

# **Baker County Library District Baker City, Oregon**



<sup>1</sup> Baker County Library District established 1988

## **Financial Statements For the fiscal year ended June 30, 2024**

(This page intentionally left blank)

BAKER COUNTY LIBRARY DISTRICT

**TABLE OF CONTENTS**

For the Fiscal Year Ended June 30, 2024

Elected Board of Directors	1
Independent Auditor's Report	2-4
Management's Discussion and Analysis	5-11

**BASIC FINANCIAL STATEMENTS**

---

Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	14
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balances	16
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	17
Fiduciary Fund:	
Statement of Fiduciary Net Position	18
Statement of Changes in Fiduciary Net Position	19
Notes to the Financial Statements	
Note 1 – Summary of Significant Accounting Policies	20-25
Note 2 – Cash and Cash Investments - Primary Government	25-26
Note 3 – Cash – Baker County Foundation Inc	26
Note 4 – Investments – Baker County Foundation Inc	26
Note 5 – Receivables	27
Note 6 – Capital Assets	27-28
Note 7 – Long-Term Debt	29
Note 8 – Fund Balances, Governmental Funds	30
Note 9 – Interfund Transfers	30
Note 10 – State Constitutional Property Tax Limit	31
Note 11 – Risk Management	31
Note 12 – Commitments and Contingencies	31
Note 13 – Pension Plan and Other Post-Employment Benefits	32-37

BAKER COUNTY LIBRARY DISTRICT  
**TABLE OF CONTENTS**  
For the Fiscal Year Ended June 30, 2024  
(Continued)

**REQUIRED SUPPLEMENTARY INFORMATION**

---

Budgetary Comparison Schedules:	
General Fund	38-39
Special Revenue Funds – Other Uses Fund	40
Capital Investment Fund	41
Oregon Public Employees Retirement System (PERS) Schedules:	42
Schedule of District’s Proportionate Share of the Net Pension Liability	
Schedule of District’s Proportionate Share of OPEB-RHIA Liability	
Schedule of District’s Pension Contributions	
Schedule of District’s OPEB-RHIA Contributions	

**OTHER SUPPLEMENTARY INFORMATION**

---

Budgetary Comparison Schedule – Fiduciary Fund, Sage Library System	43
---	----

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

---

Independent Auditor’s Report Required by Oregon State Regulations	44
---	----

BAKER COUNTY LIBRARY DISTRICT  
BAKER CITY, OREGON  
LIST OF ELECTED OFFICERS  
For Fiscal Year Ended June 30, 2024

Board of Directors:

Term Expiration:

President	Kyra Rohner Baker City, Oregon	June 30, 2025
Director	Betty Palmer Baker City, Oregon	June 30, 2025
Director	Beth Bigelow Baker City, Oregon	June 30, 2026
Director	Joan Spriggs Halfway, Oregon	June 30, 2026
Director	Ashley McClay Baker City, Oregon	June 30, 2025

All District Directors can receive mail at the Baker County Public Library, the administrative offices, located at 2400 Resort Street, Baker City, Oregon 97814.

District Administration:

Library Director and Budget Officer	Perry Stokes 2400 Resort Street Baker City, Oregon	Appointed
-------------------------------------	--	-----------

Registered Agent:

District Attorney	Greg Baxter 1995 3 <sup>rd</sup> Street Baker City, Oregon	Appointed
-------------------	--	-----------



INDEPENDENT AUDITOR'S REPORT

*To the Board of Directors of  
Baker County Library District  
Baker City, OR 97814*

**Report on the Audit of the Financial Statements**

*Opinions*

We have audited the accompanying financial statements of the governmental activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of the Baker County Library District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Baker County Library District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of the Baker County Library District, as of June 30, 2024, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Baker County Library 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.

*Responsibilities of Management for the Financial Statements*

Baker County Library District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Baker County Library 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements

are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Baker County Library 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 Baker County Library 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.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and PERS schedules on pages 5 through 11, 38 through 41, and 42 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis and the PERS schedules in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Baker County Library District's basic financial statements. The combining and individual major and nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual major and nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

## Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 6, 2024 on our consideration of Baker County Library District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

*Gaslin Accounting CPA's PC*



---

Robert Gaslin, CPA  
December 6, 2024



*MANAGEMENT  
DISCUSSION  
AND ANALYSIS*

---

**Baker County Library District**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The management of the Baker County Library District (Library District) offers readers of the Library District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2024. The Library District's financial statements and notes to the financial statements which follow should be considered in reading the information presented.

**Financial Highlights**

On the *Statement of Net Position*, assets of the Baker County Library District exceeded its liabilities at the close of the fiscal year by \$1,788,238 (*net position*). The Library District's total net position increased by \$300,044 over the prior fiscal year. The increase is primarily due to a large increase in cash offset by the pension liability adjustments as supplied by PERS related to the GASB 68 required reporting. Combined current assets and capital assets decreased \$52,929. The total current assets increased by \$80,239 over the prior fiscal year. Cash increased \$67,938 while other current assets increased by \$12,301. The increase in other current assets consisted of an increase in property taxes of \$12,055 and an increase in other receivables of \$246. Total capital assets decreased (\$27,310) as depreciation expense of (\$103,781) exceeded asset additions of \$76,471 less an amount for retired assets. Building & Improvements decreased (\$63,867) with depreciation exceeding asset additions. Furniture, Fixtures and Equipment decreased (\$6,692) with depreciation exceeding additions. Vehicles increased \$29,865 with asset additions exceeding depreciation. Art & Historic Treasures remain unchanged and are not depreciated.

At the close of the current fiscal year, the Baker County Library District's *Governmental Funds* reported combined ending fund balance (*modified accrual*) of \$950,358. The Special Revenue – Other Uses Fund balance of \$213,457 represents funds that are restricted, committed and assigned either by outside parties or management. The Capital Investment Fund balance of \$93,639 are funds committed for future capital projects. The General Fund balance of \$643,262 represents funds that are unassigned which is the amount that assets exceed liabilities. The combined ending fund balance at the end of the previous fiscal year was \$880,172.

The *General Fund* contains the only funds available for discretionary spending, with a current balance of \$601,849 in *unassigned fund balance*. This unassigned fund balance shows a decrease of (\$1,936) in the ending *unassigned fund balance* in the General Fund over the previous fiscal year, which was \$603,785 on the *modified accrual basis*. Combining assets in cash of \$700,942, property taxes receivable of \$217,216 and other current assets of \$8,878 with liabilities of \$62,530, the General Fund ending fund balance is \$643,262. This represents an increase in assets of \$42,374 and a decrease in liabilities of \$2,215 over the prior fiscal year. The increase in assets is due to an increase in cash of \$30,073, an increase in property taxes receivable of \$12,055, and an increase in other receivables of \$246. The decrease in liabilities was due to a decrease in accounts payable of (\$4,824) with an increase in payroll taxes and benefits of \$2,609.

## Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Baker County Library District's basic financial statements. The Library District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

**Government-wide financial statements.** These statements are designed to provide readers with a broad overview of the Baker County Library District's finances in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Baker County Library District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

Both of the government-wide financial statements report pension information on the full accrual basis in accordance with Governmental Accounting Standards Board Statements (GASB) No 68.

The government-wide financial statements report functions of the Baker County Library District that are principally supported by taxes and intergovernmental revenues and are considered *governmental activities*. These *governmental activities* reported as full accrual numbers (see pages 12-13) yielded a total of \$1,610,760 in revenues. Revenues from property taxes of \$1,458,641 represent 91% of total District revenues. The charges for services of \$13,222 (1% of revenues) are incidental cost-recovery for printing and faxing activities, sale of computer memory devices for in-house use, and fines for overdue materials. There are no charges for borrowing materials unless a person does not return them as agreed. Interest and miscellaneous revenues for the year totaled \$120,802 (7% of revenues). Grants and contributions for the year totaled \$18,095 (1% of revenues).

The governmental activities of the Baker County Library District are the provision of print and media materials, and educational programming activities, to the general public.

The District reports information on a Component Unit consisting of the Baker County Library Foundation Inc activities. The Foundation also includes the *Friends of the Baker Library* committee activities. This entity is a 501c(3) non-profit entity that exists to benefit the Library District.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Baker County Library District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Baker County Library District maintains three individual governmental funds. Information is presented separately in the *governmental fund balance sheet* and in the *governmental fund statement of revenues, expenditures, and changes in fund balances* for each fund.

The Baker County Library District adopts an annual appropriated budget for each of its funds. A budgetary comparison schedule for each fund has been provided to demonstrate compliance with the budget. This information can be found in the *required supplementary information* section.

The basic governmental fund financial statements can be found in the *basic financial statement* section.

*Fiduciary funds* are used to account for resources held by the District in a custodial capacity for another entity. On June 17, 2014, the Library District agreed to act as the fiscal agent for the Sage Library System at the request of the Sage User Council beginning on July 1, 2014. These funds are not available to support library operations. The Library District is the fiscal agent, administering the funds to operate activities for this council of regional libraries.

**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. The notes to the financial statements can be found behind the fund financial statements in the *basic financial statement* section.

**Required supplementary information.** This section contains a statement of revenues, expenditures and changes in fund balance for each of the governmental funds on the modified accrual basis and compare the budget with actual expenditures.

**Government-wide financial analysis.** As noted earlier, *net position* may serve over time as a useful indicator of a government's financial position. In the case of the Baker County Library District, assets exceeded liabilities by \$1,788,238 at the close of the fiscal year (*full accrual method*).

The largest portion of the Baker County Library District's assets reflect its investment in capital assets (land, art, buildings, vehicles, and equipment). The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

A portion of the Baker County Library District's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* may be used to meet the government's ongoing obligations to citizens and creditors. *Net position* shows a positive balance of \$300,044 for unrestricted net assets and a positive balance of \$18,097 for restricted net assets. The change from the prior year's positive *unrestricted net assets* to the current negative balance is due to a change in the pension liabilities reported by PERS. The District's pension liability increased by \$256,366 in the current fiscal year.

	Net Position Summarized for:	
	Fiscal Year	Fiscal Year
	2023-2024	2022-2023
Current assets	\$ 1,231,339	\$ 1,151,100
Capital assets	1,470,097	1,497,407
Deferred outflows, pensions	395,838	48,224
Total assets and deferred outflows	<u>3,097,274</u>	<u>2,696,731</u>
Current liabilities	63,765	66,992
Net pension liability	981,203	724,837
Long-term liability	109,162	105,907
Deferred inflows, pensions	154,906	354,563
Total liabilities and deferred inflows	<u>1,309,036</u>	<u>1,252,299</u>
Net investment in capital assets	1,470,097	1,486,594
Restricted	18,097	22,297
Unrestricted	<u>300,044</u>	<u>(63,959)</u>
Total net position	\$ <u>1,788,238</u>	\$ <u>1,444,932</u>

The District's current fiscal year net position increased by \$343,306 over the prior fiscal year. There was an increase in current assets of \$80,239 and a decrease in current liabilities of (\$3,227). The increase in assets was due to an increase in cash and property taxes receivable less a decrease in capital assets. The small decrease in current liabilities combined with an increase in pension liability adjustments, for GASB 68 required reporting, contributed to a decrease in net position.

The District's *Library Service* expenses for Fiscal Year 2023-2024 decreased to \$1,267,454 compared to Fiscal Year 2022-2023 \$1,638,043, primarily due to the change in pension liabilities.

Operating Grants, Reimbursements, and Contributions decreased in Fiscal Year 2023-2024 to \$18,095 compared to the prior Fiscal Year 2022-2023 to \$26,473, a decrease of (\$8,378).

Property tax revenues increased in Fiscal Year 2023-2024 to \$1,458,641 compared to \$1,417,049 in the prior Fiscal Year 2022-2023 due to increases in the current levy, an increase of \$41,592.

**Governmental funds.** Governmental funds combined fund balance increased by \$70,186. The fund balance of the General Fund increased by \$32,477, the Other Uses Funds increased by \$25,426 and Capital Investments increased by \$12,283. The changes in fund balances are reported on page 15 of this report.

The modified accrual basis statements (Fund Financial Statements, pages 13 and 15) are reconciled with the full accrual statements (Government-wide Financial Statements, pages 11-12) on pages 14 and 16. On the modified accrual method, the District has combined unassigned fund balance of \$643,262 in the General Fund at fiscal year-end.

Summary of Revenues, Expenditures and  
Changes in Fund Balance for General Fund

	For the Year Ended June 30, 2024			FYE 06/30/2023
	Variance Favorable (Unfavorable)	Budget	Actual	Prior Fiscal Year Actual
Total Revenues	\$ 5,496	\$ 1,578,070	\$ 1,583,566	\$ 1,499,273
Expenditures:				
Personal Services	10,278	1,018,941	1,008,663	930,902
Materials & Services	53,551	505,175	451,624	468,966
Debt Service	5	11,315	11,310	2,114
Capital Outlay	94	18,000	17,906	-
Contingency	619,639	619,639	-	-
Total Expenditures	683,567	2,173,070	1,489,503	1,401,982
Revenues Over (Under) Expenditures	689,063	(595,000)	94,063	90,456
Other Financing Sources (Uses)	14,414	(76,000)	(61,586)	(15,000)
Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	703,477	(671,000)	32,477	75,456
Fund Balance, Beginning	(60,215)	671,000	610,785	535,329
Fund Balance, Ending	\$ 643,262	\$ -	\$ 643,262	\$ 610,785

The Special Revenue - *Other Uses Fund* comprises all other activities of the District. This fund includes the memorial department, technology department, the literacy project funds, and a provision for severance liability. The District does not have a *Debt Service Fund* since the District currently does not have bonded debt.

The Reserve Fund – *Capital Investment Fund* represents funds being accumulated for future capital investments. The District used funds to replace the main library building heating system and for major roof replacement projects. Near the end of the fiscal year, the District diverted unanticipated tax revenues to this fund to replenish savings.

**Economic Factors and Next Year's Budget.** The Library District has a permanent tax rate of 0.5334 plus a local option tax rate of 0.249 which was renewed in May 2020, effective July 1, 2021 through June 30, 2025. The District loses a small percentage of collections on its permanent rate due to compression by overlapping taxing districts, which share proportionally in the loss of collections where the combined total of authority exceeds \$10 per \$1,000 Total Assessed Value (TAV). In the areas of the District that are already compressed with permanent tax rates, the local option tax may either be partially collectible or uncollectible. The local option levy that voters approved was for operating funds to continue library services at the current service level.

The total budget for operations (General Fund) increased 2.8% for the Fiscal Year 2023-2024 to \$2,253,070 compared to Fiscal Year 2022-2023 to \$2,037,602 (including adopted changes). The contingency reserve number continues to grow in order to meet the increased requirements to operate on District funds until November when tax revenues begin to come in and to keep pace with inflation. The increase in the was primarily related to an increase in anticipated tax revenues which was partially used to cover the rising personnel and operations costs, and adding some to its contingency fund. The District continues to ensure debt-free operation by maintaining sufficient reserve funds and planned capital improvements. The District's focus in this budget is to sustain exceptional library services to the community with skilled staff, up-to-date technology with high speed public Internet access and quality materials in various formats, and to continue to fund a healthy youth program.

In the Fiscal Year 2023-2024 budget, *Personal Services* increased in total by 9.1% over the prior fiscal year. The District has maintained its health insurance benefits offered through Special Districts Insurance Services which increased 6% over the prior year. Wages were increased by 5.0% COLI to keep pace with inflation. The budget maintained current staff and included regular wage step increases. The *Materials & Services* budget increased 9.6% over the prior fiscal year, remaining stable. The Collection Development budget remained steady at 7% of the operating budget. The Maintenance budget has been maintained at a high level to move forward with improvement projects and the strategic capital improvements plan. The marketing budget will remain high for the purpose of letting the public know about programs, services and a list of many items available for public loan.

For the coming Fiscal Year 2024-2025, the operations budget decreased slightly by 1.0% to \$2,233,233 compared to Fiscal Year 2023-2024 to \$2,253,070 (including adopted changes). The decrease was primarily due to a reduction in anticipated other financing sources. The main budget cost increases for the coming year are primarily from inflation pressure on staff salaries, increases in health and retirement benefits costs, expansion of digital content and access, increased investment in technology services and public programs, and increase in bookmobile operations. Any surplus revenues will be added to operating reserves.

The District website ([www.bakerlib.org](http://www.bakerlib.org)) offers access to extensive library collections for patrons. The *Sage Library System* gives patrons the ability to search over 70-member library catalogs and borrow any of the materials available. The library continues to invest in its eBook and audiobook collection, offers an online streaming service, as well as access to newspapers, all accessible from the website with a current library card. The District offers many practical, educational and fun items for patron use and checkout. This *Library of Things* list continues to grow. The Bookmobile visits local retirement centers and outlying rural communities. The District continues to expand its digital content services to meet demand while at the same time maintaining a viable, healthy selection of books, movies, magazines, audio books and reference materials.

**Requests for Information.** This financial report is designed to provide a general overview of the Baker County Library District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Library Director, Baker County Library District, 2400 Resort Street, Baker City, Oregon 97814.



*BASIC  
FINANCIAL  
STATEMENTS*

---

**BAKER COUNTY LIBRARY DISTRICT**  
**Statement of Net Position**  
**June 30, 2024**

	<u>Primary Government</u>		<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Total</u>	<u>Baker County Library Foundation Inc</u>
<b>ASSETS</b>			
Current Assets:			
Cash and cash investments	\$ 1,008,245	\$ 1,008,245	\$ 26,705
Investments	-	-	68,343
Property taxes receivable	217,216	217,216	-
Accounts receivable	2,845	2,845	-
Expense reimbursement receivable	300	300	-
Prepaid expense	2,733	2,733	-
Total current assets	<u>1,231,339</u>	<u>1,231,339</u>	<u>95,048</u>
Capital Assets:			
Land	42,800	42,800	-
Art and historic treasures	14,000	14,000	-
Buildings and improvements	2,973,065	2,973,065	-
Construction in process	-	-	-
Furniture, fixtures and equipment	342,272	342,272	-
Vehicles	152,543	152,543	-
Accumulated depreciation	(2,054,583)	(2,054,583)	-
Total capital assets	<u>1,470,097</u>	<u>1,470,097</u>	<u>-</u>
Other Assets - OPEB Asset	12,142	12,142	-
Total assets	<u>2,713,578</u>	<u>2,713,578</u>	<u>95,048</u>
Deferred Outflows of Resources Related to:			
Other Post-Employment Benefits (OPEB)	2,030	2,030	-
Pensions	381,666	381,666	-
Total deferred outflows	<u>383,696</u>	<u>383,696</u>	<u>-</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	26,788	26,788	-
Wages and payroll taxes payable	35,949	35,949	-
Unearned Reimbursement	1,028	1,028	-
Total current liabilities	<u>63,765</u>	<u>63,765</u>	<u>-</u>
Noncurrent Liabilities:			
Compensated absences payable	109,162	109,162	-
Net pension liability	981,203	981,203	-
Total noncurrent liabilities	<u>1,090,365</u>	<u>1,090,365</u>	<u>-</u>
Total liabilities	<u>1,154,130</u>	<u>1,154,130</u>	<u>-</u>
Deferred Inflows of Resources Related to Pensions			
OPEB	2,182	2,182	-
Pensions	152,724	152,724	-
Total deferred inflows	<u>154,906</u>	<u>154,906</u>	<u>-</u>
<b>NET POSITION</b>			
Net investment in capital assets	1,470,097	1,470,097	-
Restricted for grant expenditures	18,097	18,097	95,048
Unrestricted surplus (deficit)	300,044	300,044	-
Total net position	<u>\$ 1,788,238</u>	<u>\$ 1,788,238</u>	<u>\$ 95,048</u>

The accompanying notes are an integral part of the basic financial statements.

**BAKER COUNTY LIBRARY DISTRICT**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2024**

Function/ Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		Component Unit Baker County Library Foundation Inc
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants	Primary Government		
					Governmental Activities	Total	
<b>Primary Government:</b>							
Governmental Activities:							
Library Services	\$ 1,259,957	\$ 13,222	\$ 53,681	\$ -	\$ (1,193,054)	\$ (1,193,054)	\$ -
Interest Expense	497	-	-	-	(497)	(497)	-
Total primary government	<u>\$ 1,260,454</u>	<u>\$ 13,222</u>	<u>\$ 53,681</u>	<u>\$ -</u>	<u>\$ (1,193,551)</u>	<u>\$ (1,193,551)</u>	<u>\$ -</u>
<b>Component Unit:</b>							
Baker County Library Foundation Inc	<u>\$ 11,641</u>	<u>\$ -</u>	<u>\$ 2,998</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,643)</u>
General Revenues:							
					1,458,641	1,458,641	-
Property taxes levied for general purposes					58,433	58,433	7,883
Unrestricted Investment Earnings (Loss)					19,783	19,783	8,755
Other general revenues					<u>1,536,857</u>	<u>1,536,857</u>	<u>16,638</u>
Total general revenues							
Change in net position					<u>343,306</u>	<u>343,306</u>	<u>7,995</u>
Net position - beginning					<u>1,444,932</u>	<u>1,444,932</u>	<u>87,053</u>
Net position - ending					<u>\$ 1,788,238</u>	<u>\$ 1,788,238</u>	<u>\$ 95,048</u>

The accompanying notes are an integral part of the basic financial statements.

BAKER COUNTY LIBRARY DISTRICT  
Governmental Funds  
Balance Sheet  
June 30, 2024

ASSETS	General Fund	Special Revenue - Other Uses Fund	Capital Investment Fund	Total Governmental Funds
Cash and Cash Equivalents	\$ 700,942	\$ 213,664	\$ 93,639	\$ 1,008,245
Accounts Receivable	2,845	-	-	2,845
Property Taxes Receivable	217,216	-	-	217,216
Expense Reimbursement Receivable	300	-	-	300
Prepaid Expense	2,733	-	-	2,733
Total Assets	<u>924,036</u>	<u>213,664</u>	<u>93,639</u>	<u>1,231,339</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE				
Liabilities:				
Accounts Payable	26,581	207	-	26,788
Wages Payable	18,303	-	-	18,303
Payroll Taxes and Benefits Payable	17,646	-	-	17,646
Total Liabilities	<u>62,530</u>	<u>207</u>	<u>-</u>	<u>62,737</u>
Deferred Inflows:				
Unearned Reimbursement	1,028	-	-	1,028
Deferred Property Tax Revenue	217,216	-	-	217,216
Total Deferred Inflows	<u>218,244</u>	<u>-</u>	<u>-</u>	<u>218,244</u>
Fund Balances:				
Non-Spendable Funds	3,033	-	-	3,033
Restricted Fund Balance	-	18,097	-	18,097
Committed Fund Balance	-	6,014	93,639	99,653
Assigned Fund Balance	38,380	189,346	-	227,726
Unassigned Fund Balance	601,849	-	-	601,849
Total Fund Balances	<u>643,262</u>	<u>213,457</u>	<u>93,639</u>	<u>950,358</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 924,036</u>	<u>\$ 213,664</u>	<u>\$ 93,639</u>	<u>\$ 1,231,339</u>

The notes to the financial statements are an integral part of this statement.

BAKER COUNTY LIBRARY DISTRICT  
 Reconciliation of Governmental Funds Balance Sheet  
 To the Statement of Net Position  
 June 30, 2024

**Total Fund Balances - Total Governmental Funds** \$ 950,358

Amounts reported for governmental activities in the *Statement of Net Position* are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds:

Cost of Capital Assets	\$ 3,524,680	
Accumulated Depreciation	(2,054,583)	1,470,097

Certain items are prepaid or not available to pay for current period expenditures and are not deferred or not reported in governmental funds:

Deferred Outflows of Resources related to OPEB	2,030	
Deferred Inflows of Resources related to OPEB	(2,182)	
Deferred Outflows of Resources related to Pension	381,666	
Deferred Inflows of Resources related to Pension (Credit)	(152,724)	228,790

Certain items that are not due and payable in the current period are not reported in the governmental funds:

Compensated Absences Payable	(109,162)	
Other Post-Employment Benefit (OPEB) Asset	12,142	
Net Pension Liability	(981,203)	(1,078,223)

Property taxes receivable will be collected this year but are not available soon enough to pay for the current periods expenditures, and therefore are deferred funds.

217,216

**Total Net Position - Governmental Activities**

\$ 1,788,238

BAKER COUNTY LIBRARY DISTRICT  
Governmental Funds  
Statement of Revenue, Expenditures, and Changes in Fund Balances  
For Fiscal Year Ended June 30, 2024

	General Fund	Special Revenue - Other Uses Fund	Capital Investment Fund	Total Governmental Funds
<b>REVENUES</b>				
Property Taxes	\$ 1,458,641	\$ -	\$ -	\$ 1,458,641
Fines and Fees	13,222	-	-	13,222
Grants	51,241	-	-	51,241
Contributions	440	2,000	-	2,440
Program Reimbursements	7,504	-	-	7,504
Other Revenues	8,138	4,141	-	12,279
Interest	44,380	9,425	4,628	58,433
Total Revenue	<u>1,583,566</u>	<u>15,566</u>	<u>4,628</u>	<u>1,603,760</u>
<b>EXPENDITURES</b>				
Current:				
Library Services	1,460,287	9,140	-	1,469,427
Debt Service:				
Principal	10,813	-	-	10,813
Interest	497	-	-	497
Capital Outlay	17,906	-	34,931	52,837
Total Expenditures	<u>1,489,503</u>	<u>9,140</u>	<u>34,931</u>	<u>1,533,574</u>
Excess (Deficit) of Revenues Over Expenditures	<u>94,063</u>	<u>6,426</u>	<u>(30,303)</u>	<u>70,186</u>
Other Financing Sources (Uses):				
Transfers In	3,000	22,000	42,586	67,586
Transfers Out	<u>(64,586)</u>	<u>(3,000)</u>	<u>-</u>	<u>(67,586)</u>
Total Other Financing Sources (Uses)	<u>(61,586)</u>	<u>19,000</u>	<u>42,586</u>	<u>-</u>
Net Change in Fund Balances	32,477	25,426	12,283	70,186
Fund Balances, July 1	<u>610,785</u>	<u>188,031</u>	<u>81,356</u>	<u>880,172</u>
Fund Balances, June 30	<u>\$ 643,262</u>	<u>\$ 213,457</u>	<u>\$ 93,639</u>	<u>\$ 950,358</u>

The notes to the financial statements are an integral part of this statement.

**BAKER COUNTY LIBRARY DISTRICT**  
**Reconciliation of Governmental Funds of Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances to the Statement of Activities**  
**Year Ended June 30, 2024**

**Net Change in Fund Balances - Total Governmental Funds** \$ 70,186

Amounts reported for governmental activities in the *Statement of Activities* are different because:

Governmental funds report capital outlays as expenditures. In the *Statement of Activities* the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital Asset Additions and Disposals	\$ 76,471	
Depreciation Expense	(103,781)	(27,310)

Changes in deferred outflows and inflows related to pensions do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.	261,279
---	---------

Changes in other post-employment benefit (OPEB) expense is not reported in the governmental funds.	3,440
--	-------

Long-term debt principal payments are included as an expense in the governmental fund statements, but are reported as a reduction of liability in the government-wide financial statements.	10,813
---	--------

Governmental funds do not report accrued compensated absences as they are not considered a current financial obligation. Change in compensated absences.	12,843
--	--------

Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities, property taxes are recognized as revenue as revenue is levied. Change in property taxes receivable.	12,055
--	--------

<b>Change in Net Position - Governmental Activities</b>	<b>\$ 343,306</b>
---	-------------------

BAKER COUNTY LIBRARY DISTRICT  
Statement of Fiduciary Net Position  
Sage Library System  
For the Year Ended June 30, 2024

	Custodial Funds
<b>ASSETS</b>	
Cash and cash equivalents	\$ 246,986
Receivables	1,443
Total Assets	248,429
 <b>LIABILITIES</b>	
Accounts payable	2,351
Accrued payroll taxes and related	-
Total Liabilities	2,351
 <b>NET POSITION</b>	
Restricted for:	
Individuals, organizations and other governments	246,078
Total Net Position	\$ 246,078

The notes to the financial statements are an integral part of this statement.



BAKER COUNTY LIBRARY DISTRICT  
Statement of Changes in Fiduciary Net Position  
Sage Library System  
For the Year Ended June 30, 2024

	Custodial Funds
ADDITIONS	
Contributions:	
Members	\$ 261,796
Grant revenue	67,893
Member reimbursements	4,736
Interest	10,993
Total Additions	345,418
 DEDUCTIONS:	
Administrative wages and benefits	108,532
Materials and services	206,885
Capital outlay	1,817
Total Deductions	317,234
Net increase (decrease) in fiduciary net position	28,184
Net Position, July 1	217,894
Net Position, June 30	\$ 246,078

The notes to the financial statements are an integral part of this statement.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**The Financial Reporting Entity**

The Baker County Library District (Library District) is an Oregon Municipal Corporation incorporated in July 1986. At that time, the library was operated by Baker County and, accordingly, its financial operations were included with those of Baker County, Oregon. Effective July 1, 1988, the District became a separate reporting entity when the voters of Baker County approved a levy to establish a County Library District Tax Base. The Library District is governed by a separately elected five member Board of Directors (Board) who approves the administrative officials. The daily functioning of the Library District is under the supervision of the Library Director. As required by generally accepted accounting principles, all activities of the Library District have been included in the basic financial statements.

**Basis of Presentation**

**Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities present information about the Library District. These statements include the governmental financial activities of the overall District. Governmental activities are financed primarily through property taxes, intergovernmental revenues, and charges for services.

The Statement of Activities presents a comparison between direct expenses and a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that function. Program revenues include: (1) charges for services that include fines for overdue books, magazines, audio and video materials, copy and printing fees, and other fees, (2) operating grants or contributions that are restricted to a particular function or segment and (3) capital grants or contributions that are restricted to a particular function or segment. Revenues that are not classified as program revenues, including property taxes and state support, are presented as general revenues.

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

Fiduciary Statements are not included in the Government-Wide financial statements. In Government-Wide financial statements, we eliminate interfund activity.

**Component Unit Reporting:**

The Baker County Library District is reporting funds being held by the Baker County Library Foundation Inc., an Oregon non-profit organization whose purpose is to support this library. The Foundation has existed for some years with little to no activity. In recent years, it has seen an increase in donations with a change in leadership and volunteer support. The Foundation also has a sub-committee, the Friends of the Library, which has increased its activities. The Friends of the Library primarily run a small used book store in the library and two book sales annually where they sell discarded library books. The funds are used to support projects that benefit the library. With the increase in activity, the Foundation has reached the threshold of a component unit. These activities are reported in a separate column on the Government-Wide statements as required.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

**Governmental Fund Financial Statements**

The governmental fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds which are reported in separate columns. In addition, separate financial statements are provided for governmental funds and an agency fund. For the fiscal year the Library District has two major governmental funds and one non-major governmental fund:

The *General Fund* is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund.

The special revenue fund titled *Other Uses Funds* accounts for revenue derived from donations and grants, which typically are restricted to finance particular functions or activities. There are four departments in this fund to account for this type of revenue including Memorial Department, Literacy Department, Technology Department, and Severance Liability Department.

The *Capital Investment Fund* was created to accumulate savings for future capital improvements.

**Fiduciary Fund Statements**

The fiduciary fund statements provide information for a custodial fund that was adopted on June 17, 2014. Baker County Library District agreed to act as the fiscal agent for the Sage Library System as requested by the Sage User Council. The Sage Library System is a regional consortium of libraries that voluntarily participate in an organized program using shared software and agree to share resources amongst member libraries which are transported by a network courier system. The system exponentially expands the resources available to all member library patrons. The Sage User Council administrates this regional program, sets its own operating policies and is self-funding. As a fund of the Library District, it adheres to the general policies of the Library District. The Sage Fund paid the District \$2,292 agency fee and reimburses certain other wages and related expenses.

**Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. It is the District's policy to first use restricted resources prior to the use of unrestricted general revenues when an expense is incurred for which there are both restricted and unrestricted assets are available.

The governmental fund financial statements are reported using the current financial resources measurement focus and the *modified accrual basis of accounting*. Revenues are recognized when both measurable and available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures generally are recorded when a liability is incurred. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

**Cash and Cash Investments – Primary Government**

The Library District's cash and cash investments consist entirely of bank demand deposits and the State of Oregon Treasurer's Local Government Investment Pool.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board. The LGIP seeks to exchange shares at \$1 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1 per share, it is possible to lose money by investing in the pool. The District intends to measure these investments at book value, as the LGIP's fair value approximates its amortized cost basis.

**Fair Value Measurements – Baker County Library Foundation Inc**

Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy under FASB ASC 820 are described as follows:

- *Level 1 Inputs* are generally quoted prices in active markets for identical assets or liabilities.
- *Level 2 Inputs* are generally indirect information such as quoted prices for similar assets or liabilities in the active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active.
- *Level 3 Inputs* are unobservable and generally allow for situations in which there is little, if any market activity.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

- *Exchange Traded Funds*: Valued at the daily closing price as reported by the applicable securities exchange. Exchange traded funds held by the District's component unit are registered with the Securities and Exchange Commission. The exchange traded funds held by the District's component unit are deemed to be actively traded.
- *Mutual Funds*: Valued at the daily closing price as reported by the fund. Mutual Funds held by the District's component unit are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and the transact at that price. The mutual funds held by the District's component unit are deemed to be actively traded.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the District’s component unit believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets the level, within the fair value hierarchy, the Organization’s asset holdings with Edward Jones Investment Company, LLC:

Investments Measured at Fair Value	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
		Level One	Level Two	Level Three
Mutual Funds	\$ 53,905	\$ 53,905	\$ -	\$ -
Exchange Traded Funds	14,438	14,438	-	-
Total Investments	<u>\$ 68,343</u>	<u>\$ 68,343</u>	<u>\$ -</u>	<u>\$ -</u>

**Property Taxes Receivable**

Property taxes are levied July 1 on property values assessed as of January 1. The tax levy is divided into three installments with collection dates of November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. The taxes are considered past due after May 15, at which time the applicable property is subject to penalties and interest.

Uncollected property taxes are recorded on the statement of net position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District.

**Accounts Receivable**

Accounts receivable are primarily comprised of program expense reimbursements due from a sponsor or grant. Therefore, an allowance for uncollectible amounts has not been established.

**Capital Assets**

Capital assets are recorded at original or estimated original cost. The Library District defines capital assets as assets with an initial cost of more than \$1,000 and an estimated life in excess of one year. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	15 to 40 years
Furniture, Fixtures and Equipment	10 years
Computers and Related Equipment	5 years
Vehicles	5 to 10 years

The cost of normal maintenance and repair that do not add to the value of the asset or materially extend assets lives are not capitalized.

The *Library Collection* is comprised of items that are individually below the District’s capitalization policy and are not capitalized. Historic photographs, artwork and other items are classified as *Historical Treasures*. Those with historical costs or an assessed value are reported as capital assets but are not depreciated, whereas, those that have not been appraised are not capitalized under guidelines from the Governmental Accounting Standards Board.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

**Compensated Absences**

Compensated absences are charged to expense in the fund financial statements when the benefit is paid. The current value of accrued vacation time and sick leave vested at fiscal year-end is accrued into the government-wide financial statements. Most full-time employees have available ten to fifteen days of vacation leave and twelve days of sick leave, annually; either vacation or sick leave may be used as bereavement leave. Unused vacation leave is accumulated with a maximum accumulation of 250 hours; vacation leave vests after one year. Unused sick leave is also accumulated and is available in future years, if extended illness should occur; one-half of accumulated sick leave vests after five years and is payable to the employee upon termination or retirement. For Oregon PERS Tier One and Tier Two employees only (those hired prior to January 1, 2004), at retirement, one-half of unused sick leave is added to the total days worked for the purpose of calculating appropriate pension benefits.

**Long-Term Obligations**

Long-term debt is reported as a liability in the government-wide financial statement of net position. However, in fund financial statements, long-term debt payments are displayed in expenditures as debt service.

**Deferred Inflows and Outflows of Resources Related to Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Under the accrual basis of accounting, these *deferred amounts related to pensions and OPEB* (other postemployment benefits) is reported only on the Statement of Net Position.

**Order of Expenditures**

When both restricted and unrestricted assets are available, restricted resources would generally be used first and then the unrestricted resources as they are needed. When unrestricted fund balances resources are expended they would be considered to be expended in order from the committed, assigned (if applicable) and unassigned reporting categories.

**Use of Estimates**

The preparation of the District's basic financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from the estimates.

**Fund Equity**

**Government-Wide Financial Statements**

Equity is classified as *Net Position* and displayed in the following three components:

- *Net investment in capital assets* – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, or improvements of those assets.
- *Restricted net position* – Consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or law through constitutional provisions or enabling legislation.
- *Unrestricted net position* – All other net position that does not meet the definition of restricted or net investment in capital assets as shown above.

BAKER COUNTY LIBRARY DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 For Fiscal Year Ended June 30, 2024

**Governmental Fund Financial Statements**

Governmental fund equity is classified in the following categories of Fund Balances:

- *Non-spendable* – amounts that are not in a spendable form (including inventory) or are required to be retained in perpetuity (such as an endowment).
- *Restricted* – amounts that are generally restricted by outside parties for a specific purpose (including donors, grantors, or bondholders), through constitutional provisions or by enabling legislation.
- *Committed* – consists of funds formally set aside by the Board of Directors for a particular purpose. This usually occurs by adoption of a resolution. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same formal action.
- *Assigned* - amounts the District intends to use for a specific purpose. Assignment can be made by the designation of revenue sources to a particular fund, by informal motion of the Board of Directors or by decision of management.
- *Unassigned* – Amounts that are available for any purpose.

**Budgetary Information**

An annual budget is prepared and legally adopted for each governmental fund on the *modified accrual basis of accounting* using program categories required by Oregon State Budget Law for Municipal Corporations. Consistent with Oregon law, expenditures are appropriated at the following levels of control: Personal Services, Materials and Services, Capital Outlay, Transfers, Debt Service, and Contingency.

The Library District begins its budgeting process by appointing budget committee members each year. Recommendations are developed through early spring with the Board approving the budget in late spring. Public notices of the budget hearing are published generally in early June with the public hearing being held in late June. The final budget is adopted, appropriations made, and the tax levy declared no later than June 30 each year.

Expenditure budgets are appropriated at the major program level for each fund. The detail budget document, however, is required to contain more specific, detailed information for the aforementioned expenditure categories. Expenditure appropriations may not be legally over-expended except in limited circumstances including the case of dedicated grant receipts, which could not be reasonably estimated at the time the budget was adopted.

Supplemental budgets less than 10% of a fund’s original budget may be adopted by the Board at a regular 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. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. Appropriations lapse at the end of each fiscal year. The budget may also be modified for unanticipated grants or gifts restricted for special purposes by Board resolution. The Board of Directors approved transfers of budgetary appropriations during the fiscal year.

**2. CASH AND CASH INVESTMENTS- PRIMARY GOVERNMENT**

The Library District maintains two bank demand deposit accounts at US Bank. The District also invests in the Oregon Local Government Investment Pool.

At the fiscal year-end, *Governmental Funds* cash and investments are comprised of the following:

Cash in bank demand deposit US Bank - General Fund checking	\$ 22,043
Cash in bank demand deposit US Bank - Other Uses Funds checking	4,863
Demand deposits in Local Government Investment Pool-General Fund	678,899
Demand deposits in Local Government Investment Pool-Other Uses Funds	208,801
Demand deposits in Local Government Investment Pool-Capital Investment (LGIP accounts, cost approximates market, interest rate 5.20% at June 30)	93,639
Total Cash and Investments	<u>\$1,008,245</u>

At the fiscal year-end, *Fiduciary Fund* cash is comprised of the following:

Cash in bank demand deposit US Bank - Sage Fund	\$ 2,246
Demand deposits in Local Government Investment Pool-Sage Fund	241,440
Total Cash and Investments	<u>\$ 243,686</u>

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

The Local Government Investment Pool (LGIP) is included in the Oregon Short Term Fund (OSTF), which was established by the State Treasurer. OSTF is not subject to SEC regulation and is unrated for credit quality. OSTF is subject to requirements established in Oregon Revised Statutes, investment policies adopted by the Oregon Investment Council, and portfolio guidelines established by the Oregon Short Term Fund Board. The investment activity of the District for the fiscal year was limited to the LGIP and such investments are not required to be categorized according to the level of custodial credit risk.

Chapter 295 requires municipalities to hold deposits only with banks listed as Qualified Depositories for Public Funds by the Office of the Treasurer of the State of Oregon when they exceed the federal depository insurance limit. The District currently maintains deposits at US Bank, which is a bank included in the list of Qualified Depositories for Public Funds. Deposits at US Bank did not exceed FDIC coverage during the fiscal year. The District has no formal investment policy but does follow the requirements of Chapter 295 of the Oregon Revised Statutes for managing custodial funds.

**3. CASH – BAKER COUNTY FOUNDATION INC**

The Baker County Library Foundation cash is comprised of the following:

Cash in demand deposit Umpqua Bank – Foundation	\$ 26,705
	-
<b>Total Cash</b>	<u><u>\$ 26,705</u></u>

The Foundation currently maintains deposits at Umpqua Bank, which is a bank included in the list of Qualified Depositories for Public Funds. Deposits at Umpqua Bank did not exceed FDIC coverage during the fiscal year.

**4. INVESTMENTS – BAKER COUNTY FOUNDATION INC**

Investments consisted of the following as of June 30:

	Cost	Fair Value	Unrealized Gain (Loss)
<b>Exchange Traded Funds</b>			
Ishares Core S&P 500 ETF	\$ 5,267	\$ 6,567	1,300
Vanguard Index Trust Large Cap ETF	2,456	2,995	\$ 539
Vanguard Intermediate Term Corporate Bond ETF	5,754	4,876	(878)
<b>Total Exchange Traded Funds</b>	13,477	14,438	961
<b>Mutual Funds</b>			
American Bond Fund of America C1 F3	2,906	2,406	(500)
American Europacific Growth Fund C1 F3	592	637	45
American Fundatmental Investors C1 F3	7,887	8,522	635
American Growth Fund of America C1 F3	6,419	6,781	362
American High-Income Municipal Bond C1 F3	861	797	(64)
American SmallCap World Fund	4,210	3,751	(459)
Blackrock Multi Asset Income C1 K	2,875	3,028	153
Blackrock Total Return C1 K	2,815	2,405	(410)
Columbia Government MMkt C1 I3 (Money Market Account)	425	425	-
Federated Hermes Govt C1 Pm (Money Mkt Account)	845	845	-
Franklin Dynatech C1 R6	2,324	3,043	719
John Hancock Inv Grade Bond C1 R6	5,682	5,833	151
JP Morgan Mid Cap Equity C1 R6	2,623	3,074	451
Invesco Growth and Income C1 R6	1,561	1,570	9
Lord Abbett Bond Debenture C1 F3	6,287	6,511	224
Natixis Loomis Sayles Inv Bond C1 N	1,789	1,860	71
PGIM Total Return Bond C1 R6	2,932	2,417	(515)
<b>Total Mutual Funds</b>	53,033	53,905	872
<b>Total Investments</b>	\$ 66,510	\$ 68,343	\$ 1,833



BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

**5. RECEIVABLES**

Receivables as of the year-end for the District's governmental funds are comprised of the following:

USAC E-Rate program reimbursements due	\$	1,845
Energy Trust of Oregon, program reimbursement		1,000
Total Receivables	\$	2,845

The amount due from USAC E-Rate Program represents reimbursements requested to complete the funding for the fiscal year. This Federal program subsidizes Internet costs for rural schools and libraries to expand the use of technology in rural areas.

**6. CAPITAL ASSETS**

Capital asset activity for the fiscal year was as follows:

	Balance, Beginning of fiscal year	Increases	Decreases & Transfers	Balance, End of fiscal year
Capital assets not being depreciated:				
Land	\$ 42,800	\$ -	\$ -	\$ 42,800
Historical Treasures	14,000	-	-	14,000
Total capital assets not being depreciated	56,800	-	-	56,800
Capital assets being depreciated:				
Buildings and improvements	2,946,986	26,079	-	2,973,065
Furniture, fixtures and equipment	327,936	15,461	(1,125)	342,272
Vehicles	117,612	34,931	-	152,543
Total capital assets being depreciated	3,392,534	76,471	(1,125)	3,467,880
Total capital assets before depreciation	3,449,334	76,471	(1,125)	3,524,680
Less accumulated depreciation for:				
Buildings and improvements	(1,578,042)	(89,946)	-	(1,667,988)
Furniture, fixtures and equipment	(286,295)	(8,769)	1,125	(293,939)
Vehicles	(87,590)	(5,066)	-	(92,656)
Total accumulated depreciation	(1,951,927)	(103,781)	1,125	(2,054,583)
Total capital assets, net	\$ 1,497,407	\$ (27,310)	\$ -	\$ 1,470,097

Depreciation expense of \$103,781 for the year was charged to the *Library Services* function in the government-wide Statement of Activities. The District capitalizes improvements and equipment that exceeds the capitalization threshold as reported in Note 1. The District includes these expenditures as library materials and services for budgetary and reporting purposes.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

Historical Information on District Land and Building Acquisitions

The land and building on 2400 Resort Street, which houses the *Baker County Public Library* was previously owned by the City of Baker City, Oregon. Baker City deeded the building to the Library District on July 27, 1990. The donated land and building were valued at \$270,000, the estimated market value at the time of transfer. This location also serves as the administrative offices for the Library District. The building was expanded and remodeled in 2001.

The land and building in Halfway which houses the *Halfway Branch Library* was purchased on March 18, 2003 for \$50,000. The building was the historic Halfway Masonic Lodge. The District remodeled the building during the fiscal year ended June 30, 2004.

The land and building in Haines which houses the *Haines Branch Library* was previously owned by the City of Haines, Oregon. The City of Haines deeded the historic City Hall building to the Library District on October 1, 2003. The donated land and building were valued at \$45,000, the estimated market value at the time of transfer. The District entered into a Memorandum of Understanding with the City of Haines on the same date, which requires the District to use the property as a library. The District assumed responsibility for all costs associated with the property. If at any time the District discontinues use of the building for library purposes, then the property will be deeded back to the City of Haines.

The *Huntington Branch Library* is in the City park in this small community. The City of Huntington deeded two City lots to the Library District on June 20, 2005. The donated land was valued at \$5,300, the estimated market value at the time of transfer. The District entered into a Donation Agreement with the City of Huntington on the same date, which requires the District to use the property for a library site. The District assumed responsibility for all costs associated with the property. If at any time the District discontinues use of the property for library purposes, then the property will be deeded back to the City of Huntington. During fiscal year ended June 30, 2005, the District placed a new modular building on the lots to serve as the Huntington Branch Library.

The District operates the *Richland Branch Library* in the Richland School Senior Housing (operated by Northeast Oregon Housing Authority). The housing authority donates the space for the library to operate the branch library for the benefit of the community as well as the housing residents. The District pays a proportionate share of the related utilities for the use of the space.

The District operates the *Sumpter Branch Library* inside the Sumpter city museum building. The District shares the cost of the related utilities with the City of Sumpter based on an allocation of space occupied by the library. The space was donated for library use for the branch library for the benefit of this small community.

BAKER COUNTY LIBRARY DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 For Fiscal Year Ended June 30, 2024

**7. LONG-TERM DEBT**

The following is a summary of the District's outstanding debt at fiscal year-end:

Obligation	Payable at June 30, 2023	Increases	Decreases	Payable at June 30, 2024	Due in one year
City of Baker City LID	\$ 10,813	\$ -	\$ (10,813)	\$ -	\$ -
Accrued Compensated Absences	\$ 96,319	\$ 12,843	\$ -	\$ 109,162	\$ -
Totals	<u>\$ 107,132</u>	<u>\$ 12,843</u>	<u>\$ (10,813)</u>	<u>\$ 109,162</u>	<u>\$ -</u>

Interest expense of \$497 on long-term debt has been included in the direct expense of individual functions of the government wide Statement of Activities.

City of Baker City LID:

The District incurred a long-term debt through a City project titled Resort Street Underground Utility Local Improvement District 2012. The City of Baker City made improvements to Resort Street in 2013 which runs in front of the main library building located in Baker City. The District was billed for \$24,500 in April 2014, payable in 40 semi-annual installments of \$612.50, representing its portion of the street improvements. The board approved the payment of the debt in May 2014 in installments of \$2,000 annually over 14 years. The first payment was due November 23, 2014 with subsequent payments due May 23 and November 23 each year thereafter. The interest rate is variable and will be set every six months using the State Local Government Investment Pool average for the previous six months plus 1%. The interest rate at payoff, in August 2023, was 4.99%.

These payments are made by the District's General Fund. The Library board approved paying off the debt in August 2023. The LID debt was paid in full at Fiscal Year End June 30, 2024. The principal and interest are shown on the Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balance report found on page 16.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

**8. FUND BALANCES, GOVERNMENTAL FUNDS**

On the *Balance Sheet - Governmental Funds*, the fund balances are reported in the aggregate in the classifications defined by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund balances by classification for the year ended June 30, 2024, were as follows:

Fund balances	General Fund	Special Funds- Other Uses Fund	Reserve Fund- Capital Investment	Total Governmental Funds
<b>Nonspendable:</b>				
Prepaid wages	\$ 300	\$ -	\$ -	\$ 300
Prepaid expense	2,733	-	-	2,733
<b>Restricted:</b>				
Grant expenditures	-	18,097	-	18,097
<b>Committed:</b>				
Community support	-	3,807	-	3,807
Capital projects, building	-	-	93,639	93,639
Youth programs	-	2,207	-	2,207
<b>Assigned:</b>				
Capital projects, technology	-	11,907	-	11,907
Community support	-	64,193	-	64,193
Library operations	-	2,400	-	2,400
Literacy program	-	1,047	-	1,047
Reserve for retirement packages	-	109,799	-	109,799
Prepaid payroll Quickbooks withdraw	38,380	-	-	38,380
Unassigned	601,849	-	-	601,849
<b>Total fund balances</b>	<b>\$ 643,262</b>	<b>\$ 213,457</b>	<b>\$ 93,639</b>	<b>\$ 950,358</b>

**9. INTERFUND TRANSFERS**

Interfund transfers for the fiscal year are as follows:

<u>Transfers Out:</u>	<u>Transfers In:</u>
General Fund	<u>Special Fund – Other Uses Fund:</u> \$15,000
General Fund	Special Fund – Memorial, Grants: \$7,000
General Fund	<u>Capital Investment Fund:</u> \$42,586
Other Uses Funds-Memorial Department	<u>General Fund:</u> \$3,000

The General Fund budgeted transfers of \$5,000 to Technology savings and \$10,000 to Severance savings for future retirements. A budgeted transfer of \$42,586 from General Fund was transferred into the new Capital Investment Fund to continue to accumulate savings for future capital projects. It also moved a \$7,000 grant to the memorial fund that had been received at the end of the prior fiscal year, and which has already been reported. Other Uses-Memorial transfers the proceeds from online book sales to support General fund book purchases.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

**10. STATE CONSTITUTIONAL PROPERTY TAX LIMIT**

The Oregon voters in 1990 approved a state constitutional limit on property taxes for schools and non-school government operations (Measure 5). Under those provisions of the limitation, tax revenues are separated into those for the public school system and those for local government operations other than the public school system. The limitation specified a maximum allowable tax of \$10.00 for each \$1,000 of property real market value imposed by the local government for fiscal 1995-1996 and thereafter. The Oregon Department of Revenue established permanent rates for each taxing district in effect eliminating all tax bases.

In May 1997 Oregon voters approved an additional state constitutional limit (Measure 50) on assessed values used on the calculation of property taxes for school and non-school government operations. Beginning in fiscal 1997-98 assessed values were rolled back to the lesser of fiscal 1995-96 real market values, less an additional 10% or current real market values. New construction from July 1, 1995 and taxes levied for repayment of debt are not subject to the roll back. Future increases in assessed values of an individual property are limited to a maximum 3% increase independent of new construction.

The permanent tax rate for the District set by the State is \$0.5334 per \$1,000 of assessed valuation. The caps imposed by Measure 5 significantly affect the availability of property tax revenues for the District in areas where all local government taxes combined exceed the \$10 limit. In areas that are compressed, the tax rate will yield only its proportionate amount of the \$10.

**11. RISK MANAGEMENT**

The Library District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years. The Library District obtains most of its insurance coverage through Special Districts Association of Oregon under an insurance pooling arrangement in which many special districts in Oregon participate. The risk of additional assessments to the Library District over premiums previously paid is presently deemed remote by District management.

**12. COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS:**

The Library District is self-insured for unemployment claims purposes. Information related to maximum exposure of the District for all terminated employees at the end of the fiscal year is not available. Management believes there are no claims for the fiscal year.

Compensated absences are comprised of accumulated vacation leave and accumulated sick leave that has vested at the fiscal year end and are accrued in the government-wide financial statements.

Subsequent events are events or transactions that occur after the financial statements date, but before financial statements are issued. The Library District recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the financial statements, including the estimates inherent in the process of preparing the financial statements. The Library District's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the financial statement but arose after the financial statements date and before the financial statements are available to be issued. The Library District has evaluated subsequent events through the date that the financial statements were available to be issued and found that no adjustments or disclosures were necessary.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

### **13. PENSION PLAN AND OTHER POST-EMPLOYMENT BENEFIT PLANS**

#### **A. Public Employees Retirement System (PERS)**

##### **Plan Description**

The Baker County Library District provides employees with pensions through the Oregon Public Employees Retirement System (PERS) a cost-sharing multiple-employer defined benefit pension plan. The Oregon Legislature delegated authority to the Public Employees Retirement Board to administer and manage the system.

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. 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 Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after this date. Contribution requirements are established by ORS and may be amended by the PERS Board of Trustees.

Oregon PERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at: [www.oregon.gov/PERS/EMP/Pages/Financials/Actuarial-Financial-Information.aspx](http://www.oregon.gov/PERS/EMP/Pages/Financials/Actuarial-Financial-Information.aspx), under CAFR Archives.

In addition, much of the information presented in this Pension Note was provided by PERS and can be found at \*PERS Website: [www.oregon.gov/PERS/EMP/Pages/index.aspx](http://www.oregon.gov/PERS/EMP/Pages/index.aspx), under Financials.

##### **Benefits Provided**

#### **1. PERS Defined Benefit (DB) Pension Plan, Tier One/Tier Two Retirement Benefit (ORS 238)**

**Pension Benefits** – The Defined Benefit Pension Plan (ORS 238) is closed to new members on or after August 29, 2003. The PERS retirement allowance is payable monthly for life, selected from several retirement benefit options. These options include annuities, survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and 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 they have had a contribution in each of five calendar years. 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. *For a complete list of requirements related to vesting and retirement age, see the PERS website\*.*

**Death Benefits** – Upon the death of a non-retired (active) 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 (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

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

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

**2. Oregon Public Service Retirement Plan Pension Program (OPSRP DB, ORS238A)**

**Pension Benefits** – The Pension Program (ORS 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 with the following formula for members who attain normal retirement age: for General Service 1.5 percent is multiplied by the number of years of service and the final average salary. The normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age or the date on which termination becomes effective, if the pension program is terminated. *For complete list of requirements related to vesting and retirement age, see the PERS website\*.*

**Death Benefits** – Upon the death of a non-retired (active) 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 that would otherwise have been paid to the deceased member.

**Disability Benefits** – A member with 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 in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

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

**Pension Benefits** – An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completed 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 their employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, or 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** – PERS 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 Other Postemployment Benefit (OPEB) Plans.

Employer contribution rates during the period were based on the December 31, 2021 Actuarial Valuation, effective July 1, 2023 through June 30, 2025. Employer contributions for the year ended June 30, 2024 were \$135,107.

The rates in effect for the fiscal year ended June 30, 2024 were 27.43% for Tier One/Tier Two General Service members and 21.37% for OPSRP Pension Program General Service members, and 6% for OPSRP Individual Account Program.

BAKER COUNTY LIBRARY DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
For Fiscal Year Ended June 30, 2024

**Actuarial Valuations**

The employer contribution rates were set using the entry age actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, the method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with unfunded actuarial accrued liabilities being amortized over 20 years.

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

The total pension liability in the actuarial evaluation was determined using the following actuarial assumptions:

Valuation date	December 31, 2021
Measurement date	June 30, 2023
Actuarial cost method	Entry Age Normal
Amortization method	The UAL is amortized as a level percentage of payroll; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets, excluding reserves
Contribution rate stabilization method (rate collar)	Change in base contribution rate limit (i.e. collared) is not allowed to decrease if the funded status of the rate pool or employer is 87% or lower. The rate collar does not limit the change in the normal cost rate or changes for individual employer side accounts.
Economic assumptions:	
Investment return	6.90 percent annually on system assets
Discount rate	6.90 percent
Consumer price inflation	2.40 percent
Future general wage inflation	3.40 percent overall payroll growth
Healthcare cost inflation rate	Ranging from 6.6% in 2023 to 3.8% in 2074

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 2022 Experience Study. *For complete report of actuarial assumptions, see the PERS website\*.*

**Long-Term Expected Rate of Return**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in May 2019, 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. *For complete information and list of investment assets, see the PERS website\*.*



BAKER COUNTY LIBRARY DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 For Fiscal Year Ended June 30, 2024

**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.

**Discount Rate Sensitivity**

The sensitivity of the District’s net pension liability to changes in the discount rate is presented below, which shows the District’s net pension liability calculated using the discount rate of 6.90% as well as the net pension liability using a discount rate that is 1.0% lower (5.90%) or 1.0% higher (7.90%) than the current rate.

Discount Rate	1% Decrease	Current Rate	1% Increase
Proportionate share of the Net Pension Liability (Asset)	\$1,620,763	\$981,203	\$445,959

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

At June 30, 2024, the District reported a liability of \$981,203 for its proportionate share of the net pension liability. As the fiscal agent, this liability also includes the Sage Fund. 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. 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 proportionate share was 0.00523848%.

For the current fiscal year ended June 30th, the District recognized pension expense at the fund level of \$135,107. 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	\$47,984	\$3,891
Changes in assumptions	\$87,164	\$650
Net difference between projected and actual earnings on investments	\$17,636	\$0
Changes in proportionate share	\$64,772	\$98,340
Differences between employer contributions and proportionate share of system contributions	\$8,635	\$49,843
Total (prior to post-Measurement Date MD contributions)	\$226,191	\$152,724
Contributions subsequent to the MD	\$155,475	N/A
Total (after post-MD contributions)	\$381,666	
Net deferred outflows (inflows) of resources		\$73,467

BAKER COUNTY LIBRARY DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 For Fiscal Year Ended June 30, 2024

**Pension Assets, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued:**

Amounts reported as deferred outflows or inflows of resources related to pension will be recognized in pension expense/(income) as follows:

Subsequent Fiscal Year	Deferred Outflow (Inflow) of Resources
1 <sup>st</sup> Fiscal Year	(\$13,080)
2 <sup>nd</sup> Fiscal Year	(\$53,493)
3 <sup>rd</sup> Fiscal Year	\$89,580
4 <sup>th</sup> Fiscal Year	\$41,589
5 <sup>th</sup> Fiscal Year	\$8,872
Thereafter	\$0
Total	\$73,467

*The information in this Pension Note was provided by PERS. For complete information see the PERS website\*.*

**B. Other Post-Employment Benefits (OPEB)**

**Plan Description**

The District is required by ORS 243.303 to make available to retirees, on a self-pay basis, group health and dental insurance from the date of retirement until Medicare eligibility. This continued medical coverage is offered to the District's eligible retirees and their spouse and dependents. This insurance is administered through the District's group health insurance and is a cost-sharing multiple employer plan. Premiums are paid by retirees based on the rates established for active employees plus 2% for administrative costs. The District does not subsidize any of the cost after retirement.

At June 30, 2024, there was one inactive, retired employee receiving benefits under the District's group health insurance and 11 active employees covered by the plan. The liability for the implicit post-employment insurance subsidy the District provides while not actuarially calculated, is not believed to be material.

Once the retiree qualifies for Medicare they are eligible to participate in health insurance that is offered through Oregon PERS. PERS administers the Retirement Health Insurance Account (RHIA) cost-sharing, multiple-employer defined benefit Other Postemployment Benefit (OPEB) plan. The insurance is offered to the retiree and their spouse and dependents. Premiums are determined by PERS and the cost is not known to the District.

Retirement Eligibility – To be eligible for the above plan, a retiree must be receiving benefits from Oregon PERS. Tier 1 or Tier 2 PERS members must be the earlier of age 55 or have 30 years of service. OPSRP members must be at least age 55 with 5 years of service.

Funding Requirements – The District does not make contributions directly to the health insurance plan.

Actuarial Assumptions – The assumptions are generally based upon those used in valuing pension benefits under Oregon PERS. The key actuarial assumptions and methods are stated above.

While the OPEB liability (asset) associated with the PERS RHIA is explained and disclosed below. The total assets and liabilities are immaterial and have not been reflected in these financial statements.

BAKER COUNTY LIBRARY DISTRICT  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 For Fiscal Year Ended June 30, 2024

**Discount Rate Sensitivity**

The sensitivity of the District's net OPEB liability (asset) to changes in the discount rate is presented below, which shows the District's OPEB liability (asset) calculated using the discount rate of 6.90% as well as the net OPEB liability (asset) using a discount rate that is 1.0% lower (5.9%) or 1.0% higher (5.9%) than the current rate.

Discount Rate	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	(\$11,037)	(\$12,142)	(\$13,090)

**Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Benefits:**

The following amounts reported as deferred inflows of resources related to OPEB are immaterial and will not be recognized in these financial statements.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$0	\$305
Changes in assumptions	\$0	\$131
Net difference between projected and actual earnings on investments	\$34	\$0
Changes in proportionate share	\$1,996	\$1,746
Differences between employer contributions and proportionate share of system contributions	\$0	\$0
Total (prior to post-Measurement Date MD contributions)	\$2,030	\$2,182
Contributions subsequent to the MD	\$0	N/A
Total (after post-MD contributions)	\$2,030	
Net deferred outflows (inflows) of resources		(\$152)

Amounts reported as deferred outflows or inflows of resources related to OPEB will be recognized in OPEB expense/ (income) as follows:

Subsequent Fiscal Year	Deferred Outflow (Inflow) of Resources
1 <sup>st</sup> Fiscal Year	(\$764)
2 <sup>nd</sup> Fiscal Year	\$3
3 <sup>rd</sup> Fiscal Year	\$449
4 <sup>th</sup> Fiscal Year	\$161
5 <sup>th</sup> Fiscal Year	\$0
Thereafter	\$0
Total	(\$152)

*The information in this OPEB Note was provided by PERS. For complete information see the PERS website\*.*

**Changes Subsequent to Measurement Date**

Management is not aware of any other changes subsequent to the June 30, 2023 measurement date that require disclosure.

*REQUIRED  
SUPPLEMENTARY  
INFORMATION*

---

**BAKER COUNTY LIBRARY DISTRICT**  
**Budgetary Comparison Schedule – General Fund**  
**For the Year Ended June 30, 2024**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes:				
Current Year Property Taxes	\$ 1,447,643	\$ 1,390,000	\$ 1,382,224	\$ (7,776)
Prior Years' Property Taxes	60,000	61,000	71,803	10,803
Other Property Tax Revenues	1,500	1,500	4,614	3,114
Total Property Taxes	1,509,143	1,452,500	1,458,641	6,141
Intergovernmental Revenues:				
State Resource Sharing	8,500	8,700	8,655	(45)
Fines and Fees:				
Overdue fines and fees	14,000	15,000	13,222	(1,778)
Fiscal agency fee	2,270	2,270	2,292	22
Grant Revenues	52,000	47,500	42,586	(4,914)
Contributions	1,000	500	440	(60)
Other Revenues - Rebate	4,500	500	4,786	4,286
Other Revenues - Other Misc	1,000	500	1,060	560
Other Revenues - USAC E-Rate Program	7,600	7,600	7,504	(96)
Interest	30,000	43,000	44,380	1,380
Total Revenues	1,630,013	1,578,070	1,583,566	5,496

**EXPENDITURES**

Personal Services:

CEO - Library Director	90,781	91,000	90,790	210
Admin - IT Network & Systems Specialist	53,464	46,500	47,328	(828)
Admin - Business Manager / HR	42,439	42,439	42,433	6
Admin - Library Circulation/Office Manager	47,492	48,000	47,496	504
Admin - Technical Services/ Catalog Specialist	54,993	54,993	54,982	11
Admin - Collection Management / Outreach	49,494	49,494	49,384	110
Youth Services Specialist	41,037	41,037	41,029	8
Facilities Maintenance	39,072	39,072	39,075	(3)
Technical Services - Serials Specialist	34,472	36,200	36,187	13
Technical Services - Catalog Asst/ Acquisition	44,400	44,400	44,098	302
Technical Services - Media Specialist	37,215	37,215	37,354	(139)
Collection Management - Library Page/Shelving	37,980	28,000	27,502	498
Public Services / Outreach - Bookmobile	16,460	9,500	9,633	(133)
Public Services / Outreach - Branch Library Leads	84,965	86,050	82,949	3,101
Public Services / Library - General	10,551	19,500	18,854	646
Vacation Subs & Special Projects	19,473	10,000	9,324	676
Staff Training Expense	3,245	1,000	1,873	(873)
PERS retirement program	143,828	140,000	135,107	4,893
Payroll taxes and insurance	60,494	54,000	56,948	(2,948)
Group health and life insurance	148,694	140,541	136,317	4,224
Total Personal Services	1,060,549	1,018,941	1,008,663	10,278

**BAKER COUNTY LIBRARY DISTRICT**  
**Budgetary Comparison Schedule – General Fund, Continued**  
**For the Year Ended June 30, 2024**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>EXPENDITURES, CONTINUED</b>				
Materials and Services:				
Collection development (books and periodicals)	133,500	155,250	146,070	9,180
Library consortium - Sage membership and expenses	18,950	18,950	17,696	1,254
Facilities maintenance	63,500	63,200	60,899	2,301
Janitorial contract	25,000	25,000	26,400	(1,400)
Janitorial supplies	3,200	3,200	3,810	(610)
Equipment services	3,000	4,000	3,995	5
Computer maintenance	58,500	43,000	27,920	15,080
Bookmobile operations	16,000	10,000	7,529	2,471
Insurance	23,500	27,675	26,984	691
Travel and training	5,000	5,750	4,219	1,531
Election expense	-	-	-	-
Professional fees - audit services	9,500	10,000	9,250	750
Bookkeeping supplies	3,000	3,000	1,318	1,682
Dues and subscription	4,500	4,000	3,570	430
Marketing & Publication	8,000	4,000	3,042	958
Financial management fees	1,500	2,000	1,827	173
Legal administration	3,600	1,000	442	558
Professional services	1,200	1,200	929	271
Public programs	8,000	6,000	3,725	2,275
Branch mileage	4,500	4,000	3,668	332
Library service supplies	20,000	20,000	20,028	(28)
Youth and childrens programs	18,500	18,500	11,074	7,426
Postage	1,500	1,500	1,104	396
Utilities	57,150	53,150	47,540	5,610
Telecommunications	18,300	20,800	18,585	2,215
Total Materials and Services	509,400	505,175	451,624	53,551
Debt Service Payments	13,000	11,315	11,310	5
Capital Outlay	15,000	18,000	17,906	94
Operating Contingency	581,064	619,639	-	619,639
Total Expenditures	2,179,013	2,173,070	1,489,503	683,567
Revenues Over (Under) Expenditures	(549,000)	(595,000)	94,063	689,063
Other Financing Sources (Uses):				
Operating Transfers In	4,000	4,000	3,000	(1,000)
Operating Transfers Out	(80,000)	(80,000)	(64,586)	15,414
Total Other Financing Uses	(76,000)	(76,000)	(61,586)	14,414
Revenues Over (Under) Expenditures and Other Financing Uses	(625,000)	(671,000)	32,477	703,477
Fund Balances, July 1	625,000	671,000	610,785	(60,215)
Fund Balances, June 30	\$ -	\$ -	\$ 643,262	\$ 643,262

**BAKER COUNTY LIBRARY DISTRICT**  
**Budgetary Comparison Schedule – Special Revenue Fund, Other Uses**  
**For the Year Ended June 30, 2024**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
<b>Local Sources:</b>				
Grants	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Contributions	2,000	3,000	2,000	(1,000)
Other Revenues	4,000	4,000	4,141	141
Interest	5,000	8,000	9,425	1,425
Total Revenues	21,000	25,000	15,566	(9,434)
<b>EXPENDITURES:</b>				
<b>Personal Services:</b>				
Wages	1,500	1,500	-	1,500
Payroll taxes and related expense	2,250	2,250	-	2,250
<b>Materials and Services:</b>				
Memorial Department	106,250	106,250	8,798	97,452
Literacy Department	2,000	2,000	342	1,658
Technology Department	10,000	10,000	-	10,000
Severance Liability Department	105,000	105,000	-	105,000
Total Expenditures	227,000	227,000	9,140	217,860
Revenues Over (Under)				
Expenditures	(206,000)	(202,000)	6,426	208,426
<b>Other Financing Sources (Uses):</b>				
Operating Transfers In	15,000	15,000	22,000	7,000
Operating Transfers Out	(4,000)	(4,000)	(3,000)	1,000
Total Other Financing Sources	11,000	11,000	19,000	8,000
Revenues and Other Financial Sources Over (Under)				
Expenditures and Other Financing Uses	(195,000)	(191,000)	25,426	216,426
Fund Balances, July 1	195,000	195,000	188,031	(6,969)
Fund Balances, June 30	\$ -	\$ 4,000	\$ 213,457	\$ 209,457

BAKER COUNTY LIBRARY DISTRICT  
 Budgetary Comparison Schedule – Capital Investment Fund  
 For the Year Ended June 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local Sources:				
Grants	\$ 5,250	\$ 5,250	\$ -	\$ (5,250)
Interest	<u>4,000</u>	<u>5,000</u>	<u>4,628</u>	<u>(372)</u>
Total Revenues	<u>9,250</u>	<u>10,250</u>	<u>4,628</u>	<u>(5,622)</u>
EXPENDITURES:				
Capital Outlay:				
Facilities maintenance & repair	<u>159,250</u>	<u>160,250</u>	<u>34,931</u>	<u>125,319</u>
Total Expenditures	<u>159,250</u>	<u>160,250</u>	<u>34,931</u>	<u>125,319</u>
Revenues Over (Under) Expenditures	<u>(150,000)</u>	<u>(150,000)</u>	<u>(30,303)</u>	<u>119,697</u>
Other Financing Sources (Uses):				
Operating Transfers In	65,000	65,000	42,586	(22,414)
Operating Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>65,000</u>	<u>65,000</u>	<u>42,586</u>	<u>(22,414)</u>
Revenues and Other Financial Sources Over (Under) Expenditures and Other Financing Uses	(85,000)	(85,000)	12,283	97,283
Fund Balances, July 1	<u>85,000</u>	<u>85,000</u>	<u>81,356</u>	<u>(3,644)</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,639</u>	<u>\$ 93,639</u>



**BAKER COUNTY LIBRARY DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION  
Oregon PERS Schedules  
For the Fiscal Year Ended June 30, 2024**

<b>Schedule of District's Proportionate Share of Net Pension Liability</b>										
Fiscal year ended June 30,	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the Net Pension Liability (NPL)	0.00523848%	0.00473378%	0.00511175%	0.00576989%	0.00599104%	0.0053291%	0.0064268%	0.0051110%	0.0059720%	0.0057010%
District's proportionate share of the Net Pension Liability (Asset)	\$ 981,203	\$ 724,837	\$ 611,697	\$ 1,259,188	\$ 1,036,306	\$ 807,281	\$ 866,334	\$ 767,274	\$ 342,879	\$ (129,225)
District's covered-employee payroll	\$ 703,782	\$ 660,001	\$ 583,991	\$ 590,489	\$ 567,113	\$ 565,901	\$ 575,443	\$ 586,334	\$ 535,187	\$ 478,356
District's proportionate share of the NPL as a Percentage of its Covered-Employee Payroll	139.42%	109.82%	104.74%	213.24%	182.73%	142.65%	150.55%	130.86%	64.07%	-27.01%
Plan Net Position as a Percentage of Total Pension Liability	81.70%	84.50%	87.60%	75.80%	80.20%	82.10%	83.10%	80.53%	91.90%	103.60%

<b>Schedule of District's Proportionate Share of OPEB-RHIA Liability</b>										
Fiscal year ended June 30,	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the Net OPEB-RHIA Liability (NOL)	0.00331595%	0.00445674%	0.00101979%	0.00087317%	0.00511781%	0.00495878%				
District's proportionate share of the Net OPEB-RHIA Liability (Asset)	\$ (12,142)	\$ (15,836)	\$ (3,502)	\$ (1,779)	\$ (9,889)	\$ (5,535)				
District's covered-employee payroll	\$ 703,782	\$ 660,001	\$ 583,991	\$ 590,489	\$ 567,113	\$ 565,901				
District's proportionate share of the NOL as a percentage of its covered-employee payroll	-1.73%	-2.40%	-0.60%	-0.30%	-1.74%	-0.98%			UNAVAILABLE	
Plan Net Position as a Percentage of Total NOL	201.6%	194.6%	183.9%	150.1%	144.4%	124.0%				

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

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

<b>Schedule of District's Pension Contributions</b>										
Fiscal year ended June 30,	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 155,475	\$ 132,634	\$ 127,557	\$ 116,396	\$ 104,459	\$ 92,418	\$ 84,763	\$ 65,496	\$ 68,520	\$ 46,457
Contractually Required Contribution	\$ (155,475)	\$ (132,634)	\$ (127,557)	\$ (116,396)	\$ (104,459)	\$ (92,418)	\$ (84,763)	\$ (65,496)	\$ (68,520)	\$ (46,457)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll	\$ 703,782	\$ 660,001	\$ 583,991	\$ 590,489	\$ 567,113	\$ 565,901	\$ 575,443	\$ 498,720	\$ 510,586	\$ 465,853
Contributions as a Percentage of Covered-Employee Payroll	22.09%	20.10%	21.84%	19.71%	18.42%	16.33%	14.73%	13.13%	13.42%	9.97%

<b>Schedule of District's OPEB-RHIA Contributions</b>										
Fiscal year ended June 30,	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ -	\$ 1,555	\$ 1,555	\$ 1,914	\$ 2,418	\$ 2,536				
Contractually Required Contribution	\$ -	\$ (1,555)	\$ (1,555)	\$ (1,914)	\$ (2,418)	\$ (2,536)			UNAVAILABLE	
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
District's Covered Employee Payroll	\$ 703,782	\$ 660,001	\$ 583,991	\$ 590,489	\$ 567,113	\$ 565,901				
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.24%	0.27%	0.32%	0.43%	0.45%				

*OTHER  
SUPPLEMENTARY  
INFORMATION*

---

**BAKER COUNTY LIBRARY DISTRICT**  
**Budgetary Comparison Schedule – Fiduciary Fund, Sage Library System**  
**For the Year Ended June 30, 2024**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
<b>Local Sources:</b>				
Grants	\$ 68,000	\$ 68,000	\$ 67,893	\$ (107)
Membership dues	263,000	263,000	261,796	(1,204)
Other revenues	3,500	3,500	4,736	1,236
Interest	5,000	11,000	10,993	(7)
Total revenues	339,500	345,500	345,418	(82)
 <b>EXPENDITURES:</b>				
<b>Personal Services:</b>				
Sage system manager	77,000	77,000	72,597	4,403
Business manager	7,325	7,325	7,577	(252)
Sage payroll taxes & benefits	43,370	43,370	28,358	15,012
Total personal services	127,695	127,695	108,532	19,163
<b>Materials and Services:</b>				
Courier services and supplies	108,500	108,500	111,945	(3,445)
Fiscal agency fee, admin services	2,270	2,270	2,292	(22)
Dues and subscriptions	5,000	5,000	4,959	41
Office supplies and miscellaneous	525	2,025	1,542	483
Postage	60	60	75	(15)
Technical services contract	75,141	75,141	74,545	596
Technical services expense	5,500	5,500	3,090	2,410
Technology maintenance expense	6,000	6,000	7,652	(1,652)
Telecommunications	150	150	234	(84)
Training & professional development	1,000	1,000	-	1,000
Travel	2,000	2,000	551	1,449
Total materials and services	206,146	207,646	206,885	761
Capital outlay	15,000	15,000	1,817	13,183
Operating contingency	40,659	50,659	-	50,659
Total expenditures	389,500	401,000	317,234	83,766
Revenues Over (Under) Expenditures	(50,000)	(55,500)	28,184	83,684
Fund Balances, July 1	200,000	223,500	217,894	(5,606)
Fund Balances, June 30	\$ 150,000	\$ 168,000	\$ 246,078	\$ 78,078

*AUDIT  
COMMENTS  
AND DISCLOSURES*

---



**GASLIN ACCOUNTING, PC**  
CERTIFIED PUBLIC ACCOUNTANTS

2550 BROADWAY STREET  
BAKER CITY, OR 97814  
(541)523-6471

INDEPENDENT AUDITOR'S REPORT  
REQUIRED BY OREGON STATE REGULATIONS

We have audited the basic financial statements of Baker County Library District as of and for the year ended June 30, 2024, and have issued our report thereon dated December 6, 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 Baker County Library 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 the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- Insurance and fidelity bonds in force or required by law.
- Deposit of public funds with financial institutions (ORS Chapter 295)
- Local budget law (ORS 294.305-294.565)
- Budgets legally required (ORS Chapter 294.900)
- Programs funded from outside sources.
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

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

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing 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 the District's internal control over financial reporting.

We noted certain internal control matters that we reported to management of Baker County Library District in a separate letter dated December 10, 2024.

This report is intended solely for the information and use of the board of directors and management of Baker County Library District and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

*Gaslin Accounting CPA's PC*

Robert Gaslin CPA  
December 6, 2024