting is not equivalent to the generally accepted accounting principles (GAAP) basis of accounting. Under GAAP the fund financial statements require that revenues be recorded as they become susceptible to accrual (i.e. when they become measurable and available) and expenditures recorded as goods and services received. For the government-wide statements GAAP requires that the accrual basis of accounting be applied. Under the accrual basis of accounting the cost of capital assets is capitalized and depreciated over their estimated useful lives, debt is recorded as incurred, revenues are recorded when earned irrespective of the collection of cash, and expenses, including depreciation, are recorded when incurred. Management believes the Cash Basis of accounting is preferable for the District due to the District's small size and the necessity of assessing available cash resources. The Cash Basis of accounting is allowed under Oregon Local Budget Law.

**GOVERNMENT-WIDE FUND FINANCIAL STATEMENTS**

The District has adopted, at July 1, 2003, the principles of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (GASB 34), as they are applicable to Cash Basis financial statements. The Statement requires that the District present both government-wide and fund financial statements, and reconcile the two types of statements, if necessary.

The government-wide financial statement report information on the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2023**

---

	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUND
Additions	
Contributions of Members	\$ 11,657
Gain on Investments	31,778
Total Additions	<u>43,435</u>
Deductions	
Administration Expense	<u>2,252</u>
Total Deductions	<u>2,252</u>
Change in Net Position	41,183
Net Position Beginning of Year	<u>287,567</u>
Net Position End of Year	<u><u>\$ 328,750</u></u>

The accompanying notes are an integral part of this statement.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**  
**STATEMENT OF FIDUCIARY NET POSITION - CASH BASIS**  
**June 30, 2023**

---

FIDUCIARY FUND

	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUND
ASSETS	
Cash and Investments held on behalf of volunteers	\$ 328,750
Total Assets	<u>\$ 328,750</u>
NET POSITION	
Total Net Position	<u>\$ 328,750</u>

The accompanying notes are an integral part of this statement.

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE - CASH BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2023

	GENERAL FUND	AMBULANCE FUND	EMS EQUIPMENT RESERVE FUND	FIRE EQUIPMENT RESERVE FUND	FACILITIES IMPROVEMENT RESERVE FUND	TOTAL
RECEIPTS:						
Taxes	\$ 2,828,450	\$ -	\$ -	\$ -	\$ -	\$ 2,828,450
Customer Fees	397,066	388,466	-	-	-	785,532
Earnings on Investments	34,102	4,495	8,057	13,594	4,199	64,447
Grants	88,788	-	-	4,920	-	93,708
Strategic Investment Plan	270,249	-	-	-	-	270,249
Miscellaneous	42,897	7,280	-	-	-	50,177
Total Receipts	<u>3,661,552</u>	<u>400,241</u>	<u>8,057</u>	<u>18,514</u>	<u>4,199</u>	<u>4,092,563</u>
DISBURSEMENTS						
Personnel Services	2,834,229	-	-	-	-	2,834,229
Materials and Services	419,952	147,440	-	-	-	567,392
Capital Outlay	77,318	-	270,337	-	-	347,655
Total Disbursements	<u>3,331,499</u>	<u>147,440</u>	<u>270,337</u>	<u>-</u>	<u>-</u>	<u>3,749,276</u>
Excess of Receipts Over, (Under) Disbursements	330,053	252,801	(262,280)	18,514	4,199	343,287
Other Financing Sources, (Uses):						
Transfers In	115,000	-	90,000	22,500	361,769	589,269
Transfers Out	(474,269)	(115,000)	-	-	-	(589,269)
Total Other Financing Sources, (Uses)	<u>(359,269)</u>	<u>(115,000)</u>	<u>90,000</u>	<u>22,500</u>	<u>361,769</u>	<u>-</u>
Net Change in Fund Balance	(29,216)	137,801	(172,280)	41,014	365,968	343,287
Beginning Fund Balance	<u>1,052,229</u>	<u>91,469</u>	<u>395,721</u>	<u>566,457</u>	<u>-</u>	<u>2,105,876</u>
Ending Fund Balance	<u>\$ 1,023,013</u>	<u>\$ 229,270</u>	<u>\$ 223,441</u>	<u>\$ 607,471</u>	<u>\$ 365,968</u>	<u>\$ 2,449,163</u>

The accompanying notes are an integral part of this statement.



CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

BALANCE SHEET - CASH BASIS - GOVERNMENTAL FUNDS

June 30, 2023

	GENERAL FUND	AMBULANCE FUND	EMS EQUIPMENT RESERVE FUND	FIRE EQUIPMENT RESERVE FUND	FACILITIES IMPROVEMENT RESERVE FUND	TOTAL
<b>ASSETS</b>						
Cash and Investments	\$ 1,023,013	\$ 229,270	\$ 223,441	\$ 607,471	\$ 365,968	\$ 2,449,163
Total Assets	<u>\$ 1,023,013</u>	<u>\$ 229,270</u>	<u>\$ 223,441</u>	<u>\$ 607,471</u>	<u>\$ 365,968</u>	<u>\$ 2,449,163</u>
<b>Fund Balances:</b>						
Restricted	\$ 196,831	\$ 229,270	\$ 223,441	\$ 607,471	\$ 365,968	\$ 1,622,981
Unassigned	826,182	-	-	-	-	826,182
Total Fund Balances	<u>1,023,013</u>	<u>229,270</u>	<u>223,441</u>	<u>607,471</u>	<u>365,968</u>	<u>2,449,163</u>
Total Fund Balances	<u>\$ 1,023,013</u>	<u>\$ 229,270</u>	<u>\$ 223,441</u>	<u>\$ 607,471</u>	<u>\$ 365,968</u>	<u>\$ 2,449,163</u>

The accompanying notes are an integral part of this statement

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

STATEMENT OF ACTIVITIES - CASH BASIS  
For the Year Ended June 30, 2023

FUNCTIONS	DISBURSEMENTS	PROGRAM RECEIPTS		NET (DISBURSEMENTS) RECEIPTS AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Fire Services	\$ 3,749,276	\$ 785,532	\$ 93,708	\$ (2,870,036)
Total Governmental Activities	<u>\$ 3,749,276</u>	<u>\$ 785,532</u>	<u>\$ 93,708</u>	<u>(2,870,036)</u>
GENERAL RECEIPTS				
				2,828,450
				64,447
				270,249
				<u>50,177</u>
				<u>3,213,323</u>
				343,287
				<u>2,105,876</u>
				<u>\$ 2,449,163</u>

The accompanying notes are an integral part of this statement.

CLATSKANIE RURAL FIRE PROTECTION DISTRICT

COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION - CASH BASIS

June 30, 2023

---

ASSETS:

Cash and Investments	\$ 2,449,163
Total Assets	<u>2,449,163</u>

NET POSITION:

Restricted for special receipts	426,101
Restricted for capital projects	1,196,880
Unrestricted	<u>826,182</u>
Total Net Position	<u>\$ 2,449,163</u>

The accompanying notes are an integral part of this statement.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**BASIC FINANCIAL STATEMENTS**

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' 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.

## **Report on Other Legal and Regulatory Requirements**

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated October 25, 2023 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Tara M. Kamp, CPA  
PAULY, ROGERS AND CO., P.C.

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clatskanie Rural Fire Protection District'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 Clatskanie Rural Fire Protection District's ability to continue as a going concern for a reasonable period of time.

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. **The supplementary information, as listed in the table of contents, 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. 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 supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.**



**PAULY, ROGERS, AND CO., P.C.**  
12700 SW 72<sup>nd</sup> Ave. Tigard, OR 97223  
(503) 620-2632 (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

October 28, 2023

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Clatskanie Rural Fire Protection District  
Columbia County, Oregon

### **Opinions**

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Clatskanie Rural Fire Protection District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Clatskanie Rural Fire Protection District, as of June 30, 2023, and the respective changes in cash basis financial position for the year then ended in accordance with the basis of accounting as described in Note 1.

### **Basis for Opinions**

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

### **Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

TABLE OF CONTENTS

	<b><u>PAGE</u></b> <b><u>NUMBER</u></b>
FINANCIAL SECTION:	
Independent Auditor's Report	1
BASIC FINANCIAL STATEMENTS:	
Statement of Net Position – Cash Basis	4
Statement of Activities – Cash Basis	5
Balance Sheet – Governmental Funds – Cash Basis	6
Statement of Receipts, Disbursements and Changes in Fund Balances – Governmental Funds – Cash Basis	7
Fiduciary Funds:	
Statement of Fiduciary Net Position – Cash Basis	8
Statement of Changes in Fiduciary Net Position	9
Notes to Basic Financial Statements	10
SUPPLEMENTARY INFORMATION:	
Schedule of the Proportionate Share of the Net Pension Liability and Contributions	26
Schedule of Changes in Other Post-Employment Benefits (OPEB) Liability	27
Schedules of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Cash Basis:	
General Fund	28
Ambulance Fund	29
Schedules of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Cash Basis:	
EMS Equipment Reserve Fund	30
Fire Equipment Reserve Fund	31
Facilities Improvement Reserve Fund	32
Sick Leave/Unemployment Reserve Fund	33
Length of Service Reserve Fund	34
Independent Auditor's Report Required by Oregon State Regulations	35



**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**BOARD OF DIRECTORS**

**TERM EXPIRES**

Robert E. Keyser	Chair	June 30, 2023
Steven Stadelman	Director	June 30, 2025
James Gibson	Secretary	June 30, 2023
James 'Jim' Tift	Director	June 30, 2023
Bill Mellinger	Director	June 30, 2025

All directors receive their mail at the address listed below

**REGISTERED AGENT**

Steve Sharek, District Fire Chief  
280 SE 3<sup>rd</sup> St.  
PO Box 807  
Clatskanie, Oregon 97016

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT**  
**COLUMBIA COUNTY, OREGON**

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2023**

**\*\*\*\*\***

**CLATSKANIE RURAL FIRE PROTECTION DISTRICT  
COLUMBIA COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2023**



12700 SW 72<sup>nd</sup> Ave.  
Tigard, OR 97223