

WEST MULTNOMAH SOIL AND WATER  
CONSERVATION DISTRICT

Financial Statements

For the Year Ended June 30, 2024

WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT  
June 30, 2024

BOARD OF DIRECTORS

<u>Name</u>	<u>Position</u>	<u>Zone</u>	<u>Term Expires</u>
Kim Peterson	Director	Zone 1	December 31, 2024
Jane Hartline	Director	Zone 2	December 31, 2024
George Sowder	Vice-Chair	Zone 3	December 31, 2024
Brian Lightcap	Director	Zone 4	December 31, 2026
Terri Preeg-Riggsby	Chair	Zone 5	December 31, 2026
Shawn Looney	Secretary	At Large	December 31, 2026
Weston Miller	Treasurer	At Large	December 31, 2024

MAILING ADDRESS

West Multnomah Soil and Water Conservation District  
3236 S Kelly Avenue, Suite 200  
Portland, OR 97239

WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT  
Financial Statements  
For the year ended June 30, 2023

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**Dougall Conradie LLC**  
Certified Public Accountants

Geoffrey Dougall, CPA  
Heather Jackson, CPA  
Richard Winkel, CPA  
Members of AICPA & OSCPA

### Independent Auditor's Report

Board of Directors  
West Multnomah Soil and Water Conservation District  
Multnomah County, Oregon

#### **Opinions**

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of West Multnomah Soil and Water Conservation District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise West Multnomah Soil and Water Conservation District's 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 modified cash basis financial position of the governmental activities and each major fund of West Multnomah Soil and Water Conservation District, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West Multnomah Soil and Water Conservation 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 modified 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 modified cash basis of accounting described in Note 1, and for determining that the modified 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about West Multnomah Soil and Water Conservation District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on


the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise West Multnomah Soil and Water Conservation District's basic financial statements. The schedule of proportionate share of net pension liability and related ratios and the fund budget to actual statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Oregon State Regulations**

In accordance with Oregon State Regulations, we have also issued our report dated October 22, 2024 on our consideration of West Multnomah Soil and Water Conservation District's internal control over financial reporting and on our procedures to address its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is required by Oregon State Regulations.

DOUGALL CONRADIE LLC  
Portland, Oregon  
October 22, 2024

By:   
Richard Winkel, Partner

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**West Multnomah Soil and Water Conservation District**  
**Management's Discussion and Analysis**  
**June 30, 2024**

Management's discussion and analysis presents the highlights of the financial activities and financial position of the West Multnomah Soil and Water Conservation District (the District) for the fiscal year ended June 30, 2024. Our goal is to assist users of these financial statements in interpreting key data found in the pages that follow and in analyzing the results of this fiscal year. Because the information contained in this discussion is necessarily select in nature, it should be read and interpreted in conjunction with the financial statements.

**Change in Accounting**

During the year ended June 30, 2024 the District changed the accounting basis from accounting principles generally accepted in the United States to the modified cash basis of accounting. Under the modified cash basis of accounting revenue is recognized when received and expenditures are recognized when paid. Although not in conformity with generally accepted accounting principles, this is permissible under the laws of the state of Oregon.

The prior year summarized financial information for the year ended June 30, 2023 presented below have been restated under the modified cash basis of accounting for comparison purposes.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements, which consist of (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The basic financial statements present two different views of the District through the use of government-wide and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the District.

***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide an overview of the District's finances. The statement of net position – modified cash basis presents information regarding assets and liabilities, with the difference between the two reported as net position. Over time, the increases or decreases in net position may serve as an indicator of whether the financial position of the District is improving or deteriorating. The statement of activities – modified cash basis presents information showing how the District's net position changed during the year.

***Fund Financial Statements***

The General Fund is used to account for all financial resources, principally property taxes and grants.

***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

***Other Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplemental information, which includes this management's discussion and analysis, budgetary schedules of revenues, expenditures and changes in fund balances for the General Fund, and a schedule of pension balances.



**GOVERNMENT-WIDE FINANCIAL ANALYSIS  
SUMMARY STATEMENTS OF NET POSITION AT JUNE 30,**

	<b>2024</b>	<b>2023</b>
Assets:		
Current assets	\$ 1,588,659	\$ 1,690,844
Capital assets, net	118,541	80,188
Total assets	1,707,200	1,771,032
NET POSITION:		
Invested in capital assets	118,541	80,188
Unrestricted	1,588,659	1,690,844
Total net position	\$ 1,707,200	\$ 1,771,032

**SUMMARY STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED JUNE 30,**

	<b>2024</b>	<b>2023</b>
Program revenues:		
Operating grants and contributions	\$ 198,639	\$ 220,303
Charges for services	21,083	21,237
Total program revenues	219,722	241,540
General revenues:		
Property taxes	2,095,556	2,044,827
Interest income	88,580	53,448
Total general revenues	2,184,136	2,098,275
Total revenues	2,403,858	2,339,815
Expenditures:		
Soil and water conservation	2,467,690	2,179,453
Total expenses	2,467,690	2,179,453
Change in net position	(63,832)	160,362
Net position, beginning of year	1,771,032	1,610,670
Net position, end of year	\$ 1,707,200	\$ 1,771,032

## **Financial Analysis of the District's Statements of Activities and Statements of Net Position**

Revenues were \$2,403,858 in 2024, an increase of \$64,043 from 2023. The majority of this increase was due to higher property tax and interest revenue in 2024.

Expenditures were \$2,467,690 in 2024, an increase of \$288,237 from 2023. The main driver of this increase was higher payroll expenses compared to 2023.

At June 30, 2024, the District's net position was \$1,707,200, a decrease of \$63,832 from the prior year.

## **Financial Analysis of the District's Funds**

Governmental fund balances totaled \$1,588,659 at June 30, 2024. This represents a decrease of \$54,005 from the prior year.

Revenues for the General Fund were \$2,403,858, which was \$98,808 under budget. Actual expense amounts for the General Fund were \$2,519,737, which was \$412,698 under budget.

## **Budgetary Highlights**

See the supplemental information for detailed schedules of budget to actual variances for the fiscal year ended June 30, 2024. Expenditures were under budget for the year.

## **Capital Assets**

At June 30, 2024 the District had \$118,541 invested in capital assets, net of accumulated depreciation. More detailed information about the District's capital assets is presented in the notes to the financial statements.

## **Economic Factors and Next Year's Budget**

The District's Budget Committee considered many factors when preparing the District's budget for the fiscal year ending June 30, 2025. These factors included estimating the amount of property taxes that will be collected and the amount of revenues that will be received from federal, state and local grants. These sources of revenue are expected to be stable.

## **Requests for Information**

This financial report is designed to provide a general overview of the District's financial statements. Questions about this report or requests for additional financial information should be directed to the District at 3236 S Kelly Avenue, Suite 200, Portland, OR 97239.

## **FINANCIAL SECTION**

## **BASIC FINANCIAL STATEMENTS**

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**  
**Statement of Net Position - Modified Cash Basis**  
**June 30, 2024**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Cash and investments	<u>\$ 1,588,659</u>
Total current assets	1,588,659
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>118,541</u>
Total assets	<u>1,707,200</u>
 NET POSITION:	
Invested in capital assets	118,541
Unrestricted	<u>1,588,659</u>
Total net position	<u><u>\$ 1,707,200</u></u>

The accompanying notes are an integral part of these financial statements

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**  
**Statement of Activities - Modified Cash Basis**  
**For the Year Ended June 30, 2024**

	<u>Governmental Activities</u>
Expenditures	
Soil and water conservation	<u>\$ 2,467,690</u>
Program revenues:	
Operating grants and contributions	198,639
Charges for services	<u>21,083</u>
Total program revenues	<u>219,722</u>
Net program expenses	(2,247,968)
General revenues:	
Property taxes	2,095,556
Interest income	<u>88,580</u>
Total general revenues	<u>2,184,136</u>
Change in net position	(63,832)
Net Position - beginning of year	593,532
Prior period adjustment	<u>1,177,500</u>
Net Position - end of year	<u><u>\$ 1,707,200</u></u>

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

**FUND FINANCIAL STATEMENTS**

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**

**Balance Sheet - Modified Cash Basis - Governmental Funds**

**June 30, 2024**

	<u>General Fund</u>
ASSETS:	
Cash and investments	<u>\$ 1,588,659</u>
Total assets	<u><u>\$ 1,588,659</u></u>
FUND BALANCES:	
Unassigned	<u>1,588,659</u>
Total fund balances	<u>1,588,659</u>
Total liabilities and fund balances	<u><u>\$ 1,588,659</u></u>

The accompanying notes are an integral part of these financial statements



**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**

**Statement of Receipts, Disbursements and Changes in  
Fund Balances - Modified Cash Basis - Governmental Funds**

**For the Year Ended June 30, 2024**

	<u>General Fund</u>
REVENUES:	
Property tax income	\$ 2,095,556
Grant income	198,639
Charges for services	21,083
Interest income	<u>88,580</u>
Total revenues	<u>2,403,858</u>
EXPENDITURES:	
Current:	
Personal services	1,726,975
Materials and services	731,227
Capital outlay	<u>47,844</u>
Total expenditures	<u>2,506,046</u>
Change in fund balances	<u>(102,188)</u>
Fund balance, beginning of year	1,642,664
Prior period adjustment	<u>48,183</u>
Fund balance, end of year	<u><u>\$ 1,588,659</u></u>

The accompanying notes are an integral part of these financial statements

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**

**Reconciliation of the Balance Sheet to the Statement of Net Position**

**For the Year Ended June 30, 2024**

Total fund balances – Governmental Funds \$ 1,588,659

The cost of capital assets (land, buildings and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole.

Net capital assets 118,541

Net position \$ 1,707,200

The accompanying notes are an integral part of these financial statements

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in  
Fund Balances – Governmental Funds to the Statement of Activities**

**For the Year Ended June 30, 2024**

Total changes in fund balances – Governmental Funds \$ (102,188)

Capital asset additions are reported in the governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense.

Current year capital outlay expenditures capitalized as additions	47,844
Less depreciation expense	<u>(9,488)</u>
Change in net position	<u>\$ (63,832)</u>

The accompanying notes are an integral part of these financial statements

# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements

June 30, 2024

### 1. Summary of Significant Accounting Policies

#### Reporting Entity

West Multnomah Soil and Water Conservation District (the “District”) is a subdivision of state government and functions as a local unit under the direction of a seven member board of directors. The District was organized under the authority of Oregon Revised Statutes Chapter 568. The District’s purpose is to serve residents and landowners by providing technical and financial assistance, as well as conservation education, to protect natural resources.

The District is a primary government. The reporting entity consists of the primary government, any organization for which the primary government is financially accountable, and any other organizations that, because of the nature and significance of their relationship with the primary government, may not be excluded from the financial reporting entity.

All significant activities have been included in the basic financial statements. The District is financially independent of other state and local governmental units. Based on these criteria, the District is not a component unit of another entity, nor is any other entity required to be included in the financial statements of the District.

#### Measurement Focus and Basis of Accounting

All financial statements have been prepared on the modified cash basis of accounting, whereby revenue is recognized when received and expenditures are recognized when paid. Although not in conformity with generally accepted accounting principles, this is permissible under the laws of the state of Oregon.

The modified cash basis of accounting differs from the modified accrual basis as prescribed by generally accepted accounting principles for governmental funds. Under the modified accrual basis, revenues are recognized when they become measureable and available as net current assets. Expenditures, with certain exceptions, are recognized when the related liability is incurred.

#### Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position – modified cash basis and the statement of activities – modified cash basis) report information on all of the governmental activities of the District in one column.

The statement of activities reports the District’s activities by function. The District’s sole function is soil and water conservation. The statement of activities demonstrates the degree to which the expenses of each function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to those who use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operating requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

#### Fund Financial Statements

Separate fund financial statements are also provided for governmental funds. Major governmental funds are reported as separate columns in the fund financial statements.

# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements – Continued

June 30, 2024

### 1. Summary of Significant Accounting Policies (continued)

#### Fund Accounting

The District has the following major fund:

The General Fund is the general operating fund of the District. It is used to account for all financial sources of the District. The principal revenue sources are property taxes, grants, charges for services and interest.

#### Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or regulations of other governments. Net position is classified in the following three categories:

Invested in capital assets, net – consists of capital assets net of accumulated depreciation.

Restricted net position – consists of net position with constraints placed on them by entities outside of the District.

Unrestricted net position – all other net positions that do not meet either of the criteria above.

#### Fund Equity

The District follows the guidance in GASB 54. Under this standard, the fund balances are classified as nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form.
- Restricted fund balance represents amounts constrained to specific purpose by their providers (such as grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds constrained to specific purposes by a government itself, using its highest level of decision-making authority (Board of Directors); to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level authority action to remove or change the constraint.
- Assigned fund balance represents amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority, assignments are approved by the Board of Directors.
- Unassigned fund balance represents amounts that are available for any purpose; these amounts are reported only in the General Fund.

# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements – Continued

June 30, 2024

### 1. Summary of Significant Accounting Policies (continued)

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.

#### Cash and Investments

The District has defined cash and cash equivalents to include cash on hand, demand deposits and short term investments with original maturities of three months or less. Investments maintained in the Oregon Local Government Investment Pool (LGIP) are carried at cost, which approximates fair value, and are classified as a cash equivalent. Fair value of the investments in the LGIP are the same as the value of the pool shares. The carrying amount of the cash and cash equivalents approximate fair value due to the short term maturities of these instruments.

#### Property Taxes

Real property taxes are levied and attached as an enforceable lien on property as of July 1 of each fiscal year. Real property taxes may be paid in full by November 15 with a 3% discount, or paid in three equal payments on November 15, February 15, and May 15. Multnomah County, Oregon, makes all assessments of property value and levies and collects property taxes for all levying districts within the County. The District considers all property taxes to be fully collectible and therefore, no allowance for uncollectible property taxes has been made.

#### Capital Assets

Capital assets, which include property, plant and equipment, and intangible costs are stated at historical cost on the government-wide financial statements. The District defines capital assets as assets with an initial individual cost of more than \$2,000 and an estimated useful life in excess of one year. Donated assets are recorded at their estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the useful life of the asset are not capitalized.

Capital assets, with the exception of intangible assets, which are not depreciable, are depreciated using the straight-line method over the following estimated useful lives:

Furniture and Equipment	3 – 5 years
Vehicles	3 – 10 years

#### Retirement Plans

Substantially all employees are participants in the Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan and are charged to expenditures as funded.

# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements - Continued

June 30, 2024

### 2. Stewardship, Compliance and Accountability

The District is subject to the budget requirements of state law. The resolution authorizing appropriations of each fund sets the level by which expenditures cannot legally exceed appropriations. Total program expenditures, debt service, interfund transactions, operating contingency and unappropriated balance are the levels of control established by resolution. The detail budget document, however, is required to contain more specific detailed information for the above-mentioned expenditure categories.

The budget is adopted and appropriations are made no later than June 30<sup>th</sup>. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations resolution. A supplemental budget normally 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 appropriations transfers between the levels of controls. Such transfers require the approval of the Board of Directors.

Expenditures cannot legally exceed the appropriation levels. Appropriations lapse at the end of each fiscal year. Expenditures of the various funds shown in the financial statements were within authorized appropriation levels.

### 3. Cash and Investments

Cash and investments of the District consisted of the following at June 30, 2024:

Cash on deposit with financial institutions	\$	101,689
Local Government Investment Pool		1,486,889
Petty cash		<u>81</u>
Total	\$	<u>1,588,659</u>

#### Deposits

The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Federal Deposit Insurance Corporation (FDIC) insurance of \$250,000 applies to total deposits at each financial institution. When balances exceed \$250,000, Oregon Revised Statutes (ORS) 295.002 requires the bank depository to enter into an agreement described in ORS 295.008(2)(b) and to deposit securities pursuant to ORS 295.015(1). The Oregon State Treasurer's Office facilitates these agreements and maintains a list of qualified depositories. Well capitalized depository banks must pledge securities with a value of at least 10 percent of their quarter-end public fund deposits, unless otherwise directed by the Oregon State Treasurer. Adequately capitalized or undercapitalized bank depositories are required to pledge collateral valued at 110 percent of their uninsured public fund deposits. The securities are held by a custodian for the benefit of the State of Oregon. Any balances in excess of the FDIC insurance plus 10 percent are considered exposed to custodial credit risk. Custodial credit risk for deposits is the risk that, in the event of bank failure, the District will be unable to recover deposits or collateral securities in the hands of an outside party. At June 30, 2024, deposits per the bank statements were federally insured.

# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements - Continued

June 30, 2024

### 3. Cash and Investments (continued)

#### Investments

ORS 294.035 authorizes the District to invest in general obligations of the U.S. government and its agencies, bankers' acceptances, commercial paper rated A-2 or better by Standard & Poor's Corporation or P-2 by Moody's Investors Service, and the state of Oregon Local Government Investment Pool (LGIP), among others.

The only investments held by the District at June 30, 2024 were amounts deposited with the state of Oregon LGIP. The District's investment in the LGIP is carried at cost, which approximates fair value. The state of Oregon's investment policies used in administering the LGIP are governed by statute and the Oregon Investment Council (the Council). The State Treasurer is the investment officer for the Council and is responsible for the funds on deposit in the State Treasury. The State Treasury's investments in short-term securities are limited by the portfolio rules established by the Oregon Short-term Fund Board and the Council. In accordance with Oregon statutes, the investment funds are invested, and the investments of those funds managed, as would a prudent investor, exercising reasonable care, skill, and caution.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the risk that its fair value will decline if interest rates rise. In order to manage the interest rate risk of its investments, the District only invests in the LGIP. The LGIP has rules that require at least 50 percent of its investments to mature within 93 days, not more than 25 percent may mature in over a year, and all other investments must mature in no more than three years.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. Investments in the LGIP are not required to be rated for credit risk.

*Custodial Credit Risk – Investments.* Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of an investment or collateral securities in the possession of an outside party. The LGIP's portfolio rules provide that broker/dealers meet certain qualifications and that investments are delivered to and held by a third-party custodian which holds the securities in the state of Oregon's name.



**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**

**Notes to Financial Statements - Continued**

**June 30, 2024**

**4. Capital Assets**

The following is a summary of changes in capital assets during the fiscal year:

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Nondepreciable capital assets				
Permanent easements	\$ 72,437	\$ -	\$ -	\$ 72,437
Depreciable capital assets				
Office equipment	40,771	11,921	-	52,692
Vehicles	34,677	35,923	-	70,600
Total depreciable capital assets	75,448	47,844	-	123,292
Less: accumulated depreciation				
Office equipment	(40,771)	(1,564)	-	(42,335)
Vehicles	(26,929)	(7,924)	-	(34,853)
Total accumulated depreciation	(67,697)	(9,488)	-	(77,188)
Net depreciable capital assets	7,751	38,353	-	46,104
Net book value	\$ 80,188			\$ 118,541

Depreciation expense of \$9,488 is recorded as a program expense in the accompanying Statement of Activities for the year ended June 30, 2024.

**5. Pension Plan**

Plan Description

Employees of the District are provided with pensions through the Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer pension plan with both defined benefit and defined contribution components. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of OPERS are established by the legislature pursuant to ORS Chapters 238 and 238A. The Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003.

The Oregon Public Service Retirement Plan (OPSRP Pension Program), established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003.

# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements - Continued

June 30, 2024

### 5. Pension Plan (continued)

The Individual Account Program (IAP) was created by the Oregon legislature in 2003 to provide an individual account-based retirement benefit for new workers hired on or after August 29, 2003, and for Tier One / Tier Two members active on or after January 1, 2004. The IAP benefit is a defined contribution plan, and it is in addition to the member's defined benefit plan (i.e., Tier One, Tier Two, or OPSRP Pension Programs). OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at: [http://www.oregon.gov/pers/Pages/section/financial\\_reports/financials.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx).

#### Benefits Provided

##### *Tier One/Tier Two Retirement Benefit:*

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

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

#### **Death Benefits**

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

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

#### **Disability Benefits**

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member 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 when determining the monthly benefit.

# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements - Continued

June 30, 2024

### 5. Pension Plan (continued)

#### **Benefit Changes After Retirement**

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living (COLA) changes. The COLA is capped at 2.0 percent.

#### *OPSRP Defined Benefit Pension Program*

#### **Pension Benefits**

The OPSRP Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated by formula for members who attain normal retirement age. For general service members, 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit. For police and fire members, 1.8% 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.

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

#### **Death Benefits**

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

#### **Disability Benefits**

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

#### **Benefit Changes After Retirement**

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA for creditable service earned before October 2013 is 2.00%. The COLA for creditable service earned after October 2013 is calculated as 1.25% on the first \$60,000 of annual benefit and 0.15% on amounts above \$60,000 of annual benefit.

# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements - Continued

June 30, 2024

### 5. Pension Plan (continued)

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

##### **Pension Benefits**

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

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

##### **Death Benefits**

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

##### **Recordkeeping**

OPERS contracts with VOYA Financial to maintain IAP participant records.

#### Contributions

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. This 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, 2021 actuarial valuation. The rates based on a percentage of payroll first became effective July 1, 2022. Employer contributions for the year ended June 30, 2024 were \$239,836, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2024 were 25.23 percent for Tier One/Tier Two General Service Member, 23.21 percent for OPSRP Pension Program General Service Members, and 6.0 percent for OPSRP IAP.

#### Pension Assets, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Since the District's financial statements are reported on the modified cash basis, no amounts are reported on the statement of net position for pension related assets, deferred outflows, liabilities or deferred inflows. Had the District's financial statements been reported in accordance with GAAP, at June 30, 2024, the District would have reported a liability of \$1,684,188 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023.

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**

**Notes to Financial Statements - Continued**

**June 30, 2024**

**5. Pension Plan (continued)**

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 entities, actuarially determined. At June 30, 2024, the District's proportion was 0.008992 percent, which was an increase from its proportion of 0.008482 percent measured as of June 30, 202e.

The contributions to the OPSRP IAP defined contribution plan are funded entirely by employees, not the employer; therefore, there is no expense and liability outstanding at June 30, 2024 related to the 6.0 percent OPSRP IAP.

For the year ended June 30, 2024, the District recognized pension expense of \$239,836. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 82,362	\$ 6,678
Changes of assumptions	149,613	1,116
Net difference between projected and actual earnings on investments	30,272	-
Changes in proportionate share	139,417	21,367
Differences between employer contributions and employer's proportionate share of system contributions	8,238	103,857
Total (prior to post-Measurement Date contributions)	<u>409,902</u>	<u>133,018</u>
Contributions subsequent to the Measurement Date	<u>239,836</u>	<u>-</u>
 Total	 <u>\$ 649,738</u>	 <u>\$ 133,018</u>

The \$239,836 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Deferred Outflows</u>	
Amortization Period	
FY 2024	\$ 50,750
FY 2025	(23,001)
FY 2026	177,968
FY 2027	62,020
FY 2028	<u>9,147</u>
 Total	 <u>\$ 276,884</u>

WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

Notes to Financial Statements - Continued

June 30, 2024

5. Pension Plan (continued)

Actuarial Methods and Assumptions

The employer contribution rates effective July 1, 2023 through June 30, 2024 were set using the entry age normal method. For the ORS 238 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 (the estimated amount necessary to finance benefits earned by the employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the ORS 238A OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an actuarially determined amount for funding a disability benefit component, and (3) 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.

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study	2020, published July 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40%
Investment Rate of Return	6.90%
Discount Rate	6.90%
Projected Salary Increases	3.40%
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro 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 collar 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.

# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements - Continued

June 30, 2024

### 5. Pension Plan (continued)

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

#### 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. 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.

#### Depletion Date Projection

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

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

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

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

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**

**Notes to Financial Statements - Continued**

**June 30, 2024**

**5. Pension Plan (continued)**

Discount Rate

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

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 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability (asset)	\$ 2,781,962	\$ 1,684,188	\$ 765,468

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Changes in Plan Provisions During the Measurement Period

There were no changes during the June 30, 2022 measurement period that require disclosure.

**6. Retirement Health Insurance Account**

Health Benefit Retiree Program

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 Statue (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



# WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT

## Notes to Financial Statements - Continued

June 30, 2024

### 6. Retirement Health Insurance Account (continued)

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.

Because RHIA was created by enabling legislation, 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 or the total monthly cost of Medicare companion health insurance premiums, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 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 or more years of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS 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 PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating governments are contractually required to contribute to RHIA at a rate assessed each year by OPERS. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC). The ARC represents a level of funding that is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions for the year ended June 30, 2022 equaled the required contributions for the year.

### 7. Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all district employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

### 8. 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; injuries to employees; and natural disasters for which the District participates in the Special Districts Association of Oregon insurance program.

No losses were incurred during the prior three years ended June 30, 2024 that exceeded the District's insurance coverage.

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**

**Notes to Financial Statements - Continued**

**June 30, 2024**

**9. Lease**

The District uses office space under an operating lease agreement. The lease requires monthly payments and expires in June 2027. Future payments under the terms of the lease are as follows:

<u>Year Ending June 30:</u>	<u>Principal</u>
2025	\$ 30,236
2026	31,143
2027	<u>32,077</u>
Total	\$ <u>93,456</u>

**10. Change in Accounting Method**

During the year ended June 30, 2024 the District changed from the accrual basis of accounting to the modified cash basis of accounting. The District believes the modified cash basis of accounting will improve financial reporting to readers of the financial statements.

Under the modified cash basis of accounting substantially all assets and liabilities that had been reported under the accrual basis of accounting were removed. The change to the cash basis of accounting had the following effect on net position and the General Fund balance as reported June 30, 2022:

	<u>Net Position</u>	<u>General Fund</u>
Net position June 30, 2022	\$ 593,532	\$ 1,642,664
Prepaid and other assets	(2,904)	-
Receivables	(60,789)	(60,789)
Right to use lease asset	(114,317)	-
Deferred outflows – pension	(612,673)	-
Accrued liabilities	127,979	67,989
Lease liability	115,746	-
Pension liability	1,319,589	-
Deferred inflows – pension	404,869	-
Deferred inflows – property tax	<u>-</u>	<u>40,983</u>
Total	<u>1,177,500</u>	<u>48,183</u>
Restated net position June 30, 2022	\$ <u>1,771,032</u>	\$ <u>1,690,847</u>

**11. Subsequent Events**

The District did not have any subsequent events through October 22, 2024, which is the date the financial statements were available to be issued, for events requiring recording or disclosure in the financial statements for the year ended June 30, 2024.

**REQUIRED SUPPLEMENTARY INFORMATION**

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**

**Schedule of Revenues, Expenditures and  
Changes in Fund Balance – Budget and Actual  
General Fund**

**For the Year Ended June 30, 2024**

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance to Final Budget Positive (Negative)
<b>REVENUES:</b>				
Property tax income	2,050,744	2,050,744	\$ 2,095,556	\$ 44,812
Grant income	398,407	398,407	198,639	(199,768)
Charges for services	16,015	16,015	21,083	5,068
Interest	37,500	37,500	88,580	51,080
Other income	-	-	-	-
<b>Total revenues</b>	<b>2,502,666</b>	<b>2,502,666</b>	<b>2,403,858</b>	<b>(98,808)</b>
<b>EXPENDITURES:</b>				
Personal services	1,740,987	1,740,987	1,726,975	14,012
Materials and services	1,056,323	1,056,323	731,227	325,096
Capital outlay	60,125	60,125	47,844	12,281
Contingency	75,000	75,000	-	75,000
<b>Total expenditures</b>	<b>2,932,435</b>	<b>2,932,435</b>	<b>2,506,046</b>	<b>426,389</b>
<b>Change in fund balances</b>	<b>(429,769)</b>	<b>(429,769)</b>	<b>(102,188)</b>	<b>327,581</b>
Fund balance, beginning of year	1,622,000	1,622,000	1,642,664	20,664
Prior period adjustment	-	-	48,183	48,183
<b>Fund balance, end of year</b>	<b>\$ 1,192,231</b>	<b>\$ 1,192,231</b>	<b>\$ 1,588,659</b>	<b>\$ 396,428</b>

See independent auditors' report

**WEST MULTNOMAH SOIL AND WATER CONSERVATION DISTRICT**  
**Schedule of Proportionate Share of Net Pension Liability and Related Ratios**

<u>Year Ended</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
6/30/2024	0.008992%	\$ 1,684,188	\$ 1,179,892	142.70%	81.70%
6/30/2023	0.008482%	\$ 1,298,706	\$ 999,585	129.90%	84.50%
6/30/2022	0.008490%	\$ 1,015,837	\$ 866,584	117.22%	87.60%
6/30/2021	0.007510%	\$ 1,638,087	\$ 862,723	189.87%	75.80%
6/30/2020	0.008080%	\$ 1,398,541	\$ 840,978	166.30%	80.20%
6/30/2019	0.007640%	\$ 1,157,783	\$ 774,345	149.50%	82.10%
6/30/2018	0.050650%	\$ 761,591	\$ 716,808	106.20%	83.10%
6/30/2017	0.006250%	\$ 938,714	\$ 647,336	145.00%	80.50%
6/30/2016	0.007410%	\$ 425,570	\$ 590,349	72.10%	91.90%
6/30/2015	0.005670%	\$ (128,583)	\$ 520,087	-24.70%	103.60%

**Schedule of the Employer Contributions**  
**Oregon Public Employees Retirement System**

<u>Year Ended</u>	<u>Statutorily Required Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess / (Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2024	\$ 239,836	\$ 239,836	\$ -	\$ 1,179,892	20.33%
6/30/2023	\$ 205,224	\$ 205,224	\$ -	\$ 999,585	20.53%
6/30/2022	\$ 193,703	\$ 193,703	\$ -	\$ 866,584	22.35%
6/30/2021	\$ 182,254	\$ 182,254	\$ -	\$ 862,723	21.13%
6/30/2020	\$ 202,946	\$ 202,946	\$ -	\$ 840,978	24.10%
6/30/2019	\$ 127,059	\$ 127,059	\$ -	\$ 774,345	16.40%
6/30/2018	\$ 119,542	\$ 119,542	\$ -	\$ 716,808	16.70%
6/30/2017	\$ 91,700	\$ 91,700	\$ -	\$ 647,336	14.10%
6/30/2016	\$ 84,103	\$ 84,103	\$ -	\$ 590,349	14.20%
6/30/2015	\$ 70,457	\$ 70,457	\$ -	\$ 520,087	13.50%

Note: 10-year trend information required by GASB Statement 68 will be presented prospectively

See independent auditors' report

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



**Dougall Conrادية LLC**  
Certified Public Accountants

Geoffrey Dougall, CPA  
Heather Jackson, CPA  
Richard Winkel, CPA  
Members of AICPA & OSCPA

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

To the Board of Directors  
West Multnomah Soil and Water Conservation District  
Portland, Oregon

We have audited the accompanying basic financial statements of West Multnomah Soil and Water Conservation District (the District) as of and for the year ended June 30, 2024 and have issued our report thereon dated October 22, 2024. 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 West Multnomah Soil and Water Conservation District's financial statements are free of material misstatement we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 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 statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion.

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

- Deposit of Public Funds with Financial Institutions (ORS Chapter 295)
- Indebtedness limitations, restrictions and repayment
- Budgets legally required (ORS Chapter 294)
- Insurance and fidelity bonds in force or required by law
- Programs funded from outside sources
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)
- Authorized investment of surplus funds (ORS Chapter 294)

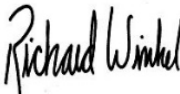
In connection with our testing nothing came to our attention that caused us to believe West Multnomah Soil and Water Conservation District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

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

In planning and performing our audit, we considered West Multnomah Soil and Water Conservation District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of West Multnomah Soil and Water Conservation District internal control over financial reporting.

This report is intended for the information of West Multnomah Soil and Water Conservation District's board of directors and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

DOUGALL CONRADIE LLC  
Portland, Oregon  
October 22, 2024

By:   
Richard Winkel, Partner