



**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**ANNUAL FINANCIAL REPORT**

June 30, 2021

DRAFT



**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**DISTRICT OFFICIALS**

June 30, 2021

**BOARD OF DIRECTORS**

Russell Sirotek, President  
399 Carthage Avenue  
Eugene, Oregon 97404

Rod Graves, Vice President  
3150 Admiral Street  
Eugene, Oregon 97404

Susan Smith, Secretary  
3449 Tempa  
Eugene, Oregon 97404

Don Phillips  
415 Ferndale  
Eugene, Oregon 97404

Frank Taubenkrau  
2586 Stratford  
Eugene, Oregon 97404

**FIRE CHIEF AND REGISTERED AGENT**

Dale Borland, Interim Chief  
88050 Territorial Hwy  
Veneta, Oregon 97487

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**TABLE OF CONTENTS**

June 30, 2021

Page  
Number

**INTRODUCTORY SECTION**

Title Page  
District Officials  
Table of Contents

**FINANCIAL SECTION**

Independent Auditor's Report .....	1-2
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position – Modified Cash Basis .....	3
Statement of Activities – Modified Cash Basis .....	4
Fund Financial Statements	
Balance Sheet– Modified Cash Basis – Governmental Funds.....	5
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	6
Statement of Revenues, Expenditures, and Changes in Fund Balances – Modified Cash Basis - Governmental Funds.....	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	8
Notes to Basic Financial Statements.....	9-19
Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual –	
General Fund.....	20
Capital Reserve Fund.....	21

**AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS**

Independent Auditor’s Report Required by Oregon State Regulations .....	22-23
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**FINANCIAL SECTION**

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## **BASIC FINANCIAL STATEMENTS**

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**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS**

June 30, 2021

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 3,289,895
Capital assets being depreciated, net	<u>2,196,189</u>
Total assets	<u>5,486,084</u>
<b>LIABILITIES</b>	
Accounts payable	<u>186</u>
<b>NET POSITION</b>	
Net investment in capital assets	2,196,189
Unrestricted	<u>3,289,709</u>
Total net position	<u><u>\$ 5,485,898</u></u>

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

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**

For the Year Ended June 30, 2021

<u>Functions/Programs</u>	<u>Program Revenues</u>			Net (Expense)
	<u>Expenses</u>	<u>Charges for</u>	<u>Operating</u>	Revenue and
		<u>Services</u>	<u>Grants and</u>	Changes in
			<u>Contributions</u>	<u>Capital</u>
				<u>Grants and</u>
				<u>Contributions</u>
				<u>Governmental</u>
				<u>Activities</u>
Governmental activities				
Fire protection	<u>\$ 1,208,194</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues				
Property taxes levied for general purposes				1,122,947
Investment earnings				27,089
Miscellaneous				<u>1,025</u>
Total general revenues				<u>1,151,061</u>
Change in net position				(57,133)
Net position - beginning				<u>5,543,031</u>
Net position - ending				<u>\$ 5,485,898</u>

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

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

BALANCE SHEET - MODIFIED CASH BASIS

GOVERNMENTAL FUNDS

June 30, 2021

	General Fund	Capital Reserve Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,686,504	\$ 603,391	\$ 3,289,895
<b>LIABILITIES</b>			
Accounts payable	\$ 186	\$ -	\$ 186
<b>FUND BALANCES</b>			
Committed	-	603,391	603,391
Unassigned	2,686,318	-	2,686,318
Total fund balances	2,686,318	603,391	3,289,709
Total liabilities and fund balances	\$ 2,686,504	\$ 603,391	\$ 3,289,895

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



**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

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

June 30, 2021

<b>Total fund balances</b>			\$ 3,289,709
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:			
Cost		3,723,422	
Accumulated depreciation		<u>(1,527,233)</u>	<u>2,196,189</u>
<b>Net position of governmental activities</b>			<u><u>\$ 5,485,898</u></u>

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

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-  
MODIFIED CASH BASIS

GOVERNMENTAL FUNDS

For the Year Ended June 30, 2021

	General Fund	Capital Reserve Fund	Total Governmental Funds
<b>REVENUES</b>			
Property taxes	\$ 1,122,947	\$ -	\$ 1,122,947
Investment earnings	21,942	5,147	27,089
Miscellaneous	1,025	-	1,025
	<u>1,145,914</u>	<u>5,147</u>	<u>1,151,061</u>
Total revenues			
<b>EXPENDITURES</b>			
Current			
Fire protection	261	-	261
Capital outlay	-	135,990	135,990
	<u>261</u>	<u>135,990</u>	<u>136,251</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	1,145,653	(130,843)	1,014,810
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	100,000	100,000
Special payments	(1,035,438)	-	(1,035,438)
Transfers out	(100,000)	-	(100,000)
	<u>(1,135,438)</u>	<u>100,000</u>	<u>(1,035,438)</u>
Total other financing sources (uses)			
Net change in fund balances	10,215	(30,843)	(20,628)
Fund balances - beginning	<u>2,676,103</u>	<u>634,234</u>	<u>3,310,337</u>
Fund balances - ending	<u>\$ 2,686,318</u>	<u>\$ 603,391</u>	<u>\$ 3,289,709</u>

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

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2021

<b>Net change in fund balances</b>	\$ (20,628)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures; however, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and are reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital asset additions	65,634	
Depreciation expense recorded in the current year	<u>(102,139)</u>	<u>(36,505)</u>
<b>Change in net position</b>		<b>\$ <u>(57,133)</u></b>

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

## NOTES TO BASIC FINANCIAL STATEMENTS

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**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Santa Clara Rural Fire Protection District have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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. Description of Government-Wide Financial Statements**

The government-wide modified cash basis financial statements (i.e., the statement of net position and the statements of activities) report information on all of the activities of the District. *Governmental Activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported for the District.

**B. Reporting Entity**

Santa Clara Rural Fire Protection District, formed in 1943, is a municipal corporation governed under the authority of the Oregon Revised Statutes Chapter 478. The District has one station that provides fire and life safety, prevention, training, public educations, and recruiting of volunteers to the citizens residing within the boundaries of the District. The District is governed by a five-member board of directors elected from the District at large. The administration of the day-to-day affairs of the District is the responsibility of the Fire Chief.

**C. Basis of Presentation - Government-Wide Financial Statements**

While separate government-wide and fund modified cash basis financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**D. Basis of Presentation - Fund Financial Statements**

The fund financial statements provide information about the government's funds. The emphasis of fund modified cash basis financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund modified cash basis financial statements.

The government reports the following major governmental funds:

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

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021

Capital Projects Fund

*Capital Reserve Fund* – The Capital Reserve Fund accounts for resources accumulated for the purpose of emergency response equipment. Primary revenues are interest earnings and transfers from the general fund. Primary expenditures are for capital projects.

Certain activity occurs during the year involving transfers of resources between funds. In fund modified cash basis financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund modified cash basis financial statements, certain eliminations are made in the preparation of the government-wide modified cash basis financial statements. Transfers between funds included in governmental activities are eliminated.

**E. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus within the limitations of the modified cash basis of accounting, as described in Note I.

The governmental fund financial statements are reported using the current financial resources measurement focus. Only current financial assets and liabilities are generally included on the balance sheet. The operating statements present sources and uses of available expendable financial resources during a given period. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt is reported as an other financing source.

In the government-wide financial statements and the fund financial statements, governmental activities are presented using the modified cash basis of accounting. This basis recognizes assets, liabilities, fund balance/net position, revenues, and expenditures when they result from cash transactions, with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenues for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in the financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements would use the modified accrual basis of accounting, and the government-wide financial statements would be presented on the accrual basis of accounting.

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021

**F. Budgetary Information**

Annual budgets are adopted on the modified accrual basis of accounting for revenues and expenses. The District budgets all funds in accordance with the requirements of state law. Annual appropriated budgets are adopted for the general, special revenue, and capital projects funds. The District begins its budgeting process by appointing budget committee members. The budget officer prepares a budget, which is reviewed by the budget committee. The budget is then published in proposed form and is presented at public hearings to obtain taxpayer comments and approval from the budget committee. The budget is legally adopted by the board of directors by resolution prior to the beginning of the District's fiscal year. The board resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personnel services, material and services, debt service, capital outlay, operating contingencies, and interfund transfers for each fund are the levels of control established by the resolution. The detailed budget document, however, is required to contain more specific detailed information for the aforementioned expenditure categories, and management may revise the detailed line item budgets within appropriation categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of a fund's original budget may be adopted by the board of directors at a regular board meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers, and approval by the board of directors. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the board of directors. During the year, there were no supplemental budgets. The District does not use encumbrances, and appropriations lapse at year-end.

Budget amounts shown in the financial statements reflect the original budget amounts.

**G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Cash and Cash Equivalents**

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

**2. Investments**

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

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021

**3. Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities columns in the government-wide modified cash basis financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost where no historical records exist. The costs of normal maintenance or repairs that do not add to the value of an asset or materially extend its life are charged to expenditures as incurred and are not capitalized. Major capital outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	5-25
Buildings and improvements	5-50
Training site	20-50

**4. Net Position Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide fund modified cash basis financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**5. Fund Balance Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund modified cash basis financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.



**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021

**6. Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The board of directors is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. Amounts in the assigned fund balance classification are intended to be used by the government for the specific purposes but do not meet the criteria to be classified as committed. The board may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment. Because amounts in the nonspendable, restricted, committed, and assigned categories are subject to varying constraints on their use, the reserve for economic uncertainties consists of balances that are otherwise unassigned. The portion of available funds within the reserve can be used to offset emergency expenditures, a downturn in collection of significant revenues, or other unforeseen events.

The District reports fund equity in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance - amounts that are in nonspendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. board of directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.
- Assigned fund balance - amounts that District intends to use for a specific purpose. Intent can be expressed by the board of directors or by an official or body to which the board of directors delegates authority.

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021

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

The District has not formally adopted a minimum fund balance policy.

**H. Revenues and Expenditures/Expenses**

**1. Program Revenues**

Amounts reported as program revenues 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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

**2. Property Taxes**

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collection to entities levying taxes. Property taxes are levied and become a lien as of July 1 on property values assessed as of June 30. Property taxes are payable in three installments, which are due on November 15, February 15, and May 15.

**I. Use of Estimates**

The preparation of modified cash basis financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The District expended funds in excess of amounts appropriated as follows:

<u>Fund</u>	<u>Function</u>	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
General	Materials and services	\$ -	\$ 261	\$ 261

**III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**A. Deposits and Investments**

Santa Clara Rural Fire Protection District maintains a cash and cash equivalents pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the fund modified cash basis financial statements as cash and cash equivalents. Additionally, several funds held separate cash accounts.

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021

Interest earned on pooled cash and investments is allocated to participating funds based upon their combined cash and investment balances.

Investments, including amounts held in pooled cash and investments, are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. The District participates in an external investment pool (State of Oregon Local Government Investment Pool). The Pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by the Oregon Revised Statutes (ORS) and the Oregon Investment Council (OIC). The State Treasurer is the investment officer for the OIC and is responsible for all funds in the State Treasury. These funds are invested exercising reasonable care, skill, and caution. Investments in the Pool are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which established diversification percentages and specifies the types and maturities of investments. The portion of the external investment pool which belongs to local government investment participants is reported in an Investment Trust Fund in the State's Comprehensive Annual Financial Report (CAFR). A copy of the State's CAFR may be obtained at the Oregon State Treasury, 350 Winter St. N.E., Salem, Oregon 97310-0840.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or price 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 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 quoted prices for identical investments in active markets.
- *Level 2* – Observable inputs other than quoted market prices; and,
- *Level 3* – Unobservable inputs.

There were no transfers of assets or liabilities among the three levels of the fair value hierarchy for the year ended June 30, 2021.

Fair values of assets measured on a recurring basis at June 30, 2021 are as follows:

	<u>Level 2</u>
Investments	
Local Government Investment Pool	\$ <u>3,274,498</u>

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021

Credit Risk

Oregon statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Government Investment Pool. The District has not adopted an investment policy regarding credit risk; however, investments comply with state statutes.

Investments

As of June 30, 2021, the District had the following investments:

	Credit Quality Rating	Maturities	Fair Value
Local Government Investment Pool	Unrated	-	\$ 3,274,498

Interest Rate Risk

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

Concentration of Credit Risk

The District does not have a formal policy that places a limit on the amount that may be invested in any one insurer. 100 percent of the District's investments are in the Oregon Local Government Investment Pool.

Custodial Credit Risk - Investments

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

Custodial Credit Risk - Deposits

This is the risk that, in the event of a bank failure, the District's deposits may not be returned. All District deposits not covered by Federal Depository Insurance Corporation (FDIC) insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon, organized in accordance with ORS 295. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at a minimum of 10% of their quarter-end public fund deposits if they are considered well capitalized, 25% of their quarter-end public fund deposits if they are considered adequately capitalized, or 110% of their quarter-end public fund deposits if they are considered undercapitalized or assigned to pledge 110% by the Office of the State Treasurer.

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021

In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. The District holds accounts at Banner Bank, for which deposits are insured by the FDIC up to \$250,000. At June 30, 2021, the District had deposits of \$15,135 fully insured by the FDIC.

Deposits

The District's deposits and investments at June 30, 2021 are as follows:

Petty cash	\$ 300
Checking accounts	15,097
Total investments	<u>3,274,498</u>
Total deposits	<u><u>\$ 3,289,895</u></u>

Cash and investments by fund:

Governmental activities - unrestricted	
General Fund	\$ 2,686,504
Capital Reserve Fund	<u>603,391</u>
Total governmental activities	<u><u>\$ 3,289,895</u></u>

**B. Capital Assets**

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets being depreciated				
Buildings	\$ 2,353,888	\$ -	\$ -	\$ 2,353,888
Training Site	62,378	-	-	62,378
Equipment	<u>1,241,522</u>	<u>65,634</u>	<u>-</u>	<u>1,307,156</u>
Total capital assets being depreciated	<u>3,657,788</u>	<u>65,634</u>	<u>-</u>	<u>3,723,422</u>
Less accumulated depreciation for				
Buildings	(556,364)	(50,814)	-	(607,178)
Training Site	(57,627)	(391)	-	(58,018)
Equipment	<u>(811,103)</u>	<u>(50,934)</u>	<u>-</u>	<u>(862,037)</u>
Total accumulated depreciation	<u>(1,425,094)</u>	<u>(102,139)</u>	<u>-</u>	<u>(1,527,233)</u>
Total capital assets being depreciated, net	<u>2,232,694</u>	<u>(36,505)</u>	<u>-</u>	<u>2,196,189</u>
Governmental activities capital assets, net	<u><u>\$ 2,232,694</u></u>	<u><u>\$ (36,505)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,196,189</u></u>

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021

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

	Capital Assets	Accumulated Depreciation	Net Capital Assets
Governmental activities			
Buildings	\$ 2,353,888	\$ (607,178)	\$ 1,746,710
Training Site	62,378	(58,018)	4,360
Equipment	1,307,156	(862,037)	445,119
Total capital assets	<u>\$ 3,723,422</u>	<u>\$ (1,527,233)</u>	<u>\$ 2,196,189</u>

Depreciation expense is recorded on the statement of activities as follows:

Governmental activities	
Fire protection	<u>\$ 102,139</u>

#### IV. OTHER INFORMATION

##### A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. There was no significant reduction in insurance coverage from the previous year. There were no insurance settlements exceeding insurance coverage in any of the past three years.

##### B. Restatement

The District's previously issued financial statements were restated as follows:

	General Fund
Fund balance - beginning, as originally reported	\$ 2,664,215
To restate to cash basis	<u>11,888</u>
Fund balance - beginning, as restated	<u>\$ 2,676,103</u>

##### C. New Pronouncements

For the fiscal year ended June 30, 2021, the District implemented the following new accounting standards:

GASB Statement No. 84, *Fiduciary Activities* – This statement established criteria and guidance for identifying fiduciary activities of all state and local governments for

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

**NOTES TO BASIC FINANCIAL STATEMENTS**

June 30, 2021

accounting and financial reporting purposes, as well as the reporting requirements for these fiduciary funds.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32.*

The District will implement applicable new GASB pronouncements no later than the required fiscal year. Management has not determined the effect on the financial statements for implementing any of the following pronouncements:

GASB Statement No. 83, *Certain Asset Retirement Obligations* – This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The statement is effective for fiscal years beginning after June 15, 2020 (as amended by GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*).

GASB Statement No. 87, *Leases* – This statement addresses the accounting and financial reporting for leases by governments, requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. The statement is effective for fiscal years beginning after June 15, 2022 (as amended by GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*).

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* – The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The statement is effective for fiscal years beginning after December 15, 2021 (as amended by GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*).

**D. Subsequent Events**

Management has evaluated subsequent events through Rep Letter Date, 2021, which was the date that the modified cash basis financial statements were available to be issued.

## **SUPPLEMENTARY INFORMATION**

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**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

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

GENERAL FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Variance with Final Budget Over (Under)	Actual		
			Budget Basis	Adjustments	Modified Cash
<b>REVENUES</b>					
Property taxes	\$ 1,056,128	\$ 66,819	\$ 1,122,947	\$ -	\$ 1,122,947
Investment earnings	35,000	(13,058)	21,942	-	21,942
Miscellaneous	-	1,025	1,025	-	1,025
Total revenues	<u>1,091,128</u>	<u>54,786</u>	<u>1,145,914</u>	<u>-</u>	<u>1,145,914</u>
<b>EXPENDITURES</b>					
Materials and services	-	261	261	-	261
Contingency	<u>100,000</u>	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>100,000</u>	<u>(99,739)</u>	<u>261</u>	<u>-</u>	<u>261</u>
Excess (deficiency) of revenues over (under) expenditures	991,128	154,525	1,145,653	-	1,145,653
<b>OTHER FINANCING SOURCES (USES)</b>					
Special payments	(1,035,438)	-	(1,035,438)	-	(1,035,438)
Transfers out	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>
Total other financing sources (uses)	<u>(1,135,438)</u>	<u>-</u>	<u>(1,135,438)</u>	<u>-</u>	<u>(1,135,438)</u>
Net change in fund balance	(144,310)	154,525	10,215	-	10,215
Fund balance - beginning, as restated	<u>2,542,234</u>	<u>133,869</u>	<u>2,676,103</u>	<u>-</u>	<u>2,676,103</u>
Fund balance - ending	<u>\$ 2,397,924</u>	<u>\$ 288,394</u>	<u>\$ 2,686,318</u>	<u>\$ -</u>	<u>\$ 2,686,318</u>

**SANTA CLARA RURAL FIRE PROTECTION DISTRICT**  
**Lane County, Oregon**

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

CAPITAL RESERVE FUND

For the Year Ended June 30, 2021

	Original and Final Budget	Variance with Final Budget Over (Under)	Budget Basis	Actual Adjustments	Modified Cash
<b>REVENUES</b>					
Investment earnings	\$ 5,000	\$ 147	\$ 5,147	\$ -	\$ 5,147
Equipment charges	-	-	-	-	-
Total revenues	<u>5,000</u>	<u>147</u>	<u>5,147</u>	<u>-</u>	<u>5,147</u>
<b>EXPENDITURES</b>					
Capital outlay	<u>450,000</u>	<u>(314,010)</u>	<u>135,990</u>	<u>-</u>	<u>135,990</u>
Excess (deficiency) of revenues over (under) expenditures	(445,000)	314,157	(130,843)	-	(130,843)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Net change in fund balance	(345,000)	314,157	(30,843)	-	(30,843)
Fund balance - beginning	<u>623,281</u>	<u>10,953</u>	<u>634,234</u>	<u>-</u>	<u>634,234</u>
Fund balance - ending	<u>\$ 278,281</u>	<u>\$ 325,110</u>	<u>\$ 603,391</u>	<u>\$ -</u>	<u>\$ 603,391</u>

**AUDIT COMMENTS AND DISCLOSURES REQUIRED BY  
STATE REGULATIONS**

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