LEBANON, OREGON

Annual Financial Report

June 30, 2019

CITY OF LEBANON

925 S. Main Street
Lebanon, OR 97355
(541) 258-4900

MAYOR AND CITY COUNCIL

PAUL AZIZ 925 Main Street, Lebanon, OR 97355	Mayor
JASON BOLEN 925 Main Street, Lebanon, OR 97355	Council President
REBECCA GRIZZLE 925 Main Street, Lebanon, OR 97355	Councilor
ROBERT FURLOW 925 Main Street, Lebanon, OR 97355	Councilor
KARIN STAUDER 925 Main Street, Lebanon, OR 97355	Councilor
WAYNE RIESKAMP 925 Main Street, Lebanon, OR 97355	Councilor
MICHELLE STEINHEBEL 925 Main Street, Lebanon, OR 97355	Councilor

ADMINISTRATION

MATT APKEN 925 Main Street, Lebanon, OR 97355	Finance Director
RON WHITLATCH 925 Main Street, Lebanon, OR 97355	Acting City Manager

CITY OF LEBANON

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JUNE 30, 2019

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UMPQUA VALLEY
FINANCIAL

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Lebanon, Oregon
925 S Main Street
Lebanon, OR 97355

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the as of and for the year ended June 30, 2019 which collectively comprise the 's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting standards 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.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 2-14, the schedules of revenues, expenditures and changes in fund balances – budget and actuals on pages 64-68, the pension schedules on pages 69-70, and OPEB schedules on pages 71-72 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.

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

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Lebanon's basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals described above on pages 64-68 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. The schedules of revenues, expenditures and changes in fund balances – budget and actuals have 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedules of revenues, expenditures and changes in fund balances – budget and actuals are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the city of Lebanon's basic financial statements. The other supplementary information on pages 73-152 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City of Lebanon.

The other supplementary information on pages 73-152 is the responsibility of management and was 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 other 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 my opinion, other supplementary information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, I have also issued our report dated January 28, 2020, on my consideration of the City of Lebanon's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Lebanon's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, I have issued my report dated January 28, 2020, on my consideration of the '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 my testing of compliance and the results of that testing and not to provide an opinion on the 's compliance.

Steve Tuchscherer, CPA
January 28, 2020

MANAGEMENT'S

DISCUSSION

AND ANALYSIS

The management discussion and analysis of the City of Lebanon, Oregon (the City) financial performance provides an overview of the City's financial activities for the fiscal year that ended June 30, 2019. The intent of this discussion and analysis is to look at the City's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2019 are as follows:

- Prior period adjustments are reported as restatement of beginning net position and fund balance to correct amounts identified in the Restatement of Beginning Net Position and Fund Balance Note on page 63.

- The City's net position increased by $9,054,326 which represents a 14.8% increase from the previous year, which includes the prior period adjustments. The prior year net position has been restated by a total of $8,736,392.

- Total revenue for the City was $32,513,668. That is a 11.4% increase from the previous year. General revenues accounted for $14,355,811 of revenue, or 44% of all revenues. Program specific revenues in the form of charges for services accounted for $18,157,857 or 56% of total revenues.

- The City had $24,286,682 in program expenses. Of the program expenses, $3,105,254 was for providing water service, $3,733,787 was for providing wastewater service, and $130,772 was for providing storm drain service.

- The City's long-term liabilities decreased by $1,391,193, a 2.0% reduction from the previous year.

- Among the governmental funds, the General Fund had $9,248,798 in revenues, which primarily consisted of property taxes and franchise taxes. The SDC – Street Improvements Fund had $327,062 in revenues, which primarily consisted of fees and charges. The Northwest Lebanon Urban Renewal District had $1,819,973 in revenues, which primarily consisted of property taxes. The Cheadle Lake Urban Renewal District had $424,845 in revenues, which primarily consisted of property taxes. The North Gateway Urban Renewal District had $858,623 in revenues, which primarily consisted of property taxes. These amounts do not include other financing sources of loan proceeds or interfund transfers in.

- Among proprietary funds, the Water Fund had $5,439,599 in operating revenues, which primarily consisted of user fees. The Wastewater Fund had $5,738,451 in operating revenues, which primarily consisted of user fees. The Storm Drain Fund had $497,493 in operating revenues, which primarily consisted of user fees.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis introduces the City's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also includes additional supplementary information to supplement the basic financial statements.

Government-wide Financial Statements

The first of the government-wide statements is the *Statement of Net Position*. This is the City-wide statement of position presenting information that includes all of the City's assets and liabilities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall economic health of the City would extend to other non-financial factors such as the condition of buildings, and water and wastewater systems facilities.

The second government-wide statement is the *Statement of Activities* which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the *Statement of Activities* is to show the financial reliance of the City's distinct activities or functions of the City that are principally supported by user fee revenues, intergovernmental revenues from grants, and property tax revenues. The governmental activities of the City include general government activities, public safety, public works, culture and recreation and community planning and development. The proprietary activities of the City include water, wastewater, and storm drain services.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, Fund Financial Statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining and individual fund statements in a later section of this report. The City reports two types of funds:

Governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Unlike the government-wide financial statements, these statements report short-term fiscal accountability focusing on use of spendable resources during the year and balances of spendable resources available at the end of the fiscal year.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-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 government-wide statements to assist in understanding the differences between these two perspectives.

Budgetary comparison schedules are included in the basic financial statements for the General Fund, SDC – Street Improvements Fund, Northwest Urban Renewal District, Cheadle Lake Urban Renewal District, and North Gateway Urban Renewal District. Budgetary comparison schedules for the other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the City's adopted and final revised budget.

Proprietary funds are used to report the functions presented as business-type activities in the government-wide financial statements, only in more detail. The City maintains one type of proprietary fund - enterprise funds. The City uses enterprise funds to account for water, wastewater, and storm drain operations. The proprietary fund financial statements provide separate information for the Water Fund, Wastewater Fund, and Storm Drain Fund. These statements and schedules demonstrate compliance with the City's adopted and final revised budget.

Notes to the Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents as required supplementary information budgetary comparison statements for the General Fund, the SDC – Street Improvements Fund, the Northwest Urban Renewal District, the Cheadle Lake Urban Renewal District, and the North Gateway Urban Renewal District. The required supplementary information immediately follows the notes to the financial statements.

Other supplementary information includes individual fund statements and schedules, and other schedules. These statements and schedules immediately follow the required supplementary information in this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Recall that the Statement of Net Position provides the perspective of the City as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The City's net position at fiscal year-end is $70,250,717 this is an increase of $9,054,326 or 14.8% per the originally reported amounts from prior year on the Statement of Net Position.

A significant portion of the City's net position (81%) reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, improvements other than buildings, vehicles, and machinery and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

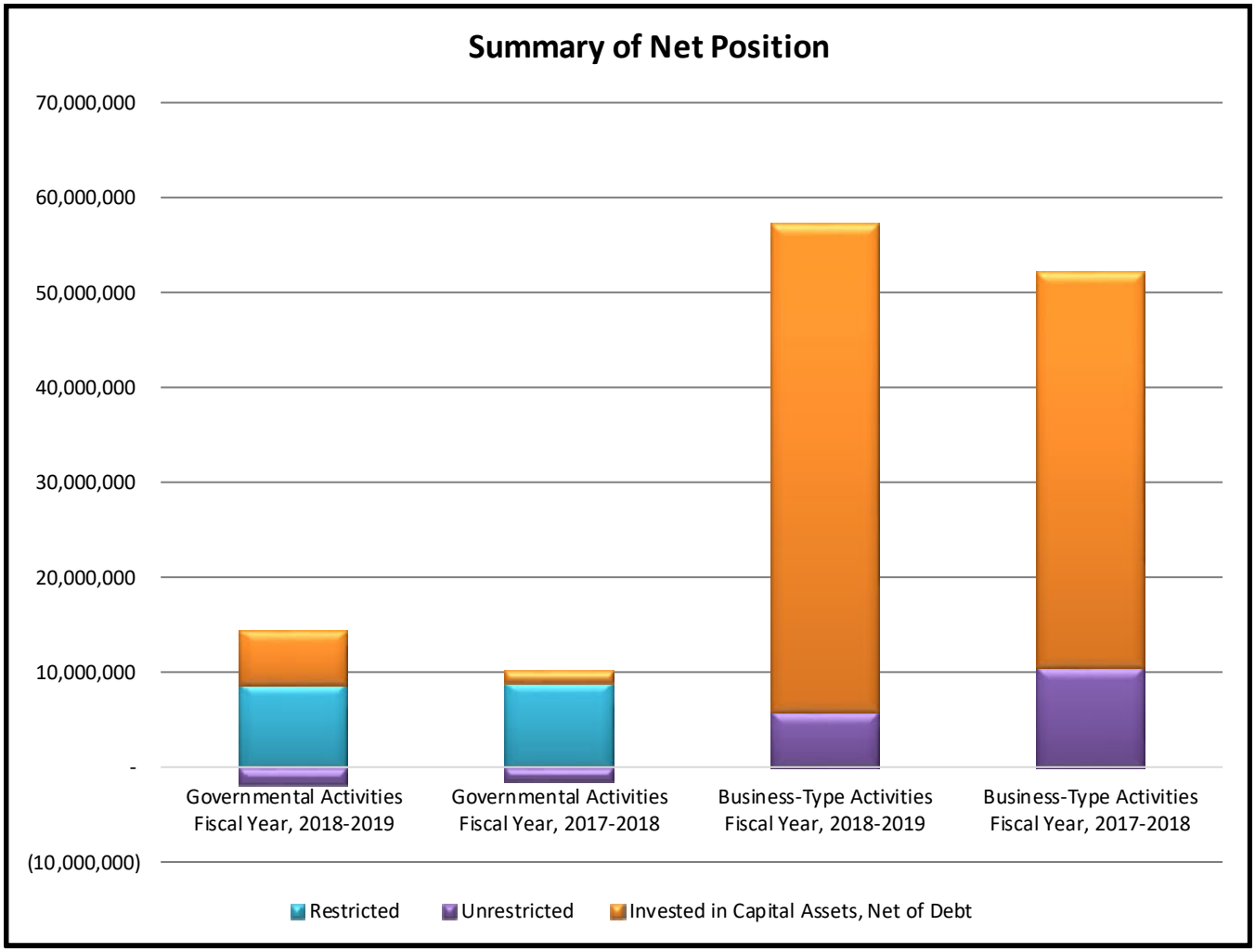
The City's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table provides a summary of the City's net position for the current and prior year.

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	As Originally Reported 2018	2019	As Originally Reported 2018	2019	As Originally Reported 2018
Assets						
Current and Other Assets	$ 17,347,933	$ 16,738,858	$ 8,079,747	$ 15,438,465	$ 25,427,680	$ 32,177,323
Capital Assets	36,480,674	34,588,735	80,628,330	70,228,952	117,109,004	104,817,687
Total Assets	53,828,607	51,327,593	88,708,077	85,667,417	142,536,684	136,995,010
Deferred Outflow of Resources	3,367,838	2,825,944	253,843	249,454	3,621,681	3,075,398
Liabilities						
Current Liabilities	3,871,390	3,345,225	2,959,851	5,354,804	6,831,241	8,700,029
Long-Term Liabilities	39,647,237	41,367,505	28,614,466	28,285,391	68,261,703	69,652,896
Total Liabilities	43,518,627	44,712,730	31,574,317	33,640,195	75,092,944	78,352,925
Deferred Inflow of Resources	757,601	478,824	57,103	42,267	814,704	521,091
Net Position						
Net Investment in Capital Assets	5,703,160	1,253,407	51,413,603	41,668,611	57,116,763	42,922,018
Restricted	8,925,225	9,080,170	-	-	8,925,225	9,080,170
Unrestricted	(1,708,168)	(1,371,594)	5,916,897	10,565,797	4,208,729	9,194,203
Total Net Position - As Originally Reported for Prior Year	$ 12,920,217	$ 8,961,983	$ 57,330,500	$ 52,234,408	$ 70,250,717	$ 61,196,391

See the chart below to gain an understanding of the City's actual financial position and how each component relates to the activities performed.



Changes in net position - The City's total revenues for the fiscal year ended June 30, 2019 were $32,513,668. The total cost of all programs and services was $24,286,682. The following table shows a comparative analysis of government-wide revenues, expenses and changes in net position.

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2018-19	As Originally Reported 2017-18	2018-19	As Originally Reported 2017-18	2018-19	As Originally Reported 2017-18
Revenues						
Program Revenues						
Charges for Services	$ 2,238,832	$ 2,564,916	$ 11,675,543	$ 11,777,348	$13,914,375	$ 14,342,264
Operating Grants and Contributions	16,500	3,678	-	-	16,500	3,678
Capital Grants and Contributions	1,924,810	1,081,013	2,302,172	-	4,226,982	1,081,013
Total Program Revenues	4,180,142	3,649,607	13,977,715	11,777,348	18,157,857	15,426,955
General Revenues						
Local Sources						
Property Taxes, Franchise Fees, & Public Service Taxes	13,580,334	13,173,835	-	-	13,580,334	13,173,835
Interest & Investment Earnings	488,904	271,060	171,561	134,875	660,465	405,935
Other Revenues	115,012	189,182	-	-	115,012	189,182
Total General Revenues	14,184,250	13,634,077	171,561	134,875	14,355,811	13,768,952
Total Revenues	18,364,392	17,283,684	14,149,276	11,912,223	32,513,668	29,195,907
Program Expenses						
General Government	4,689,231	4,342,450	-	-	4,689,231	4,342,450
Public Safety	5,445,062	6,415,641	-	-	5,445,062	6,415,641
Public Works	776,254	767,327	-	-	776,254	767,327
Culture and Recreation	2,554,557	1,826,698	-	-	2,554,557	1,826,698
Community Planning & Development	1,622,675	1,460,808	-	-	1,622,675	1,460,808
Urban Renewal Projects	120,130	1,421,388	-	-	120,130	1,421,388
Interest on Long-Term Debt	2,108,959	1,334,187	-	-	2,108,959	1,334,187
Utility Services						
Water Utilities	-	-	3,105,254	2,726,011	3,105,254	2,726,011
Wastewater Utilities	-	-	3,733,787	3,730,750	3,733,787	3,730,750
Storm Drainage	-	-	130,772	40,688	130,772	40,688
Total Program Expenses	17,316,869	17,568,499	6,969,813	6,497,449	24,286,682	24,065,948
Transfers	3,020,304	3,392,071	(2,083,372)	(3,392,071)	936,932	(0)
Special Items	115,998	(917,996)	-	917,996	115,998	-
Change in Net Position	$ 4,183,825	$ 2,189,260	$ 5,096,091	$ 2,940,699	$ 9,279,916	$ 5,129,959

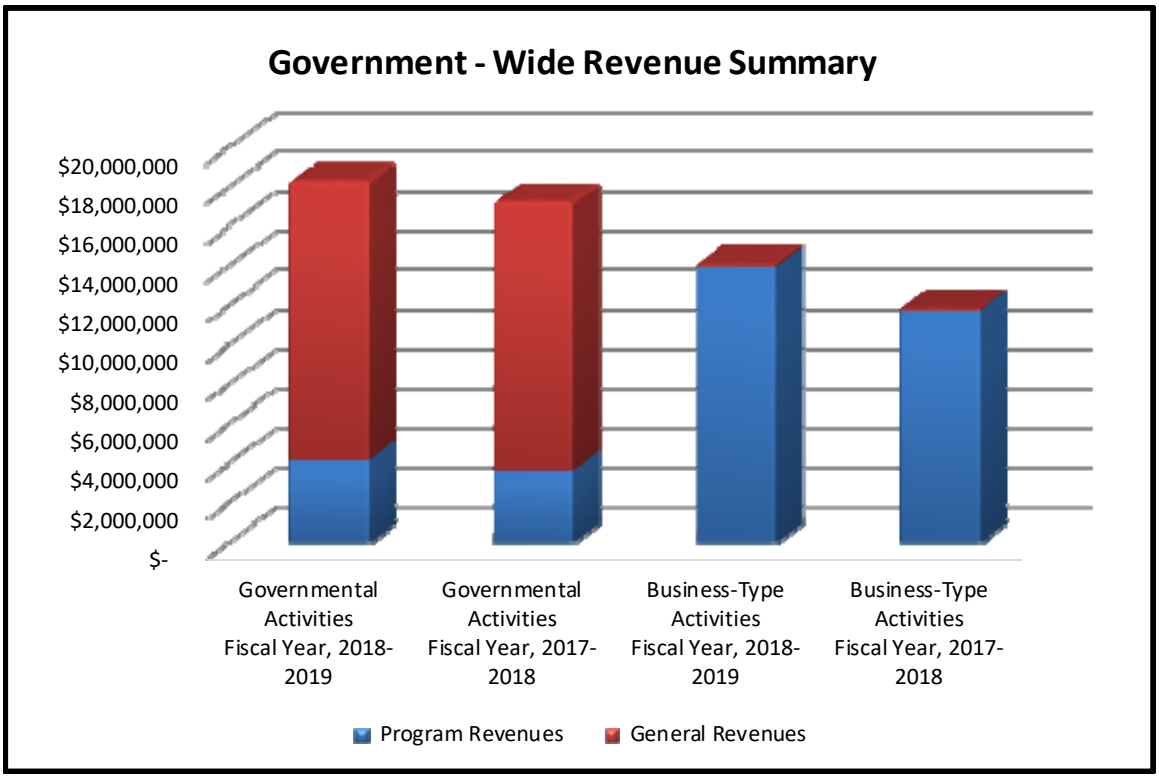
The Statement of Activities shows the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table shows, for governmental activity, the total cost of the six major functional activities of the City. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Governmental Activities

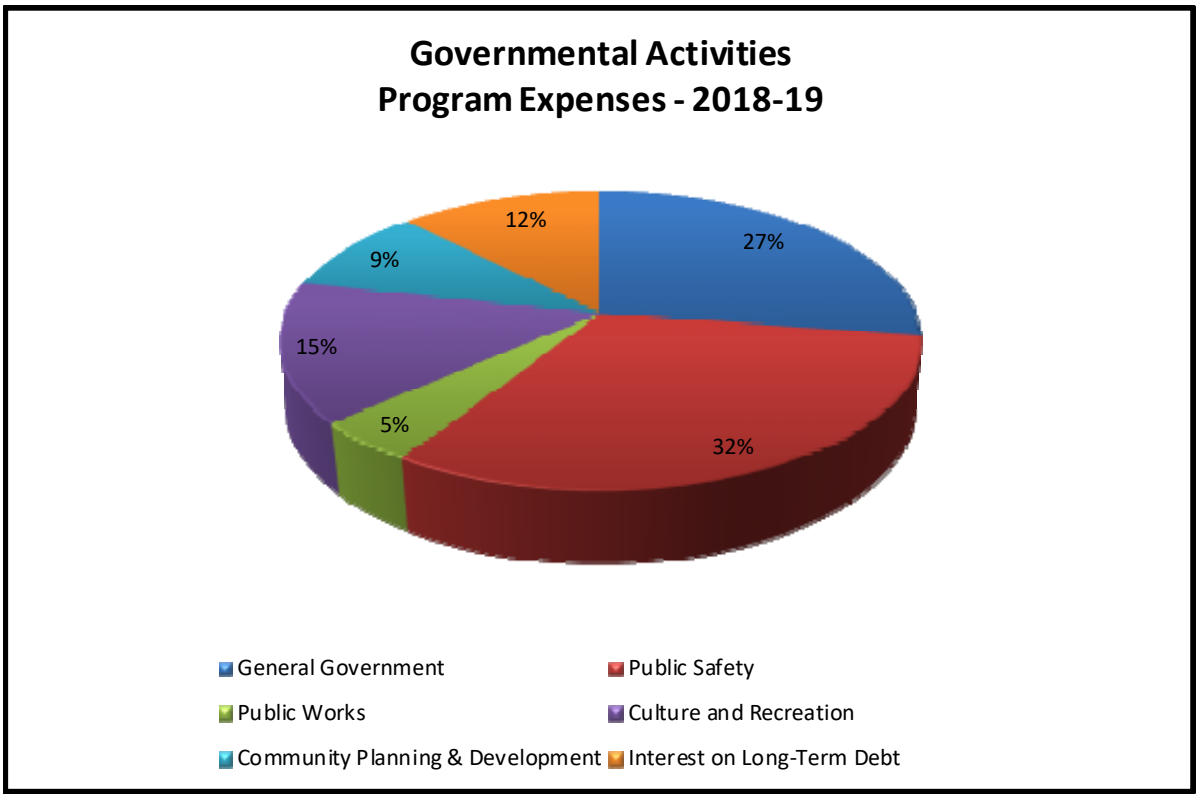
	Total Cost of Services		Net (Cost) Profit of Services	
	2018-19	2017-18	2018-19	2017-18
General Government	$ 4,689,231	$ 4,342,450	$ (3,850,136)	$ (3,342,740)
Public Safety	5,445,062	6,415,641	(4,993,770)	(6,045,718)
Public Works	776,254	767,327	(456,738)	(410,008)
Culture and Recreation	2,554,557	1,826,698	(1,967,230)	(1,108,507)
Community Planning & Development	1,622,675	1,460,808	360,237	(256,344)
Urban Renewal Projects	120,130	1,421,388	(120,130)	(1,421,388)
Interest Expense	2,108,959	1,334,187	(2,108,959)	(1,334,187)
Total Program Expenses	$ 17,316,869	$17,568,499	$ (13,136,727)	$ (13,918,892)

The dependence on general revenues for general government activities is apparent. For 2018-19, 76% of general government activities are supported through general revenues

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



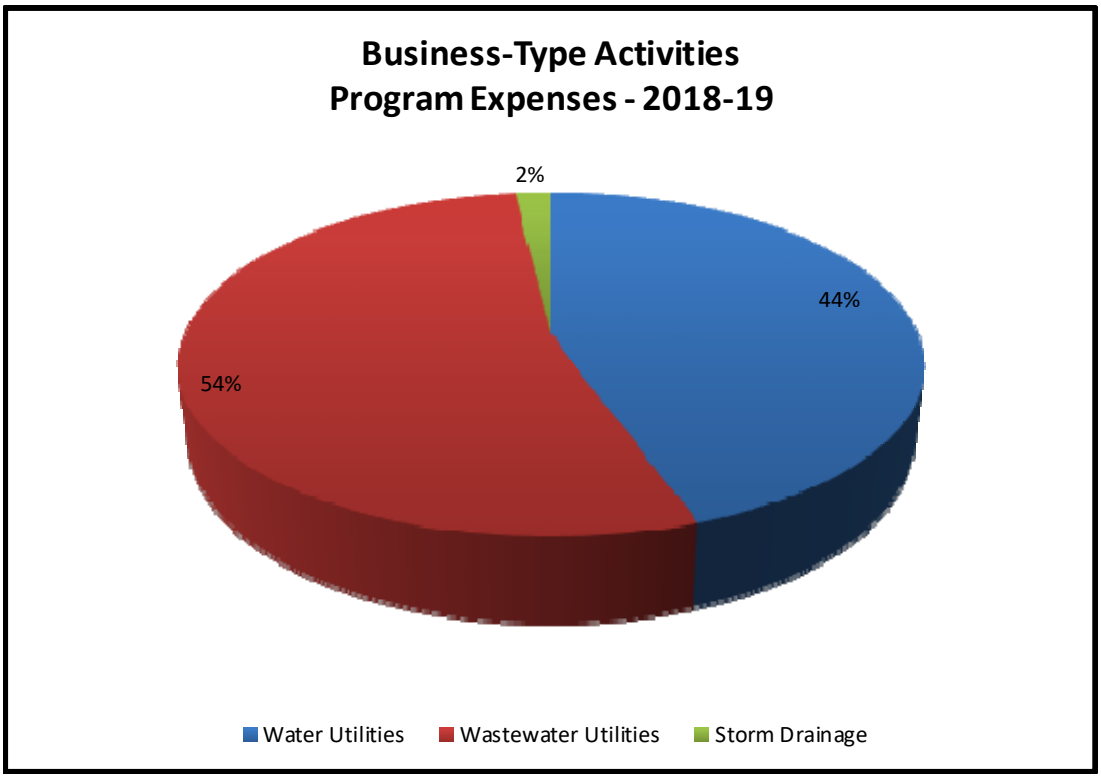
This graph represents the cost of the City's Program expenses by governmental activities.



Business-Type Activities

	Total Cost of Services		Net (Cost) Profit of Services	
	2018-19	2017-18	2018-19	2017-18
Water Utilities	$ 3,105,254	$ 2,726,011	$ 3,616,519	$ 2,672,011
Wastewater Utilities	3,733,787	3,730,750	2,505,764	2,166,099
Storm Drain Utilities	130,772	40,688	885,619	441,789
Total Program Expenses	$ 6,969,813	$ 6,497,449	$ 7,007,902	$ 5,279,899

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



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

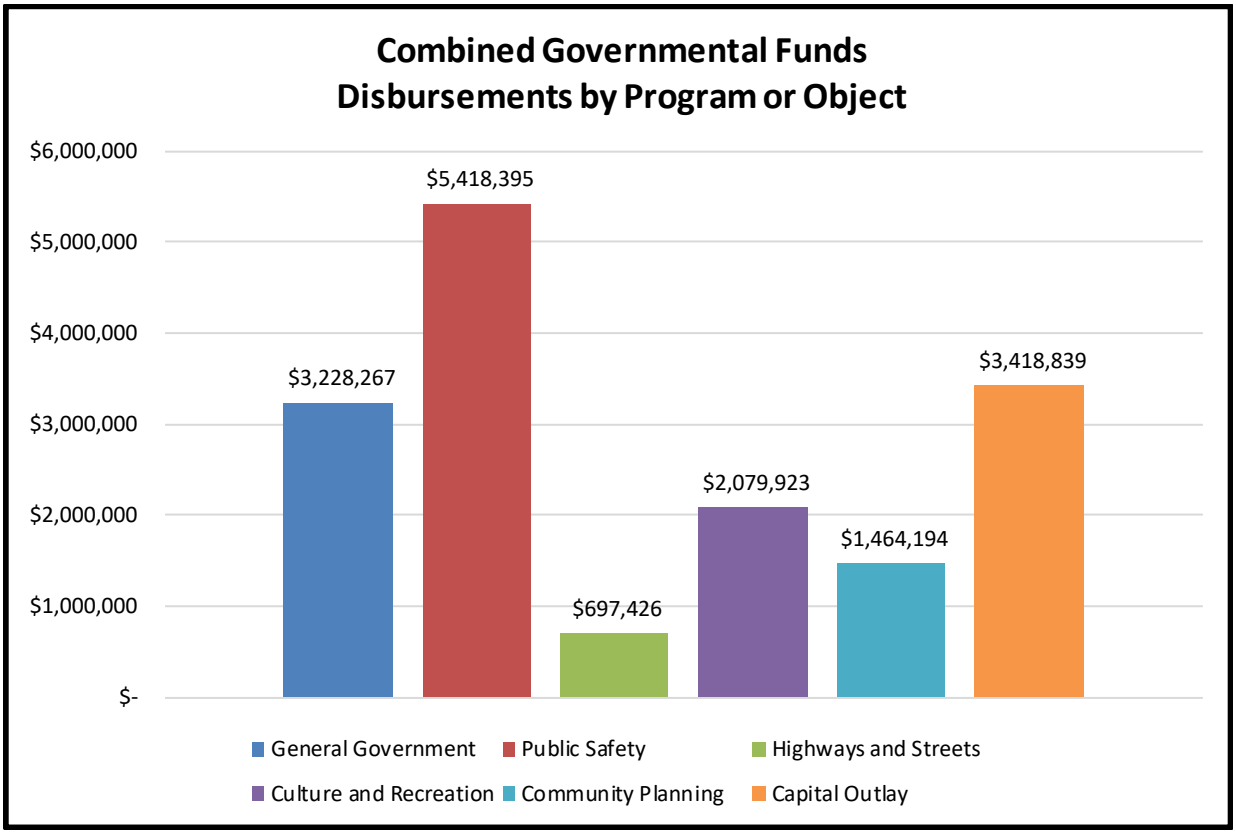
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing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

Governmental Funds

As the City completed the year, its governmental funds reported a combined fund balance of $14,831,597, an increase of $395,664 not including adjustments to prior period. The fund balance constitutes restricted, committed, assigned and unassigned amounts. Of the current fund balances, $392,723 is restricted for debt service, $5,283,288 is restricted for capital projects, $3,249,214 is restricted for urban renewal projects, $1,780,242 is committed, and $4,126,130 is unassigned and available for spending at the City's discretion.

The General Fund is the principal operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $4,198,098, an increase of $671,348 not including prior period adjustments to fund balance.

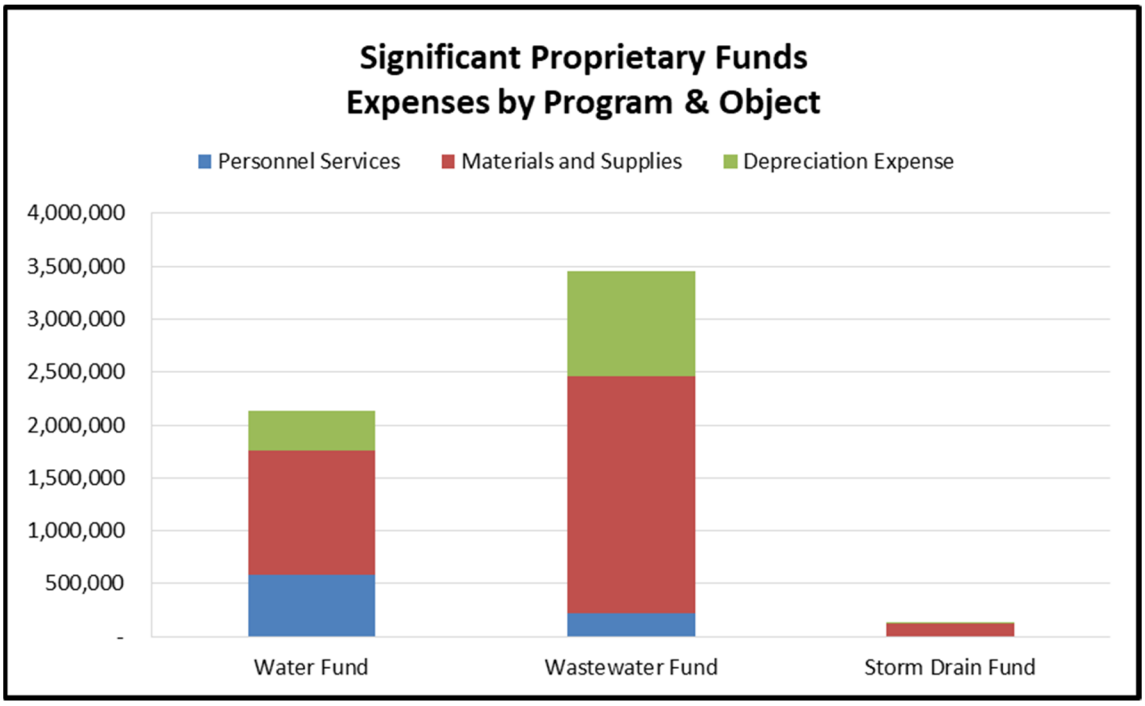
Following is a comparison of current expenditures by program of the governmental funds.



Proprietary Funds

The City's enterprise funds reported unrestricted net position of $5,916,897 and $51,413,603 in net investment in capital assets.

Following is a comparison of current expenses by program of the proprietary funds.



BUDGETARY HIGHLIGHTS

General Fund resources were budgeted and anticipated to be collected in the amount of $11,454,749 during the fiscal year. Actual resources of $12,128,724 were available, $673,975 more than budgeted. General Fund expenditures budget was under-spent by $2,544,149. The ending fund balance was greater than what was budgeted by $4,198,098.

The Wastewater Fund balance increased during the fiscal year while the Water and Storm Drain Fund balances decreased. The Water Fund, Wastewater Fund and Storm Drain Fund remained within the expenditure budgets in all appropriation areas. The Wastewater Fund's actual resources were more than budgeted by $441,491. The Storm Drain Fund's actual resources were more than budgeted by $20,203.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2019, the City had invested, before net reduction for accumulated depreciation, $203,506,036 in capital assets, including buildings, land, vehicles, water, wastewater, and storm drain utility systems, construction in progress and other equipment. This amount represents a net increase of $15,077,865 from the prior year. Additions to depreciable assets of $52,083,227 includes additions from construction projects completed during the fiscal year of $37,005,362.

Total depreciation expense for the year was $2,786,548; of which $1,406,770 is associated with general government activities and $1,379,778 with business type activities. Additional information on the City's capital assets can be found in the Capital Asset Note of the Notes to the Basic Financial Statements section of this report.

Long-Term Debt

At June 30, 2019 the City had total long-term debt outstanding of $29,214,727. This amount is comprised of debt backed by general obligation bonds, revenue bonds, notes and loans payable. Principal payments made during the current fiscal year were $1,314,560. Interest paid on the debt amounted to $281,692. The City also added $1,968,946 to long term debt for the 2018-19 fiscal year for financing of the special public works fund development project and the safe drinking water loan. Additional information on the City's long-term debt can be found in Long-Term Debt Note of the Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

At the time of these financial statements were prepared and audited, the City was aware of the following circumstances that could affect its future financial health:

- Overall increase in City staffing of 2.7 FTE as compared to the revised FY2018/19 Budget. The budget anticipates 2.7 additional FTE's; .2 in the Community Development Department and 2.5 in the Senior Services Department for LINX Bus System positions. There are also a few positions that will be reclassed or promoted within the same department.
- The overall City budget is 8% more than FY 2018-19. The increase is due to inflation, a PERS increase, transfers for future capital projects and initiation of repayment of outstanding loans associated with construction of the new River Road Water Treatment Plant.
- The General Fund is up $1,631,752 or 11.72 percent, due in large part to an increase in contingencies and transfers for future capital projects.
- Citywide contingencies are up 17.11% or $941,800 from $5,504,679 to $6,446,479. The General Fund contingency is up 16.35%, from $1,725,673 to $2,007,745, meeting and exceeding the targeted goal of 19%.
- The River Road Water Treatment Plant is finished and began supplying the system April 9, 2019.
- The City will begin the next phase of the westside interceptor in the 2019-20 fiscal year.
- Porter Park projects should be finished in the summer of 2019.
- Northwest URD will continue to be underfunded this year by approximately $1,000,000. This will allow these property taxes to be distributed to the other taxing districts in the area.

With the exceptions noted above, operating costs of both governmental activities and business-type activities are expected to be similar to those of the 2018-19 period.

The table below shows the overall changes in the budget from the prior year.

	FY 2018/19	FY 2019/20	% Change
City Budget	$ 54,774,213	$ 59,433,182	8.54%
Urban Renewal	5,658,658	5,817,866	2.80%
Total Budgets	60,432,871	65,251,048	8.00%
Inter-fund Transfers	6,756,408	9,154,556	35.49%
Effective Total Budgets	53,676,463	56,096,492	4.53%

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

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

BASIC FINANCIAL STATEMENTS

Government -Wide Financial Statements

CITY OF LEBANON

STATEMENT OF NET POSITION

June 30, 2019

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current Assets:			
Cash and Investments	$ 14,486,315	$ 6,311,572	$ 20,797,887
Accounts Receivable	1,667,399	1,572,259	3,239,658
Court Fines Receivable, Net	201,674	-	201,674
Property Taxes Receivable	492,217	-	492,217
Due From Other Funds	262,528	190,339	452,867
Prepaid Expenses & Other Assets	3,091	1,146	4,237
Total Current Assets	17,113,224	8,075,316	25,188,540
Restricted Assets:			
Restricted Cash - Debt Service	175,923	-	175,923
Net OPEB Asset (RHIA)	58,786	4,431	63,217
Total Restricted Assets	234,709	4,431	239,140
Capital Assets Not Being Depreciated	3,669,727	1,449,878	5,119,605
Capital Assets, net of Accumulated Depreciation	32,810,947	79,178,452	111,989,399
Total Assets	**53,828,607**	**88,708,077**	**142,536,684**
DEFERRED OUTFLOW OF RESOURCES:			
Pension Related Deferrals	3,341,459	251,855	3,593,314
OPEB Related Deferrals - RHIA	26,379	1,988	28,367
Total Deferred Outflow of Resources	**3,367,838**	**253,843**	**3,621,681**
LIABILITIES:			
Current Liabilities:			
Accounts Payable	481,662	138,359	620,021
Payroll Liabilities	94,158	-	94,158
Interest Payable	211,680	754,483	966,163
Deposit Payable	1,635	230,590	232,225
Due To Other Funds	262,528	190,339	452,867
Compensated Absences, Current Portion	145,045	15,628	160,673
Long-Term Liabilities, Current Portion	2,674,682	1,630,452	4,305,125
Total Current Liabilities	3,871,390	2,959,851	6,831,232
Long-Term Liabilities:			
Long-Term Liabilities, Less Current Portion	28,102,832	27,584,275	55,687,116
Compensated Absences, Less Current Portion	435,134	46,884	482,018
Bond Premium, Net	1,574,702	264,660	1,839,362
Net Pension Liability	8,812,649	664,234	9,476,883
Net OPEB Obligation - CIS	721,920	54,413	776,333
Total Long-Term Liabilities	39,647,237	28,614,466	68,261,712
Total Liabilities	**43,518,627**	**31,574,317**	**75,092,944**
DEFERRED INFLOW OF RESOURCES:			
Deferred Earnings on Pension Assets	741,408	55,882	797,290
OPEB Related Deferrals - RHIA	16,193	1,221	17,414
Total Deferred Inflow of Resources	**757,601**	**57,103**	**814,704**
NET POSITION:			
Net Investment in Capital Assets	5,703,160	51,413,603	57,116,763
Restricted for:			
Debt Service	392,723	-	392,723
Capital Projects	5,283,288	-	5,283,288
Urban Renewal Projects	3,249,214	-	3,249,214
Unrestricted	(1,708,168)	5,916,897	4,208,729
Total Net Position	**$ 12,920,217**	**$ 57,330,500**	**$ 70,250,717**

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

CITY OF LEBANON

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2019

		Program Revenues			Net (Expense) Revenue and Change in Net Position
	(Expenses)	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
GOVERNMENTAL ACTIVITIES:					
General Government	$ 4,689,231	$ 822,595	$ 16,500	$ -	$ (3,850,136)
Public Safety	5,445,062	451,292	-	-	(4,993,770)
Public Works	776,254	319,516	-	-	(456,738)
Culture and Recreation	2,554,557	587,327	-	-	(1,967,230)
Community Planning & Development	1,622,675	58,102	-	1,924,810	360,237
Urban Renewal Projects	120,130	-	-	-	(120,130)
Interest Expense and Loan Fees	2,108,959	-	-	-	(2,108,959)
Total Governmental Activities	**17,316,869**	**2,238,832**	**16,500**	**1,924,810**	**(13,136,727)**
BUSINESS-TYPE ACTIVITIES:					
Water Utilities	3,105,254	5,439,599	-	1,282,174	3,616,519
Wastewater Utilities	3,733,787	5,738,451	-	501,100	2,505,764
Storm Drain Utilities	130,772	497,493	-	518,898	885,619
Total Business-type Activities	**6,969,813**	**11,675,543**	**-**	**2,302,172**	**7,007,902**
Total Primary Government	**$ 24,286,682**	**$ 13,914,375**	**$ 16,500**	**$ 4,226,982**	**$ (6,128,825)**

	Governmental Activities	Business-type Activities	Total
CHANGES IN NET POSITION:			
Net (expense) revenue	**$ (13,136,727)**	**$ 7,007,902**	**$ (6,128,825)**
General Revenues:			
Property Taxes	9,399,020	-	9,399,020
Intergovernmental Tax Turnovers	1,813,685	-	1,813,685
Franchise Taxes	2,208,440	-	2,208,440
Other Taxes and Assessments	159,189	-	159,189
Investment Earnings	488,904	171,561	660,465
Other Revenue	115,012	-	115,012
Subtotal - General Revenues	14,184,250	171,561	14,355,811
Special Item - Gain (Loss) on Disposition of Assets	115,998	-	115,998
Interfund Transfers	3,020,304	(2,083,372)	936,932
Total General Revenues, Special Items, and Transfers	17,320,552	(1,911,811)	15,408,741
Change in Net Position	4,183,825	5,096,091	9,279,916
Beginning Net Position - As Previously Reported	8,961,983	52,234,409	61,196,392
Long-Term Debt	(225,591)	-	(225,591)
Ending Net Position	**$ 12,920,217**	**$ 57,330,500**	**$ 70,250,717**

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

BASIC FINANCIAL STATEMENTS

Governmental Fund Financial Statements

CITY OF LEBANON

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019

	General Fund	SDC - Street Improvements Fund	Component Units: Northwest Lebanon Urban Renewal District	Component Units: Cheadle Lake Urban Renewal District	Component Units: North Gateway Urban Renewal District	Other Governmental Funds	Total Governmental Funds
ASSETS:							
Cash and Investments	$ 3,869,058	$ 2,219,826	$ 1,960,553	$ 357,554	$ 831,861	$ 5,247,463	$ 14,486,315
Restricted Cash - Debt Service	-	-	-	175,923	-	-	175,923
Accounts Receivable	260,529	698,225	1,044	-	-	707,601	1,667,399
Court Fines Receivable, Net	201,674	-	-	-	-	-	201,674
Property Taxes Receivable	255,824	-	98,626	19,844	40,659	77,264	492,217
Due From Other Funds	262,528	-	-	-	-	-	262,528
Due From Agency Funds	3,091	-	-	-	-	-	3,091
Total Assets	**$ 4,852,704**	**$ 2,918,051**	**$ 2,060,223**	**$ 553,321**	**$ 872,520**	**$ 6,032,328**	**$ 17,289,147**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:							
LIABILITIES:							
Accounts Payable	$ 124,718	$ 43,096	$ 2,114	$ 89,466	$ -	$ 222,268	$ 481,662
Payroll Liabilities	94,158	-	-	-	-	-	94,158
Deposit Payable	-	-	-	-	-	1,635	1,635
Due To Other Funds	-	-	-	-	-	262,528	262,528
Total Liabilities	**218,876**	**43,096**	**2,114**	**89,466**	**-**	**486,431**	**839,983**
DEFERRED INFLOWS OF RESOURCES:							
Unavailable Revenue - Property Taxes	234,056	-	89,970	18,115	37,185	-	379,326
Unavailable Revenue - Court Fines	201,674	-	-	-	-	70,621	272,295
Unavailable Revenue - Bike Path	-	-	-	-	-	1,533	1,533
Unavailable Revenue - Special Assessments	-	698,225	-	-	-	266,188	964,413
Total Deferred Inflows of Resources	**435,730**	**698,225**	**89,970**	**18,115**	**37,185**	**338,342**	**1,617,567**
FUND BALANCES:							
Restricted for:							
Debt Service	-	-	-	-	-	392,723	392,723
Capital Projects	-	2,176,730	-	-	-	3,106,558	5,283,288
Urban Renewal Projects	-	-	1,968,139	445,740	835,335	-	3,249,214
Committed for:							
Community Development Projects	-	-	-	-	-	1,117,846	1,117,846
Public Works						511,758	511,758
Parks and Recreation Programs						150,638	150,638
Unassigned	4,198,098	-	-	-	-	(71,968)	4,126,130
Total Fund Balances	**4,198,098**	**2,176,730**	**1,968,139**	**445,740**	**835,335**	**5,207,555**	**14,831,597**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 4,852,704**	**$ 2,918,051**	**$ 2,060,223**	**$ 553,321**	**$ 872,520**	**$ 6,032,328**	**$ 17,289,147**

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

CITY OF LEBANON

RECONCILIATION OF THE BALANCE SHEET -- GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2019

Total Fund Balances - Governmental Funds		$ 14,831,597
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 in the governmental funds.		
The cost of the assets is -	$ 99,872,082	
The accumulated depreciation is -	(63,391,408)	
Net Value of Assets		36,480,674
Certain receivables that will not be available to pay for current-period expenditures are deferred in the governmental funds:		
Property Taxes	379,326	
Court Fines	272,295	
Bike Path	1,533	
Special Assessments	964,413	
		1,617,567
Net OPEB and pension assets/liabilities reported in governmental activities are not financial resources and therefore are not reported in the governmental funds.		58,786
Deferred inflows and outflows of pension and OPEB contributions and earnings are not reported in the governmental funds		
Pension and OPEB Related Deferrals		2,610,237
Interest Payable is not recorded in the governmental funds:		(211,680)
Accrued Compensated Absences are not recorded in the governmental funds:		(580,179)
Long-term liabilities, including notes payable and net pension and OPEB liabilities, are not due and payable in the current period and therefore are not reported in the governmental funds.		(41,886,785)
Net Position of Governmental Activities		**$12,920,217**

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

CITY OF LEBANON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2019

			Component Units				
	General Fund	SDC - Street Improvements Fund	Northwest Lebanon Urban Renewal District	Cheadle Lake Urban Renewal District	North Gateway Urban Renewal District	Other Governmental Funds	Total Governmental Funds
REVENUES:							
Property Taxes	$5,286,611	$ -	$1,763,992	$409,865	$837,871	$ 1,587,413	$ 9,885,752
Intergovernmental	580,315	-	-	-	-	1,233,370	1,813,685
Franchise Taxes	2,208,440	-	-	-	-	-	2,208,440
Marijuana Taxes	159,189	-	-	-	-	-	159,189
Transient Room Taxes	-	-	-	-	-	334,774	334,774
Fees and Charges	309,714	271,165	-	-	-	648,875	1,229,754
Fines and Forfeitures	385,395	-	-	-	-	-	385,395
Investment Earnings	208,903	55,897	55,981	14,980	20,752	132,391	488,904
Grants and Contributions	16,500	-	-	-	-	1,924,810	1,941,310
Miscellaneous Revenue	93,731	-	-	-	-	21,281	115,012
Total Revenues	**9,248,798**	**327,062**	**1,819,973**	**424,845**	**858,623**	**5,882,914**	**18,562,215**
EXPENDITURES:							
Current Operating:							
General Government	2,153,306	-	-	-	-	1,074,961	3,228,267
Public Safety	5,406,093	-	-	-	-	12,302	5,418,395
Highways and Streets	-	-	-	-	-	697,426	697,426
Culture and Recreation	1,445,459	-	-	-	-	634,464	2,079,923
Community Planning	1,421,224	-	13,548	-	-	29,422	1,464,194
Debt Service	124,809	-	620,096	351,846	400,000	3,499,058	4,995,809
Capital Outlay	61,940	-	-	491,512	-	2,865,387	3,418,839
Total Expenditures	**10,612,831**	**-**	**633,644**	**843,358**	**400,000**	**8,813,020**	**21,302,853**
Excess (Deficiency) of Revenues Over Expenditures	(1,364,033)	327,062	1,186,329	(418,513)	458,623	(2,930,106)	(2,740,638)
OTHER FINANCING SOURCES (USES):							
Interfund Transfers In	2,879,926	27,544	-	-	-	3,752,999	6,660,469
Interfund Transfers Out	(844,545)	(408,452)	(1,030,253)	(127,052)	(185,086)	(1,044,777)	(3,640,165)
Proceeds from Sale of Assets	-	-	-	-	-	115,998	115,998
Total Other Financing Sources (Uses)	**2,035,381**	**(380,908)**	**(1,030,253)**	**(127,052)**	**(185,086)**	**2,824,220**	**3,136,302**
Net Change in Fund Balances	671,348	(53,846)	156,076	(545,565)	273,537	(105,886)	395,664
Beginning Fund Balances	3,526,750	2,230,576	1,812,063	991,305	561,798	5,313,441	14,435,933
ENDING FUND BALANCES	**$4,198,098**	**$ 2,176,730**	**$1,968,139**	**$445,740**	**$835,335**	**$ 5,207,555**	**$ 14,831,597**

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

CITY OF LEBANON

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

For the Fiscal Year Ended June 30, 2019

Net Changes in Fund Balances - Total Governmental Funds		$ 395,664
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Expenditures for capitalized assets	$ 3,298,709	
Less current year depreciation	(1,406,770)	
		1,891,939
Some revenues will not be collected for several months after the City's fiscal year end and are therefore not considered "available" revenues in the governmental funds, instead these funds are shown as deferred revenue. However, these funds are recorded as revenue in the Statement of Activities.		
The changes in amounts deferred are as follows:		
Property Taxes	(486,732)	
Court Fines	65,897	
Special Assessments	223,012	
		(197,823)
Additions to certain liabilities are reported as an expense in the Statement of Activities.		
Compensated Absences	5,408	
Interest Payable	(75,976)	
Amortization of Debt Premium	179,421	
		108,853
Repayment of long-term debt principal amounts are expenditures in the governmental funds, but the repayment reduces long-term debt liabilities in the Statement of Net Position.		
Retirement of debt principal		2,783,405
Adjustment for pension costs on accrued basis		(798,213)
Change in Net Position of Governmental Activities		**$ 4,183,825**

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

BASIC FINANCIAL STATEMENTS

Proprietary Fund Financial Statements

CITY OF LEBANON

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019

	Enterprise Funds			Total
	Water Funds	Waste Water Funds	Storm Drain Funds	Proprietary Funds
ASSETS:				
Current Assets:				
Cash and Investments	$ 1,542,898	$ 4,541,843	$ 226,831	$ 6,311,572
Accounts Receivable	666,071	844,081	62,107	1,572,259
Due From Other Funds	190,339	-	-	190,339
Prepaid Expenses & Other Assets	1,146	-	-	1,146
Total Current Assets	2,400,454	5,385,924	288,938	8,075,316
Restricted Assets:				
Net OPEB Asset (RHIA)	3,154	1,277	-	4,431
Total Restricted Assets	3,154	1,277	-	4,431
Capital Assets:				
Capital Assets Not Being Depreciated	784,236	665,642	-	1,449,878
Capital Assets, net of Accumulated Depreciation	46,152,397	31,331,656	1,694,399	79,178,452
Total Capital Assets	46,936,633	31,997,298	1,694,399	80,628,330
Total Assets	**49,340,241**	**37,384,499**	**1,983,337**	**88,708,077**
DEFERRED OUTFLOW OF RESOURCES:				
Pension Related Deferrals - Outflows	179,259	72,596	-	251,855
OPEB Related Deferrals - RHIA	1,415	573	-	1,988
Total Deferred Outflow of Resources	**180,674**	**73,169**	**-**	**253,843**
LIABILITIES:				
Current Liabilities:				
Accounts Payable	63,122	72,552	2,685	138,359
Interest Payable	698,098	56,385	-	754,483
Deposit Payable	230,590	-	-	230,590
Compensated Absences, Current Portion	8,820	6,808	-	15,628
Long-Term Liabilities, Current Portion	494,577	1,135,875	-	1,630,452
Total Current Liabilities	1,685,546	1,271,620	2,685	2,959,851
Long-Term Liabilities:				
Long-Term Liabilities, Less Current Portion	23,170,423	4,413,852	-	27,584,275
Compensated Absences, Less Current Portion	26,460	20,424	-	46,884
Bond Premium, Net	-	264,660	-	264,660
Net Pension Liability	472,771	191,463	-	664,234
Net OPEB Obligation - CIS	38,729	15,684	-	54,413
Total Long-Term Liabilities	23,708,383	4,906,083	-	28,614,466
Total Liabilities	**25,393,929**	**6,177,703**	**2,685**	**31,574,317**
DEFERRED INFLOW OF RESOURCES:				
Pension Related Deferrals	39,774	16,108	-	55,882
OPEB Related Deferrals - RHIA	869	352	-	1,221
Total Deferred Inflow of Resources	**40,643**	**16,460**	**-**	**57,103**
NET POSITION:				
Net Investment in Capital Assets	23,271,633	26,447,571	1,694,399	51,413,603
Unrestricted	814,710	4,815,934	286,253	5,916,897
Total Net Position	**$ 24,086,343**	**$ 31,263,505**	**$ 1,980,652**	**$ 57,330,500**

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

CITY OF LEBANON

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2019

	Enterprise Funds			Total Proprietary Funds
	Water Fund	WasteWater Fund	Storm Drain Fund	
OPERATING REVENUES:				
Fees and Charges	$ 5,325,659	$ 5,734,462	$ 497,493	$ 11,557,614
Miscellaneous Revenue	113,940	3,989	-	117,929
Total Operating Revenues	**5,439,599**	**5,738,451**	**497,493**	**11,675,543**
OPERATING EXPENSES:				
Personnel Services	585,877	213,421	-	799,298
Materials and Supplies	1,409,048	2,295,632	125,013	3,829,693
Depreciation	378,652	995,367	5,759	1,379,778
Total Operating Expenses	**2,373,577**	**3,504,420**	**130,772**	**6,008,769**
Operating Income (Loss)	3,066,022	2,234,031	366,721	5,666,774
NON-OPERATING REVENUES (EXPENSES):				
Investment Earnings	78,144	87,169	6,248	171,561
Interest and Fees	(731,677)	(229,367)	-	(961,044)
Total Non-Operating Revenues (Expenses)	**(653,533)**	**(142,198)**	**6,248**	**(789,483)**
Income Before Other Revenues, Expenses, and Transfers	2,412,489	2,091,833	372,969	4,877,291
CAPITAL CONTRIBUTIONS AND TRANFERS:				
Capital Contributions	1,282,174	501,100	518,898	2,302,172
Interfund Transfers In	1,634,395	751,956	400,000	2,786,351
Interfund Transfers Out	(2,802,218)	(1,765,071)	(302,434)	(4,869,723)
Total Capital Contributions and Transfers	**114,351**	**(512,015)**	**616,464**	**218,800**
Changes in Net Position	2,526,840	1,579,818	989,433	5,096,091
Beginning Net Position - As Restated	21,559,503	29,683,687	991,219	52,234,409
Ending Net Position	**$24,086,343**	**$31,263,505**	**$1,980,652**	**$57,330,500**

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

CITY OF LEBANON

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Fiscal Year Ended June 30, 2019

	Enterprise Funds			Total
	Water Fund	WasteWater Fund	Storm Drain Fund	Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash Received from User Charges	$ 5,411,480	$ 5,725,286	$ 493,926	$ 11,630,692
Cash Payments for Employee Services	(590,189)	(192,416)	-	(782,605)
Cash Payments to Suppliers & Service Providers	(1,494,502)	(2,363,226)	(144,843)	(4,002,571)
Net Cash Provided (Used) by Operating Activities	3,326,789	3,169,644	349,083	6,845,516
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Deposits & Non-Operating Payables	6,350	-	-	6,350
Transfer from Other Funds	1,634,395	751,956	400,000	2,786,351
Transfer to Other Funds	(2,802,218)	(1,765,071)	(302,434)	(4,869,723)
Net Cash Provided (Used) by Non-capital Financing Activities	(1,161,473)	(1,013,115)	97,566	(2,077,022)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from Long-Term Debt	5,399,705	-	-	5,399,705
Proceeds from Capital Contributions	1,282,174	501,100	518,898	2,302,172
Acquisition of Capital Assets	(13,052,093)	(844,043)	(1,313,779)	(15,209,915)
Principal Paid on Long Term Debt	(215,000)	(1,099,560)	-	(1,314,560)
Interest Paid on Long Term Debt	(33,578)	(248,242)	-	(281,820)
Net Cash Provided (Used) by Capital and Related Financing Activities	(6,618,792)	(1,690,745)	(794,881)	(9,104,418)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment Income	78,144	87,169	6,248	171,561
Net Cash Provided (Used) by Investing Activities	78,144	87,169	6,248	171,561
Cash and Cash Equivalents at July 1, 2018	5,918,230	3,988,890	568,815	10,475,935
Cash and Cash Equivalents at June 30, 2019	**$ 1,542,898**	**$ 4,541,843**	**$ 226,831**	**$ 6,311,572**
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:				
Income (loss) from operations	$ 3,066,022	$ 2,234,031	$ 366,721	$ 5,666,774
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:				
Depreciation	378,652	995,367	5,759	1,379,778
Change in assets and liabilities:				
Decrease (increase) in accounts receivable	(28,119)	(13,165)	(3,567)	(44,851)
Decrease (increase) in prepaid assets	-	1,146	-	1,146
Increase (decrease) in payables	(85,454)	(68,740)	(19,830)	(174,024)
Increase (decrease) in payroll liabilities	10,781	17,213	-	27,994
Increase (decrease) in pension and OPEB related accounts	(15,093)	3,792	-	(11,301)
Net cash provided (used) by operating activities	$ 3,326,789	$ 3,169,644	$ 349,083	$ 6,845,516

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

BASIC FINANCIAL STATEMENTS

Fiduciary Fund

CITY OF LEBANON

STATEMENT OF NET POSITION
FIDUCIARY FUND (AGENCY FUND)
June 30, 2019

	Agency Fund
	Bail Fund
ASSETS:	
Current Assets	
Accounts Receivable	$ 4,627
Total Assets	**$ 4,627**
LIABILITIES:	
Current Liabilities	
Bail Payable	1,536
Due to Other Funds	3,091
Total Liabilities	**$ 4,627**

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

BASIC FINANCIAL STATEMENTS

Notes to the Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

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

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

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

A. Reporting Entity

In determining the financial reporting entity, the City of Lebanon complies with Governmental Accounting Standards Board Statement 14 as amended, "The Financial Reporting Entity." The criteria for including organizations as component units within the City's reporting entity, include whether 1) the organization is legally separate (can sue and be sued in their own name); 2) the City holds the corporate powers of the organization; 3) the City appoints a voting majority of the organization's board; 4) the City is able to impose its will on the organization; 5) the organization has the potential to impose a financial benefit/burden on the City; and 6) there is fiscal dependency by the organization on the City. Based on the aforementioned criteria, the City of Lebanon has three component units: Northwest Urban Renewal District, Cheadle Lake Urban Renewal District and North Gateway Urban Renewal District.

Blended Component Units – Northwest Urban Renewal District, Cheadle Lake Urban Renewal District, North Gateway Urban Renewal District - The City has included the financial operations of each Urban Renewal District as a blended component unit in the basic financial statements. Each Agency is a legally separate entity, which is governed by a board comprised of the members of the City Council as stipulated in the Agency's bylaws. The City Council has the ability to impose its will on the Agency as determined on the basis of budget adoption, taxing authority, and funding for the Agency. The Agency is reported as a special revenue fund and a debt service fund. Each component unit issues separate financial statements, which can be obtained from the Finance Department of the City.

B. Basis of Presentation

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

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT):

B. Basis of Presentation (Cont.)

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

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

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

SDC – Street Improvements Fund – This fund is used to account is used to account for the revenues and expenditures associated with the purchase, construction, and major repair of street improvements. The primary sources of revenue are system development charges and interest.

Northwest Lebanon Urban Renewal District – In 1989, the City established the Northwest Urban Renewal District. The purpose of the District is to provide for the development of infrastructure to serve industrially zoned property within the District boundaries. The area is located west of Highway 20 and north of Highway 34. The primary source of revenue is property taxes.

Cheadle Lake Urban Renewal District – In 2000, the City established the Cheadle Lake Urban Renewal District. The purpose of the District is to provide for development of infrastructure to serve a blighted area of Lebanon generally located north of Cheadle Lake. The primary source of revenue is property taxes.

North Gateway Urban Renewal District – The North Gateway Urban Renewal District was approved in September 2008. The District was established to serve the area where a new medical campus was to be developed. The primary source of revenue is property taxes.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

B. Basis of Presentation (Cont.)

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. Measurement Focus/Basis of Accounting

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

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

C. Measurement Focus/Basis of Accounting (Cont.)

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

D. Budgeting

A budget is prepared for each city fund in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon local budget law. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personnel services, materials and services, capital outlay, contingencies, and debt service by fund are the levels of control. The detail budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories. Appropriations lapse at June 30. Unexpected additional resources may be added to the budget by a supplemental budget and appropriations resolution. A supplemental budget may require hearings before the public, publications in newspapers, and approval by the city council. Original and supplemental budgets may be modified by using appropriations transfers between the levels of control. Such transfers require approval by the city council. The city does not utilize encumbrance accounting for budgeted funds.

E. Cash and Investments

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

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

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

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

In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

F. Accumulated Compensated Absences

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

G. Receivables

Amounts due from individuals, organizations or other governmental units are recorded as receivables at year-end. These amounts include charges for services rendered, or for goods and material provided by the City. All receivables are expected to be collected. Accordingly, receivables are reported at the gross amount without an allowance for uncollectible accounts.

Receivables are also recognized for property taxes and intergovernmental grants. Property taxes receivable consist of uncollected taxes levied and payable at the end of the fiscal year. All taxes are considered collectible. Consequently, no allowance for uncollectible taxes has been established. In the governmental fund financial statements, property taxes not collected within sixty days of the end of the fiscal year are reported as a deferred inflow or resources. (See note 1.H.)

H. Deferred Inflows/Outflows of Resources:

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

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

I. Inventory

The costs of proprietary fund type inventories are recorded as expenditures when consumed rather than when purchased.

J. Restricted Assets and Liabilities

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

K. Long-Term Debt

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

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

L. Capital Assets

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

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

The estimated useful lives are as follows:

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

M. Use of Estimates

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

N. Equity Classifications:

Government-wide Statements and Proprietary Fund Financial Statements
Equity is classified as net position, which represents the difference between assets and liabilities, and deferred accounts. Net position is displayed in three components:

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

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

Governmental Fund Financial Statements

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

- Nonspendable: This classification includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. The City did not have any nonspendable resources as of June 30, 2019.

- Restricted: This classification includes fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The City has restricted funds for public works projects, capital projects and debt service.

- Committed: This classification includes fund balance amounts that are constrained for specific purpose that are internally imposed by the government through resolution of the highest level of decision-making authority, the City Council, and does not lapse at year-end. The City has committed resources as of June 30, 2019.

- Assigned: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to selected staff members or through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

- Unassigned: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories, and negative fund balances of other governmental funds.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

O. Property Taxes

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

P. Inter-Fund Transactions

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

Q. Pensions

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

R. Other Post-Employment Benefits (OPEB)

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

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

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

CASH AND INVESTMENTS:

For discussion of deposit and investment policies and other related information, see Note 1.E.

The City follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Various restrictions on deposits and investments are imposed by state statutes. These restrictions are summarized at Note 1.E.

Investments, including amounts held in pool cash and investments are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Fair value is determined at the quoted market prices, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value.

Deposits - All cash is deposited in compliance with Oregon statutes. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. FDIC insurance of $250,000 applies to the deposits in each depository. ORS 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Oregon Public Funds Collateralization Program (PFCP). Where balances continually exceed $250,000, ORS 295 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the state treasurer's website.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits exists when, in the event of a depository failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk.

As of June 30, 2019, the reported amount of the City's deposits was $3,484,471 and the bank balance was $4,209,542 and $1,700 is in petty cash. Of the bank balance, the entire amount was insured by the FDIC or covered by the collateral held in a multiple financial institutions collateral pool administered by the Oregon State Treasurer. The restricted for debt service balance reported on the Statement of Net Position is $175,923.

Investments - Oregon statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, banker's acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Governmental Investment Pool. The City has no credit risk policy or investment policy that would further limit its investment choices.

> Credit Risk - Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. The City's policy, which adheres to state law, is to limit its investments to the following: issuers within Oregon must be rated "A" (bonds) or A-2/P-2 (commercial paper) or better by Standard & Poor's or Moody's Investors Service or any other national recognized statistical rating organization. Issuers not in Oregon must be rated AA/Aa (bonds) or A-1/P-1 (commercial paper) or better.

CASH AND INVESTMENTS (Cont.):

At June 30, 2019, the City's investments were rated as follows:

Credit Quality Rating	Federal Agency Obligations	Municipal Bonds	Corporate Bonds	LGIP/Banks	Total
Unrated	$ 547,743	$ 234,377	$ 799,149	$ 17,444,297	$ 19,025,566
Moody Aaa	249,489	-	-	-	249,489
Moody Aa2	249,446	-	1,149,473	-	1,398,919
Moody Aa3	-	-	299,836	-	299,836
Total Investments	$ 1,046,678	$ 234,377	$ 2,248,458	$ 17,444,297	$ 20,973,810

At June 30, 2019, the City's investments in financial institutions are as follows:

Investment Type	Amount	% of Total Portfolio	Max per Policy	Balance
Bank Deposits	$ 17,442,597	83.02%	$ 20,798,391	$ 3,531,213
Agency	1,046,678	5.03%	20,798,391	19,751,713
Certificate of Dep	-	0.00%	20,798,391	20,798,391
Corporate Bond	2,248,458	10.81%	4,159,678	1,911,220
Commercial Pape	-	0.00%	1,039,920	1,039,920
Municipal Bond	234,377	1.13%	2,079,839	1,845,462
Petty Cash	1,700	0.01%	-	-
	$ 20,973,810	100.00%		

Interest Rate Risk – In accordance with its investments policy, the City manages its exposure to declines in fair value of its investments by limiting investment maturity. All the investments above, except for the investment in the Local Government Investment Pool which is not evidenced by securities, are held in an independent third-party safekeeping institution in the City of Lebanon's name.

CASH AND INVESTMENTS (Cont.):

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

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

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

Level 1 – Unadjusted quoted prices for identical instruments in active markets.
Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.
Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

As of June 30, 2019, the City's investments in U.S. Treasury Securities are classified as Level 1 and investments in Corporate Indebtedness, Municipal Bonds, and U.S. Agency Securities are classified as Level 2. The Local Government Investment Pool is not in the leveling hierarchy.

Maturity of Investments:	Amount	Percent of Total Portfolio
1 to 30 Days	$ 17,944,058	85.55%
30 to 120 Days	2,345,678	11.18%
120 to 180 Days	249,848	1.19%
180 to 365 Days	434,226	2.07%
1 Yr to 2 Yr	-	0.00%
Over 2 Year	-	0.00%
TOTAL	$ 20,973,810	100.00%

CAPITAL ASSETS:

The following is a summary of capital asset activity for the fiscal year ended June 30, 2019:

Governmental Activities	June 30, 2018	Additions	Deletions	June 30, 2019
Assets not being depreciated:				
Land	$ 2,661,539	$ 28,164	$ -	$ 2,689,703
Construction In Progress	374,984	1,952,471	1,347,431	980,024
Assets being depreciated:				
Buildings	18,751,568	227,490	-	18,979,058
Vehicles	2,307,915	239,408	-	2,547,323
Machinery & Equipment	4,431,568	113,395	-	4,544,963
Improvements	60,136	108,567	-	168,703
Infrastructure	67,985,663	1,976,645	-	69,962,308
Total Depreciable Assets	93,536,850	2,665,505	-	96,202,355
Less: Accumulated Depreciation				
Buildings	4,983,437	384,569	-	5,368,006
Vehicles	2,091,829	71,998	-	2,163,827
Machinery & Equipment	3,275,593	163,923	-	3,439,516
Improvements	-	491	-	491
Infrastructure	51,633,779	785,789	-	52,419,568
Total Accumulated Depreciation	61,984,638	1,406,770	-	63,391,408
Net Value of Capital Assets Being Depreciated	31,552,212	1,258,735	-	32,810,947
Total Governmental Activities--Net Value of Capital Assets	$ 34,588,735	$ 3,239,370	$ -	$ 36,480,674

CAPITAL ASSETS (Cont.):

Business-type Activities	Restated June 30, 2018	Additions	Deletions	June 30, 2019
Assets not being depreciated:				
Land	$ 1,278,827	$ -	$ -	$ 1,278,827
Construction In Progress	26,637,423	9,191,559	35,657,931	171,051
Assets being depreciated:				
Buildings	8,267,076	-	-	8,267,076
Vehicles	1,087,881	80,227	-	1,168,108
Machinery & Equipment	11,807,678	357,655	-	12,165,333
Infrastructure	8,757,710	36,581,412	-	45,339,122
Water/Sewer Assets	34,018,203	1,226,234	-	35,244,437
Total Depreciable Assets	63,938,548	38,245,528	-	102,184,076
Less: Accumulated Depreciation				
Buildings	4,520,081	118,305	-	4,638,386
Vehicles	973,227	11,025	-	984,252
Machinery & Equipment	4,284,880	260,664	-	4,545,544
Infrastructure	487,860	175,411	-	663,271
Water/Sewer Assets	11,359,798	814,373	-	12,174,171
Total Accumulated Depreciation	21,625,846	1,379,778	-	23,005,624
Net Value of Capital Assets Being Depreciated	42,312,702	36,865,750	-	79,178,452
Total Business-type Activities--Net Value of Capital Assets	$ 70,228,952	$ 46,057,309	$ 35,657,931	$ 80,628,330
Total Net Value of Capital Assets of Primary Government	$ 104,817,687	$ 49,296,679	$ 35,657,931	$ 117,109,004

Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities:		Business-Type Activities:	
General Government	$ 1,406,770	Water	$ 378,652
		Sewer	995,367
		Storm Drain	5,759
Total depreciation expense	$ 1,406,770		$ 1,379,778

LONG-TERM DEBT:

In the following paragraphs, long-term debt information is presented separately with respect to governmental and business-type activities. The table below presents current year changes in those obligations and the current portions due for each issue.

GOVERNMENTAL ACTIVITIES:

NW URD - November 2, 2010, the City issued General Obligation Bonds for the Northwest URD. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is $3,310,000 with an Interest rate between 2.0% and 3.5%. #LebanonUR10.

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

June 13, 2007, the City issued General Obligation Bonds, Series 2007. The bonds are held by Bank New York Mellon. The original balance of the bonds is $8,640,000 and carry an annual interest rate between 4.0% and 5.0%. #LEBGO2007.

July 31, 2013 the City issued Full Faith and Credit and Refunding Obligations Bonds. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is $15,235,000 with an interest rate between 2.0% and 4.0%. The amounts for these bonds are divide by the City for Northwest URD, Water and Wastewater. The amount allocated for this portion of the bonds is $11,855,000. #LebanonFFC2013.

October 13, 2015 the City issued General Obligation Refunding Bonds, Series 2015 with Key Bank/ Zion Bank. The original balance of the bonds is $12,800,000 and carry an annual interest rate between 1.65% and 5.0%. #Lebanon GO Ref. Bonds, Series 2015.

NW URD - May 13,2005, the City entered into a loan agreement with Business Oregon (IFA) for the Northwest Urban Renewal District. The original balance of the loan is $3,699,984 with an interest rate between 4.0 - 4.375%. On April 10, 2018, a reduction of the loan amount set forth in the agreement occurred in exchange for a higher nominal interest rate, less certain issuance costs. This was done through Oregon Bond Bank Revenue Bonds, 2018. # B05003.

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

May 29, 2009, the City entered into a Promissory Note agreement with Bank of New York Mellon. The original balance of the note is $1,779,833 with an annual interest rate between 3.0% and 5.25%. On April 10, 2018, a reduction of the loan amount set forth in the agreement occurred in exchange for a higher nominal interest rate, less certain issuance costs. This was done through Oregon Bond Bank Revenue Bonds, 2018. Special Public Works Fund Loan #B07002.

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

LONG-TERM DEBT (Cont.):

TOTAL GOVERNMENTAL ACTIVITIES DEBT AGREEMENTS:

	Outstanding Balance July 1, 2018	New Issues	Principal Paid	Interest Paid	Outstanding Balance June 30, 2019	Due Within One Year
Bonds Payable:						
NW URD Loan with IFA #B050003	$ 2,271,343	$ -	141,311	$ 83,275	$ 2,130,032	$ 122,163
NW URD General Obligation Bond Lebanon UR10	750,000	-	370,000	25,510	380,000	380,000
2002 Pension Obligation Bonds with Wells Fargo	1,479,882	-	33,224	178,902	1,446,658	51,649
General Obligation Bonds #LEBGO2007	375,000	-	375,000	15,000	-	-
Full Faith and Credit Bond 2013 #LebanonFFC2013	9,720,000	-	480,000	379,450	9,240,000	505,000
General Obligation Refunding Bonds, Series 2015 #LebanonGOB, Series 2015	11,960,000	-	655,000	456,324	11,305,000	1,095,000
Total Bonds	$ 26,556,225	$ -	$ 2,054,535	$ 1,138,461	$ 24,501,690	$ 2,153,812
Notes from Direct Borrowings						
N Gateway URD Note Payable with Samaritan Health	1,710,969	-	326,956	73,044	1,384,013	142,581
Promissary Note with Bank of New York Mellon #B07002	1,060,952	-	88,381	38,677	972,571	78,950
Cheadle Lake URD Loan with Opus Bank	4,007,182	-	236,439	115,407	3,770,743	243,248
Total Notes from Direct Borrowings	$ 6,779,103	$ -	$ 651,776	$ 227,128	$ 6,127,327	$ 464,779
Leases Payable						
Police Lease 2798	85,000	-	26,310	6,377	58,690	28,284
Police Lease 2799	115,666	-	25,859	8,675	89,807	27,798
Police Lease 2743	24,925	-	24,925	1,932	-	-
Total Leases	225,591	-	77,094	16,984	148,497	56,082
Total Debt Agreements	**$ 33,560,919**	**$ -**	**$ 2,783,405**	**$1,382,573**	**$30,777,514**	**$ 2,674,673**

BUSINESS-TYPE ACTIVITIES:

July 31, 2013 the City issued Full Faith and Credit and Refunding Obligations Bonds. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is $15,235,000 with an interest rate between 2.0% and 4.0%. The amounts for these bonds are divide by the City for Northwest URD, Water and Wastewater. The amount allocated for this portion of the bonds is $1,168,000. #LebanonFFC2013 (Water).

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

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

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

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

October 16, 2015, the City entered into a loan agreement with IFA Business Oregon for financing of the Special Public Works Fund Development Project. The original balance of the loan is $11,000,000 with an interest rate of 3.51%. The loan is currently in drawdown, so, no amortization schedule is available. The city made an interest payment of $117,779 during the 2018-19 fiscal year. # L16003.

LONG-TERM DEBT (Cont.):

October 16, 2015, the City entered into a loan agreement for financing of the Safe Drinking Water Revolving Loan Fund. The loan is held by IFA Business Oregon. The original balance of the note is $13,000,000 and carries an interest rate of 1.0%. The loan is currently in drawdown, so, there is no amortization schedule available. #S16004.

TOTAL BUSINESS-TYPE ACTIVITIES;

	Outstanding Balance July 1, 2018	New Issues	Principal Paid	Interest Paid	Outstanding Balance June 30, 2019	Due Within One Year
Bonds Payable:						
Full Faith and Credit Bond 2013 # LebanonFFC2013 (Water)	895,000	-	215,000	33,450	680,000	220,000
Full Faith and Credit Bond 2013 #LebanonFFC2013 (WasteWater)	520,000	-	255,000	20,800	265,000	265,000
Full Faith and Credit Bond 2015 #LebanonFFC2015 (WasteWater)	1,485,000	-	355,000	46,900	1,130,000	365,000
Revenue Bonds held by Bank of New York Mellon/ Zion Bank #LEBANONWW10	4,075,000	-	445,000	161,450	3,630,000	460,000
Total Bonds	$ 6,975,000	$ -	$ 1,270,000	$ 262,600	$ 5,705,000	$ 1,310,000
Notes from Direct Borrowings						
Note Payable to Department of Environmental Quality #R56200	569,287	-	44,560	19,092	524,727	45,875
Loan with Business Oregon (IFA) #L16003	9,910,759	1,089,241	-	-	11,000,000	-
Loan with Business Oregon (IFA) #S16004	11,105,295	879,705	-	-	11,985,000	274,577
Total Notes from Direct Borrowings	$ 21,585,341	$ 1,968,946	$ 44,560	$ 19,092	$ 23,509,727	$ 320,452
Total Debt Agreements	**$ 28,560,341**	**$ 1,968,946**	**$ 1,314,560**	**$ 281,692**	**$ 29,214,727**	**$ 1,630,452**

TOTAL DEBT AGREEMENTS:

	Outstanding Balance July 1, 2018	New Issues	Principal Paid	Interest Paid	Outstanding Balance June 30, 2019	Due Within One Year
Total Governmental Activities	$ 33,560,919	$ -	$ 2,783,405	$ 1,382,573	$ 30,777,514	$ 2,674,673
Total Business-Type Activities	28,560,341	1,968,946	1,314,560	281,692	29,214,727	1,630,452
TOTAL DEBT AGREEMENTS:	**$ 62,121,260**	**$ 1,968,946**	**$ 4,097,965**	**$ 1,664,265**	**$ 59,992,241**	**$ 4,305,125**

LONG-TERM DEBT (Cont.):

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

Governmental Activities:

General Obligation and Limited Tax Bonds:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2020	$ 2,153,812	$ 1,090,376	$ 3,244,188
2021	2,358,077	958,831	3,316,908
2022	2,504,047	882,621	3,386,668
2023	2,665,069	786,489	3,451,558
2024	2,856,134	670,201	3,526,335
2025 - 2029	11,348,748	1,420,815	12,769,563
2030 - 2034	615,794	61,389	677,183
Total	$ 24,501,681	$ 5,870,722	$ 30,372,403

Notes Notes from Direct Borrowings:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2020	$ 464,779	$ 222,042	$ 686,821
2021	472,413	205,801	678,214
2022	485,203	188,672	673,875
2023	498,376	171,053	669,429
2024	506,800	152,938	659,738
2025 - 2029	2,702,219	469,352	3,171,571
2030 - 2034	997,537	58,002	1,055,539
Total	$ 6,127,327	$ 1,467,861	$ 7,595,188

Leases Payable:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2020	$ 56,082	$ 11,139	$ 67,221
2021	60,290	6,932	67,222
2022	32,125	2,409	34,534
Total	$ 148,497	$ 20,480	$ 168,977

Business-Type Activities:

General Obligation and Limited Tax Bonds:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2020	$ 1,310,000	$ 217,875	$ 1,527,875
2021	835,000	168,200	1,003,200
2022	870,000	134,013	1,004,013
2023	255,000	104,850	359,850
2024	265,000	94,013	359,013
2025 - 2029	1,490,000	300,813	1,790,813
2030 - 2034	680,000	38,438	718,438
Total	$ 5,705,000	$ 1,058,200	$ 6,763,200

Notes Notes from Direct Borrowings:

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2020	$ 320,452	$ 896,743	$ 1,217,195
2021	685,283	531,678	1,216,961
2022	712,793	503,928	1,216,721
2023	728,662	487,813	1,216,475
2024	744,992	471,230	1,216,222
2025 - 2029	3,987,095	2,089,928	6,077,023
2030 - 2034	4,148,185	1,620,658	5,768,843
2035 - 2039	4,660,975	1,107,868	5,768,843
2040 - 2044	5,256,958	512,221	5,769,179
2045 - 2049	2,264,332	68,304	2,332,636
Total	$ 23,509,727	$ 8,290,371	$ 31,800,098

PENSION PLAN:

Name of Pension Plan

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

Description of Benefit Terms

Plan Benefits

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

1. Tier One/Tier Two Retirement Benefit (Chapter 238). Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003.

Pension Benefits

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

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

Death Benefits

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

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

Disability Benefits

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

PENSION PLAN:

Name of Pension Plan

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

Description of Benefit Terms

Plan Benefits

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

1. Tier One/Tier Two Retirement Benefit (Chapter 238). Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003.

Pension Benefits

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

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

Death Benefits

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

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

Disability Benefits

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

PENSION PLAN (Cont.):

Benefit Changes After Retirement

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

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

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

Pension Benefits

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

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

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

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

Death Benefits

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

Disability Benefits

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

Benefit Changes After Retirement

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

3. IAP Plan Description:

OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits

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

PENSION PLAN (Cont.):

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 the Other Postemployment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivisions have made lump sum payments to establish side accounts, and their rates have been reduced.

Employer contributions for the year ended June 30, 2019 were $832,862 excluding amounts to fund employer specific liabilities.

Pension Plan CAFR

Oregon PERS produces an independently audited CAFR which can be found at:
http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx

Actuarial Valuations

The employer contribution rates effective July 1, 2019, through June 30, 2019, were set using the projected unit credit actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. For the OPSRP Pension Program component of the 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 new unfunded actuarial accrued liabilities being amortized over 16 years.

PENSION PLAN (Cont.):

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2016
Measurement Date	June 30, 2018
Experience Study	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.50 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

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 2016 Experience Study which reviewed experience for the four-year period ending on July 26, 2016.

Discount Rate

The discount rate used to measure the total pension liability was 7.20 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.

PENSION PLAN (Cont.):

Depletion Date Projection

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

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

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

Assumed Asset Allocation

Asset Class/Strategy	OIC Policy Range	OIC Target Allocation	Asset Class/Strategy	Actual Allocation
Cash	0.0% - 3.0%	0.0%	Cash	5.2%
Debt Securities	15.0% - 25.0%	20.0%	Debt Securities	18.9%
Public Equity	32.5% - 42.5%	37.5%	Public Equity	36.7%
Real estate	9.5% - 15.5%	12.5%	Real estate	10.1%
Private Equity	13.5% - 21.5%	17.5%	Private Equity	19.7%
Alternative Equity	0.0% - 12.5%	12.5%	Alternative Equity	7.3%
Opportunity Portfolio	0.0% - 3.0%	0.0%	Opportunity Portfolio	2.1%
Total		100%	Total	100%

PENSION PLAN (Cont.):

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 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. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below.

Asset Class	Target Allocation*	Annual Arithmetic Mean	Compound Annual (Geometric) Return	Annual Standard Deviation
Core Fixed Income	8.00%	3.59%	3.49%	4.55%
Short-Term Bonds	8.00%	3.42%	3.38%	2.70%
Bank/Leveraged Loans	3.00%	5.34%	5.09%	7.50%
High Yield Bonds	1.00%	6.90%	6.45%	10.00%
Large/Mid Cap US Equities	15.75%	7.45%	6.30%	16.25%
Small Cap US Equities	1.31%	8.49%	6.69%	20.55%
Micro Cap US Equities	1.31%	9.01%	6.80%	22.90%
Developed Foreign Equities	13.13%	8.21%	6.71%	18.70%
Emerging Foreign Equities	4.13%	10.53%	7.45%	27.35%
Non-US Small Cap Equities	1.88%	8.67%	7.01%	19.75%
Private Equity	17.50%	11.45%	7.82%	30.00%
Real Estate (Property)	10.00%	6.15%	5.51%	12.00%
Real Estate (REITS)	2.50%	8.26%	6.37%	21.00%
Hedge Fund of Funds - Diversified	2.50%	4.36%	4.09%	7.80%
Hedge Fund - Event-driven	0.63%	6.21%	5.86%	8.90%
Timber	1.88%	6.37%	5.62%	13.00%
Farmland	1.88%	6.90%	6.15%	13.00%
Infrastructure	3.75%	7.54%	6.60%	14.65%
Commodities	1.88%	5.43%	3.84%	18.95%
Assumed Inflation - Mean			**2.50%**	**1.85%**

* Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, revised as of June 7, 2017.

PENSION PLAN (Cont.):

Sensitivity Analysis

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Employer's proportionate share of the net pension liability	$ 15,837,661	$ 9,476,883	$ 4,226,580

Changes in Assumptions

A summary of key changes implemented since the December 31, 2016 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2016 Experience Study for the System, which was published on July 26, 2016 and can be found at:

https://www.oregon.gov/pers/Documents/2016-Exp-Study.pdf

Changes in Actuarial Methods and Allocation Procedures

There were no changes to actuarial methods and procedures since the December 31, 2016 valuation.

Changes in Economic Assumptions

There were no changes to economic assumptions since the December 31, 2016 valuation.

Changes in Demographic Assumptions

There were no changes to demographic assumptions since the December 31, 2016 valuation.

Changes in Benefit Terms and Assumptions

Benefit Terms: The Oregon Supreme Court decision in Moro v. State of Oregon, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

Assumptions: The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability. The changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated.

PENSION PLAN (Cont.):

Mortality Rates

A summary of the current assumed mortality rates and recommended changes is shown below:

Assumption	December 31, 2015 Valuation	Recommended December 31, 2016 and 2017 Valuations
Healthy Annuitant Mortality	**RP-2000 Generational with Scale BB, Combined Active/Healthy Annuitant, Sex Distinct**	**RP-2014 Healthy Annuitant, Sex Distinct, Generational Projection Unisex Social Security Data Scale**
School District male	No collar, set back 24 months	White collar, set back 12 months
Other General Service male (and male beneficiary)	Blended 25% blue collar/75% white collar, set back 12 months	Blended 50% blue collar/50% white collar, set back 12 months
Police & Fire male	Blended 25% blue collar/75% white collar, set back 12 months	Blended 50% blue collar/50% white collar, set back 12 months
School District female	No collar, set back 24 months	White collar, set back 12 months
Other female (and female beneficiary)	Blended 25% blue collar/75% white collar, no set back	Blended 50% blue collar/50% white collar, no set back
Disabled Retiree Mortality	**RP-2000 Generational with Scale BB, Disabled, No Collar, Sex distinct**	**RP-2014 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**
Male	70% of Disabled table, but not less than corresponding healthy annuitant rates	No collar adjustment, no set back
Female	95% of Disabled table, but not less than corresponding healthy annuitant rates	No collar adjustment, no set back
Non-Annuitant Mortality	**Fixed Percentage of Healthy Annuitant Mortality**	**RP-2014 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale**
School District male	60%	Same collar and set back as Healthy Annuitant assumption
Other General Service male	75%	Same collar and set back as Healthy Annuitant assumption
Police & Fire male	75%	Same collar and set back as Healthy Annuitant assumption
School District female	55%	Same collar and set back as Healthy Annuitant assumption
Other female	60%	Same collar and set back as Healthy Annuitant assumption

PENSION PLAN (Cont.):

Changes Subsequent to the Measurement Date

There were no changes subsequent to the measurement date that we are aware of.

Deferred Items

Deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. For the measurement period ending June 30, 2018, employers will report the following deferred items:

- A difference between expected and actual experience, which is being amortized over 5.4 years, the remaining service lives of all plan participants, including retirees. One year of this amortization is included in the employer's total pension expense for the measurement period.
- Changes is employer proportion since the prior measurement date, which is being amortized over 5.4 years, the remaining service lives of all plan participants, including retirees. One year of this amortization is included in the employer's total pension expense for the measurement period.
- A Net difference between projected and actual earnings which is being amortized over a closed five-year period. One year's amortization is being recognized in the employer's total pension expense for the measurement period.

Employer Contributions

PERS includes accrued contributions when due pursuant to legal requirements, as of June 30 in its Statement of Changes in Fiduciary Net Position. These are normally included in the employer statements cut off as of the fifth of the following month. PERS does not try to accrue contributions based on pay date.

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

Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 74, of the June 30, 2018 PERS CAFR.

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

At June 30, 2019, the employer reported a liability of $9,476,883 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

PENSION PLAN (Cont.):

At June 30, 2018, the employer's proportion was 0.06255912%.

For the year ended June 30, 2019, the employer recognized pension expense of $1,733,594. At June 30, 2019, the employer 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	$ 322,375	$ -
Changes of assumptions	2,203,357	-
Net difference between projected and actual earnings on investements	-	420,827
Changes in proportionate share	212,675	253,519
Differences between employer contributions and employer's proportionate share of system contributions	22,045	122,944
Total Deferred Outflows/Inflows	$ 2,760,452	$ 797,290
Post-measurement date contributions	832,862	N/A
Total Deferred Outflow/(Inflow) of Resources	$ 3,593,314	$ 797,290
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		$ 1,963,162

$2,760,452 is reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	$ 1,917,955
2nd Fiscal Year	763,003
3rd Fiscal Year	(78,683)
4th Fiscal Year	136,525
5th Fiscal Year	57,225
Thereafter	-
Total	$ 2,796,024

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:

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

Plan Description

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

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

A comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling (503) 598-7377, or by accessing the PERS web site at http://oregon.gov/PERS/.

Funding Policy

Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB, currently 0.50% of annual covered PERS payroll and 0.43% for OPSRP payroll. The OPERB sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

Contributions

The District's contributions to PERS' RHIA for the years ended June 30, 2019, 2018, and 2017 were $27,106, $27,422, and $28,211 respectively which equaled the required contributions for the year.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost Sharing Multiple Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2018. That independently audited report was dated April 11, 2018 and can be found at:

http://www.oregon.gov/pers/EMP/Documents/GASB/2018/GASB_75_06.30.2017.pdf

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

Actuarial Methods and Assumptions - OPEB Plans - RHIA	
Valuation Date	December 31, 2016
Measurement Date	June 30, 2018
Experience Study	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent
Retiree healthcare participation	Healthy retirees: 38%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Sex-distinct, generational per Scale BB, disabled mortality table.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long term expected rate of return assumption, in July 2015 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. Milliman's assumptions for each of the asset classes in which the plan was invested at that time are based on the OIC long term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major class, calculated using both arithmetic and geometric means, see Pension Plan note disclosure above or the PERS' audited financial statements at:

http://www.oregon.gov/pers/docs/financial_reports/2017_cafr.pdf

Sensitivity Analysis

The following presents the employer's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.20 percent, as well as what the employer's proportionate share of the OPEB liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Employer's proportionate share of the net OPEB liability	$ (36,808)	$ (63,217)	$ (85,697)

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

At June 30, 2019, the District reported a net OPEB liability/(asset) of $(63,217) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2018, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2015. Consistent with GASB Statement No. 75, paragraph 59(a), The District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2018, the District's proportion was 0.05663266%. OPEB expense/(income) for the year ended June 30, 2019 was $(5,301).

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:

At June 30, 2019, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 3,583
Changes of assumptions	-	201
Net difference between projected and actual earnings on	-	13,630
Changes in proportionate share	1,261	-
Differences between employer contributions and employer's proportionate share of system contributions	-	-
Total Deferred Outflows/Inflows	$ 1,261	$ 17,414
Post-measurement date contributions	27,106	N/A
Total Deferred Outflow/(Inflow) of Resources	$ 28,367	$ 17,414
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		$ (16,153)

$17,414 was reported as deferred inflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	$ (5,104)
2nd Fiscal Year	(5,200)
3rd Fiscal Year	(4,493)
4th Fiscal Year	(1,356)
5th Fiscal Year	-
Thereafter	-
Total	$ (16,153)

Changes Subsequent to the Measurement Date

At its July 28, 2017 meeting, the PERS Board lowered the assumed rate to 7.2 percent. For member transactions, this rate will take effect January 1, 2018. The current assumed rate is 7.5 percent and has been in effect for member transactions since January 1, 2016.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) MODA:

Retiree Healthcare Insurance Premiums Subsidy

Plan Description

The City operates a single employer retiree benefit plan through the Moda Insurance Services that provides post-employment health, dental vision and life insurance benefits to eligible employees and their spouses. The City is required by Oregon Revised Statutes 243.303 to provide retirees and their dependents with group health insurance form the date of retirement to age 65 at the same rate provided to current employees. Premiums for retirees are tiered and based upon the premium rates available to active employees. The retiree is responsible for the premiums. The implicit employer subsidy is measured as the expected health care cost per retiree and dependent, less the gross premiums charged by the insurance carrier for that coverage. The subsidy is only measured for retirees and spouses younger than age 65, at which point such retirees and spouses typically become eligible for Medicare. GASB Statement 75 is applicable to the City due only to this implicit rate subsidy. This "plan" is not a stand-alone plan, and therefore, does not issue its own financial statements.

Funding Policy

When the City has retirees participating in their health insurance plan, it will, when applicable, collect insurance premiums from all retirees each month and deposit them. The City will then pay healthcare insurance premiums for all retirees at the applicable rate for each family classification.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) MODA (Cont.):

Actuarial Methods and Assumptions - The City performed an evaluation as of June 30, 2019 using entry age normal Actuarial Cost Method. The total OPEB liability was determined using the Alternative Measurement Method by an actuarial valuation tool as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date:

Assumptions	User Defined Values are in Bold
Age Adjustment Factor:	0.01854706
Average Retirement Age:	**63**
Employer Future Premium Contribution	**Remain at the current $ level over time**
Actuarial cost method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll
Assets backing OPEB Liability:	**$0**
Plan Asset Return:	**0.00%**
Bond Yield:	**2.98%**
Discount Rate	2.98%
Measurement date:	June 30, 2018
Prior Measurement date:	June 30, 2018
Prior Year Discount Rate:	3.13%
Projected Salary increases:	**2.10%**
Amortization Period:	20
Percentage Participation:	100.00%
NOL and ADC:	Calculated using the Alternative Measurement Method in accordance with GASB methodology
Healthy Mortality	RP-2000 mortality table for males and females, projected 18 years; this assumption does not include a margin for future improvements in longevity.
Turnover Assumption:	Derived from data maintained by the US Office of Personnel Management regarding the most recent experience of the emplloyee group covered by the Federal Employees Retirement System.

a

Discount Rate

Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The assumptions in this report reflect the Bond Buyer 20-Year General Obligation Bond Index.

Health Care Cost Trend

The cost trend numbers used in the analysis were developed consistent with the Getzen model promulgated by the Society of Actuaries for use in long term trend projection. The ACA excise tax will ultimately affect all plans. Due to the viability of the ACA excise tax by plan, the user needs to estimate the impact and adjust the trend. The excise tax could raise the average actual trend rate by 0.5% or more in each year.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) MODA (Cont.):

Sensitivity Analysis

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

	1% Decrease 1.79%	Discount Rate 2.79%	1% Increase 3.79%
Total OPEB liability from Implicit Rate Subsidy	$ 857,078	$ 776,333	$ 706,915

Trend Rate	1% Decrease	Trend Rate	1% Increase
Total OPEB liability from Implicit Rate Subsidy	$ 685,734	$ 776,333	$ 883,856

Participation

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

Census Summary	# Subscribers	General Service	Total
Subscribers by Status			
Active	49	6	55
Retired	5	0	5
Terminated	0	0	0
Total	54	6	60
Spouses of Eligible Retirees	33	0	33

Components of OPEB Expense

OPEB Expense	July 1, 2018 to June 30, 2019
Service cost	$ 42,377
Interest on total OPEB liability	24,705
Effect of plan changes	-
Recognition of Deferred (Inflows)/Outflows of Resources	
Recognition of economic/demographic (gains) or losses	(91,379)
Recognition of assumption changes	13,989
Administrative Expense	n/a*
OPEB Expense	$ (10,308)

CONTINGENT LIABILITIES:

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

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

RISK MANAGEMENT:

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

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

COMMITTMENT:

The City has entered into an agreement with Samaritan Health Services under which the City will repay amounts invested by Samaritan Health Services to improve or add infrastructure within the North Gateway Urban Renewal District. The total costs allowed to be repaid under the agreement are $5,105,900. Improvements must be in place no later than 2029. Amounts invested by Samaritan Health Services are added to an existing loan agreement as described in the Long-Term Debt Note. As of June 30, 2019, $1,384,013 had been invested under the agreement.

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS:

Interfund transfers for the year ended June 30, 2019 were as follows:

	Transfers Out	Transfers In
General Fund #100	$ 844,545	$ 2,879,926
G.O. Full Faith & Credit Bond Fund #314	-	401,900
2013 Full Faith & Credit Bond Fund #317	-	1,383,700
Pension Bond Series 2002 Fund #320	-	211,356
Motel Tax Fund #510	107,000	-
Building Inspection Fund #527	238,865	-
Park Enterprise Fund #533	50,000	-
GIS Fund #540	120,791	148,305
Info System Service Fund #542	38,466	753,671
Custodial & Maint Services Fund #545	12,624	230,625
Eng Development Review Fund #555	63,831	-
Street Maintenance Fund #558	371,940	56,953
Dial-A-Bus Fund #569	20,854	-
State Hwy Signal Maint Fund #815	11,953	-
Equipment Acquisition & Replacement Fund #820	-	481,717
SDC - Parks Improvements Fund #862	8,453	84,772
SDC - Street Improvements Fund #882	408,452	27,544
Northwest Urban Renewal District Fund #925	1,030,253	-
Cheadle Lake Urban Renewal District Fund #935	127,052	-
North Gateway Urban Renewal District Fund #940	185,086	-
Water Utility Fund	1,412,288	4,467
Storm Drain Utility Fund	293,981	400,000
Wastewater Utility Fund	1,756,618	63,474
SDC - Drainage Improvements Fund	8,453	-
SDC - Wastewater Improvements Fund	8,453	-
SDC - Water Improvements Fund	8,452	-
Total	$ 7,128,410	$ 7,128,410

These transfers occur on a routine basis and are used by the recipient funds for the normal operations of the funds.

OVER-EXPENDITURE OF APPROPRIATIONS:

Expenditures in excess of appropriation in individual funds for the year ended June 30, 2019 occurred as follows:

Fund / Category	Appropriation	Expenditure	Variance
Police Trust Fund	5,066	8,022	2,956
Bail Fund	128,536	129,086	550

PROPERTY TAX ABATEMENTS:

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

For the fiscal year ended June 30, 2019, information regarding the property tax abatements from the program is as follows:

Government Entity	Purpose	Assessed Value of Excluded Properties	Rate per Thousand Dollars of Assessed Value	Reduced Property Taxes
City of Lebanon	Enterprise Zone	$ 36,779,343	4.3959	$ 161,678
City of Lebanon Bond	Enterprise Zone	36,779,343	1.3056	48,019
Northwest Lebanon Urban Renewal District	Enterprise Zone	36,779,343	1.4322	52,675
Cheadle Lake Urban Renewal District	Enterprise Zone	36,779,343	0.3392	12,476
North Gateway Urban Renewal District	Enterprise Zone	$ 36,779,343	0.7058	$ 25,959
Total Tax Abatements				$ 300,807

SUBSEQUENT EVENTS

As of January 20, 2020, there were no occurrences noted whose disclosure would render the current fiscal year's financial statements to be misleading.

DEFICIT FUND BALANCE:

The following funds ended the year with a negative fund balance:

Fund	Fund Balance
Parks Grant Fund	$ (71,968)
SDC - Water Improvement Fund	(205,209)

RESTATEMENT OF BEGINNING FUND BALANCES:

The beginning fund balances as of July 1, 2018, were restated to reflect a correction to the Water Fund and the Sewer for non-current liabilities that were incorrectly included in prior years fund balances. Those liabilities were correctly included for the full accrual fund financial statements, and the government-wide statements but were incorrectly included in the modified accrual basis of accounting budgetary statements. The restatement amounts are as follows:

	Water Fund	Sewer Fund
Fund Balances, Beginning of the Year, at July 1, 2018 (as previously reported)	$ 4,955,601	$ 2,117,376
Restatement for (decrease)/increase for:		
Noncurrent Liabilities	24,501	286,402
Fund Balances, Beginning of the Year, at July 1, 2018 (as restated)	$ 4,980,102	$ 2,403,778

RESTATEMENT OF BEGINNING NET POSITION:

The beginning net position as of July 1, 2018, were restated to reflect a correction to Governmental Activities for long-term liabilities that were not reported in the prior year. The restatement amount is as follows:

	Governmental Activities
Net Position, Beginning of the Year, at July 1, 2018 (as previously reported)	$ 8,961,983
Restatement for (decrease)/increase for:	
Long-Term Liabilities	(225,591)
Net Position, Beginning of the Year, at July 1, 2018 (as restated)	$ 8,736,392

INTERFUND BALANCE:

Interfund balances at June 30, 2019 consisted of the following individual fund receivables and payables:

	Due From Other Funds	Due To Other Funds
General Fund	$ 265,619	-
Parks Grant Fund	-	$ 258,948
Dial-a-Bus Fund		3,580
Bail Fund		3,091
Total	$ 265,619	$ 265,619

REQUIRED

SUPPLEMENTARY

INFORMATION

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

GENERAL FUND

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Property Taxes	$ 4,990,556	$ 4,990,556	$ 5,286,611	$ 296,055
Intergovernmental	553,175	553,175	580,315	27,140
Franchise Taxes	2,162,750	2,162,750	2,208,440	45,690
Marijuana Taxes	-	-	159,189	159,189
Fees and Charges	249,338	249,338	309,714	60,376
Fines and Forfeitures	346,500	346,500	385,395	38,895
Investment Earnings	118,004	118,004	208,903	90,899
Grants and Contributions	-	-	16,500	16,500
Miscellaneous Revenue	148,000	148,000	93,731	(54,269)
Total Revenues	**8,568,323**	**8,568,323**	**9,248,798**	**680,475**
EXPENDITURES:				
Current:				
Administration & Economic Dev.	414,166	414,166	398,894	(15,272)
Human Resources	165,733	170,733	160,982	(9,751)
City Attorney	186,050	186,050	179,026	(7,024)
Community Development and Planning	410,918	410,918	376,776	(34,142)
Public Works	1,129,316	1,129,316	1,045,651	(83,665)
Parks	716,735	716,735	669,195	(47,540)
Finance	646,377	641,377	603,519	(37,858)
Legislative	258,269	258,269	252,108	(6,161)
Library	627,293	627,293	541,964	(85,329)
Municipal Court	305,233	305,233	282,707	(22,526)
Police	5,633,110	5,676,244	5,209,123	(467,121)
Senior and Disabled Services	279,729	279,729	261,300	(18,429)
Materials and Services	603,185	603,185	558,777	(44,408)
Debt Service	127,059	127,059	124,809	(2,250)
Contingency	1,705,807	1,662,673	-	(1,662,673)
Total Expenditures	**13,208,980**	**13,208,980**	**10,664,831**	**(2,544,149)**
Excess (Deficiency) of Revenues Over Expenditures	(4,640,657)	(4,640,657)	(1,416,033)	3,224,624
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	2,886,426	2,886,426	2,879,926	(6,500)
Interfund Transfers Out	(792,545)	(792,545)	(792,545)	-
Total Other Financing Sources (Uses)	**2,093,881**	**2,093,881**	**2,087,381**	**(6,500)**
Net Change in Fund Balance	(2,546,776)	(2,546,776)	671,348	3,218,124
Beginning Fund Balance - As Previously Reported	2,546,776	2,546,776	3,526,750	979,974
Beginning Fund Balance - As Restated	2,546,776	2,546,776	3,526,750	979,974
ENDING FUND BALANCE	**$ -**	**$ -**	**$ 4,198,098**	**$ 4,198,098**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Street Improvements Fund #882 (A Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 190,000	$ 190,000	$ 271,165	$ 81,165
Investment Earnings	13,500	13,500	55,897	42,397
Total Revenues	**203,500**	**203,500**	**327,062**	**123,562**
EXPENDITURES:				
Current:				
Capital Outlay	2,600,000	2,600,000	-	(2,600,000)
Contingency	144,293	144,293	-	(144,293)
Total Expenditures	**2,744,293**	**2,744,293**	**-**	**(2,744,293)**
Excess (Deficiency) of Revenues Over Expenditures	(2,540,793)	(2,540,793)	327,062	2,867,855
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	27,544	27,544	27,544	-
Interfund Transfers Out	(408,452)	(408,452)	(408,452)	-
Total Other Financing Sources (Uses)	**(380,908)**	**(380,908)**	**(380,908)**	**-**
Net Change in Fund Balance	(2,921,701)	(2,921,701)	(53,846)	2,867,855
Beginning Fund Balance - As Previously Reported	2,921,701	2,921,701	2,230,576	(691,125)
Beginning Fund Balance - As Restated	2,921,701	2,921,701	2,230,576	(691,125)
Ending Fund Balance	**$ -**	**$ -**	**$ 2,176,730**	**$ 2,176,730**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Northwest Urban Renewal District Fund #925

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Property Taxes	$ 1,595,000	$ 1,595,000	$ 1,763,992	$ 168,992
Investment Earnings	10,000	10,000	55,981	45,981
Total Revenues	**1,605,000**	**1,605,000**	**1,819,973**	**214,973**
EXPENDITURES:				
Current:				
Materials and Supplies	25,000	25,000	13,549	(11,451)
Debt Service	620,279	620,279	620,096	(183)
Contingency	1,590,108	1,590,108	-	(1,590,108)
Total Expenditures	**2,235,387**	**2,235,387**	**633,645**	**(1,601,742)**
Excess (Deficiency) of Revenues Over Expenditures	(630,387)	(630,387)	1,186,328	1,816,715
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(1,030,253)	(1,030,253)	(1,030,253)	-
Total Other Financing Sources (Uses)	**(1,030,253)**	**(1,030,253)**	**(1,030,253)**	**-**
Net Change in Fund Balance	(1,660,640)	(1,660,640)	156,075	1,816,715
Beginning Fund Balance - As Previously Reported	1,660,640	1,660,640	1,812,063	151,423
Beginning Fund Balance - As Restated	1,660,640	1,660,640	1,812,063	151,423
Ending Fund Balance	**$ -**	**$ -**	**$ 1,968,138**	**$ 1,968,138**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Cheadle Lake Urban Renewal District Fund #935

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Property Taxes	$ 365,000	$ 365,000	$ 409,865	$ 44,865
Investment Earnings	1,000	1,000	14,980	13,980
Total Revenues	**366,000**	**366,000**	**424,845**	**58,845**
EXPENDITURES:				
Current:				
Debt Service	350,846	351,846	351,846	-
Capital Outlay	615,000	615,000	491,512	(123,488)
Contingency	46,088	45,088	-	(45,088)
Total Expenditures	**1,011,934**	**1,011,934**	**843,358**	**(168,576)**
Excess (Deficiency) of Revenues Over Expenditures	(645,934)	(645,934)	(418,513)	227,421
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(127,052)	(127,052)	(127,052)	-
Total Other Financing Sources (Uses)	**(127,052)**	**(127,052)**	**(127,052)**	**-**
Net Change in Fund Balance	(772,986)	(772,986)	(545,565)	227,421
Beginning Fund Balance - As Previously Reported	772,986	772,986	991,305	218,319
Beginning Fund Balance - As Restated	772,986	772,986	991,305	218,319
Ending Fund Balance	**$ -**	**$ -**	**$ 445,740**	**$ 445,740**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

North Gateway Urban Renewal District Fund #940

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Property Taxes	$ 776,000	$ 776,000	$ 837,871	$ 61,871
Investment Earnings	1,000	1,000	20,752	19,752
Total Revenues	**777,000**	**777,000**	**858,623**	**81,623**
EXPENDITURES:				
Current:				
Debt Service	797,589	797,589	400,000	(397,589)
Contingency	271,357	271,357	-	(271,357)
Total Expenditures	**1,068,946**	**1,068,946**	**400,000**	**(668,946)**
Excess (Deficiency) of Revenues Over Expenditures	(291,946)	(291,946)	458,623	750,569
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(185,086)	(185,086)	(185,086)	-
Total Other Financing Sources (Uses)	**(185,086)**	**(185,086)**	**(185,086)**	**-**
Net Change in Fund Balance	(477,032)	(477,032)	273,537	750,569
Beginning Fund Balance - As Previously Reported	477,032	477,032	561,798	84,766
Beginning Fund Balance - As Restated	477,032	477,032	561,798	84,766
Ending Fund Balance	**$ -**	**$ -**	**$ 835,335**	**$ 835,335**

CITY OF LEBANON

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

PERS

Last 10 Fiscal Years*

	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.06255912%	0.06167821%	0.05938091%	0.06818513%	0.06443958%
Employer's proportionate share of the net pension liability (asset)	$ 9,476,883	$ 8,314,246	$ 8,914,453	$ 3,914,823	$ (1,460,660)
Employer's covered - employee payroll	$ 5,939,500	$ 5,900,267	$ 5,784,286	$ 4,915,422	$ 4,670,776
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	160%	141%	154%	80%	-31.3%
Plan fiduciary net position as a percentage of the total pension liability	82.1%	83.1%	80.5%	91.9%	103.6%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

CITY OF LEBANON

SCHEDULE OF EMPLOYER CONTRIBUTIONS

PERS

Last 10 Fiscal Years*

	2019	2018	2017	2016	2015
Contractually required contribution	$ 832,862	$ 823,096	$ 638,089	$ 595,431	$ 457,865
Contributions in relation to the contractually required contribution	832,862	823,096	638,089	595,431	457,865
Contribution deficiency (excess)	-	-	-	-	-
Employer's covered - employee payroll	$ 5,939,500	$ 5,900,267	$ 5,784,286	$ 5,420,641	$ 4,915,422
Contributions as a percentage of covered - employee payroll	14.02%	13.95%	11.0%	11.0%	9.3%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

CITY OF LEBANON

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

OPEB RHIA

Last 10 Fiscal Years*

	2019	2018	2017
Employer's proportion of the net OPEB liability (asset)	0.05663266%	0.06114702%	0.06114702%
Employer's proportionate share of the net OPEB liability (asset)	$ (63,217)	$ (25,519)	$ (25,519)
Employer's covered - employee payroll	$ 5,939,500	$ 5,900,267	$ 5,784,286
Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered - employee payroll	-1.06%	-0.43%	-0.44%
Plan fiduciary net position as a percentage of the total OPEB liability	108.9%	108.9%	94.2%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

CITY OF LEBANON

SCHEDULE OF EMPLOYER CONTRIBUTIONS

OPEB RHIA

Last 10 Fiscal Years

	2019	2018	2017	2016
Contractually required contribution	$ 27,106	$ 27,422	$ 28,211	$ 26,716
Contributions in relation to the contractually required contribution	27,106	27,422	28,211	26,716
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Employer's covered - employee payroll	$ 5,939,500	$ 5,900,267	$ 5,784,286	$ 5,420,641
Contributions as a percentage of covered - employee payroll	0.46%	0.46%	0.49%	0.49%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

OTHER SUPPLEMENTARY INFORMATION

Proprietary Funds

Water Funds

CITY OF LEBANON

COMBINING STATEMENT OF NET POSITION
WATER FUNDS
June 30, 2019

	Water Utility Fund	SDC - Water Improvements Fund	SDC - Water Reimbursements Fund	Totals
ASSETS:				
Current Assets:				
Cash and Investments	$ 1,525,351	$ -	$ 17,547	$ 1,542,898
Accounts Receivable	578,632	86,753	686	666,071
Due From Other Funds	190,339	-	-	190,339
Prepaid Expenses & Other Assets	1,146	-	-	1,146
Total Current Assets	2,295,468	86,753	18,233	2,400,454
Non-Current Assets:				
Net OPEB Asset (RHIA)	3,154	-	-	3,154
Total Non-Current Assets	3,154	-	-	3,154
Capital Assets:				
Land and Construction In Progress	784,236	-	-	784,236
Capital Assets, Net of Depreciation	46,152,397	-	-	46,152,397
Total Capital Assets	46,936,633	-	-	46,936,633
Total Assets	**49,235,255**	**86,753**	**18,233**	**49,340,241**
DEFERRED OUTFLOW OF RESOURCES:				
Pension Related Deferrals	179,259	-	-	179,259
OPEB Related Deferrals - RHIA	1,415	-	-	1,415
Total Deferred Outflows of Resources	**180,674**	**-**	**-**	**180,674**
LIABILITIES:				
Current Liabilities:				
Accounts Payable	48,167	14,870	85	63,122
Interest Payable	698,098	-	-	698,098
Deposit Payable	230,590	-	-	230,590
Compensated Absences, Current Portion	8,820	-	-	8,820
Due to Other Funds	-	190,339	-	190,339
Long-Term Liabilities, Current Portion	494,577	-	-	494,577
Total Current Liabilities	1,480,252	205,209	85	1,685,546
Long-Term Liabilities:				
Long-Term Liabilities, Less Current Portion	23,170,423	-	-	23,170,423
Compensated Absences, Less Current Portion	26,460	-	-	26,460
Net Pension Liability	472,771	-	-	472,771
Net OPEB Obligation - CIS	38,729	-	-	38,729
Total Long-Term Liabilities	23,708,383	-	-	23,708,383
Total Liabilities	**25,188,635**	**205,209**	**85**	**25,393,929**
DEFERRED INFLOW OF RESOURCES:				
Pension Related Deferrals	39,774	-	-	39,774
OPEB Related Deferrals - RHIA	869	-	-	869
Total Deferred Inflows of Resources	**40,643**	**-**	**-**	**40,643**
NET POSITION:				
Net Investment in Capital Assets	23,271,633	-	-	23,271,633
Unrestricted	915,018	(118,456)	18,148	814,710
Total Net Position	**$ 24,186,651**	**$ (118,456)**	**$ 18,148**	**$ 24,086,343**

CITY OF LEBANON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

WATER FUNDS

For the Fiscal Year Ended June 30, 2019

	Water Utility Fund	SDC - Water Improvements Fund	SDC - Water Reimbursements Fund	Totals
OPERATING REVENUES:				
Fees and Charges	$ 5,253,171	$ 72,071	$ 417	$ 5,325,659
Miscellaneous Revenue	113,940	-	-	113,940
Total Operating Revenues	**5,367,111**	**72,071**	**417**	**5,439,599**
OPERATING EXPENSES:				
Personnel Services	585,877	-	-	585,877
Materials and Supplies	1,409,048	-	-	1,409,048
Depreciation	378,652	-	-	378,652
Total Operating Expenditures	**2,373,577**	**-**	**-**	**2,373,577**
Operating Income (Loss)	2,993,534	72,071	417	3,066,022
NON-OPERATING REVENUES (EXPENSES):				
Investment Earnings	65,420	12,368	356	78,144
Interest and Fees	(731,677)	-	-	(731,677)
Total Non-Operating Revenues (Expenses)	**(666,257)**	**12,368**	**356**	**(653,533)**
Income Before Other Revenues, Expenses, and Transfers	2,327,277	84,439	773	2,412,489
CAPITAL CONTRIBUTIONS AND TRANFERS:				
Capital Contributions	1,282,174	-	-	1,282,174
Interfund Transfers In	1,634,395	-	-	1,634,395
Interfund Transfers Out	(1,412,288)	(1,389,930)	-	(2,802,218)
Total Capital Contributions and Transfers	**1,504,281**	**(1,389,930)**	**-**	**114,351**
Changes in Net Position	3,831,558	(1,305,491)	773	2,526,840
Beginning Net Position - As Restated	20,355,093	1,187,035	17,375	21,559,503
Ending Net Position	**$ 24,186,651**	**$ (118,456)**	**$ 18,148**	**$ 24,086,343**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Water Utility Fund

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 5,100,000	$ 5,100,000	$ 5,253,171	$ 153,171
Investment Earnings	20,000	20,000	65,420	45,420
Grants and Contributions	1,700,000	1,700,000	-	(1,700,000)
Miscellaneous Revenue	95,000	95,000	113,940	18,940
Total Revenues	**6,915,000**	**6,915,000**	**5,432,531**	**(1,482,469)**
EXPENDITURES:				
Current:				
Personnel Services	713,397	713,397	590,189	(123,208)
Materials and Supplies	1,568,687	1,568,687	1,384,640	(184,047)
Non-Departmental:				
Debt Service	(118,000)	-	-	-
Capital Outlay	8,156,500	8,038,500	7,997,091	(41,409)
Contingency	34,922	34,922	-	(34,922)
Total Expenditures	**10,355,506**	**10,355,506**	**9,971,920**	**(383,586)**
Excess (Deficiency) of Revenues Over Expenditures	(3,440,506)	(3,440,506)	(4,539,389)	(1,098,883)
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	4,467	4,467	4,467	-
Interfund Transfers Out	(1,412,288)	(1,412,288)	(1,412,288)	-
Loan Proceeds	1,250,000	1,250,000	1,015,001	(234,999)
Bond Proceeds	-	-	1,968,946	1,968,946
Total Other Financing Sources (Uses)	**(157,821)**	**(157,821)**	**1,576,126**	**1,733,947**
Net Change in Fund Balance	(3,598,327)	(3,598,327)	(2,963,263)	635,064
Beginning Fund Balance - As Restated	3,598,327	3,598,327	4,980,102	1,381,775
Ending Fund Balance	**$ -**	**$ -**	**$ 2,016,839**	**$ 2,016,839**

Reconciliation to generally accepted accounting principles basis

Change in fund balance from above	(2,963,263)
Change in Compensated Absences	(10,781)
Change in Accrued Interest	(698,098)
Change in Pension and OPEB Expense	15,093
Loan Proceeds reclassified as Debt	(1,968,946)
Capital contributed recognized as revenue	267,173
Equity transfer for capital asset recognition	1,381,478
Equity transfer for debt service payments recognized as revenue	248,450
Capital outlay and other expenditures that are capitalized	7,972,683
Interest and loan fees paid with equity transfer in	(33,579)
Depreciation Expense	(378,652)
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position	$ 3,831,558

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Water Improvements Fund

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 135,000	$ 135,000	$ 64,163	$ (70,837)
Investment Earnings	2,500	2,500	12,368	9,868
Total Revenues	**137,500**	**137,500**	**76,531**	**(60,969)**
EXPENDITURES:				
Current:				
Capital Outlay	1,390,000	1,390,000	1,381,478	(8,522)
Contingency	77,383	77,383	-	(77,383)
Total Expenditures	**1,467,383**	**1,467,383**	**1,381,478**	**(85,905)**
Excess (Deficiency) of Revenues Over Expenditures	(1,329,883)	(1,329,883)	(1,304,947)	24,936
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(8,452)	(8,452)	(8,452)	-
Total Other Financing Sources (Uses)	**(8,452)**	**(8,452)**	**(8,452)**	**-**
Net Change in Fund Balance	(1,338,335)	(1,338,335)	(1,313,399)	24,936
Beginning Fund Balance - As Previously Reported	1,338,335	1,338,335	1,108,190	(230,145)
Beginning Fund Balance - As Restated	1,338,335	1,338,335	1,108,190	(230,145)
Ending Fund Balance	**$ -**	**$ -**	**$ (205,209)**	**$ (205,209)**

Reconciliation to generally accepted accounting principles basis

Change in fund balance from above	(1,313,399)
Revenue recognition of deferred inflows	7,908
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position	$ (1,305,491)

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Water Reimbursements Fund

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 700	$ 700	$ 434	$ (266)
Investment Earnings	125	125	356	231
Total Revenues	**825**	**825**	**790**	**(35)**
EXPENDITURES:				
Current:				
Capital Outlay	36,000	36,000	-	(36,000)
Contingency	1,246	1,246	-	(1,246)
Total Expenditures	**37,246**	**37,246**	**-**	**(37,246)**
Over Expenditures	(36,421)	(36,421)	790	37,211
Net Change in Fund Balance	(36,421)	(36,421)	790	37,211
Beginning Fund Balance - As Previously Reported	36,421	36,421	16,673	(19,748)
Beginning Fund Balance - As Restated	36,421	36,421	16,673	(19,748)
Ending Fund Balance	**$ -**	**$ -**	**$ 17,463**	**$ 17,463**

Reconciliation to generally accepted accounting principles basis	
Change in fund balance from above	790
Revenue recognition of deferred inflows	(17)
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position	$ 773

OTHER SUPPLEMENTARY INFORMATION

Proprietary Funds

Wastewater Funds

CITY OF LEBANON

COMBINING STATEMENT OF NET POSITION
WASTEWATER FUNDS

June 30, 2019

	Wastewater Utility Fund	SDC - Wastewater Improvements Fund	SDC - Wastewater Reimbursements Fund	Totals
ASSETS:				
Current Assets:				
Cash and Investments	$ 2,225,954	$ 1,904,377	$ 411,512	$ 4,541,843
Accounts Receivable	696,452	125,579	22,050	844,081
Total Current Assets	2,922,406	2,029,956	433,562	5,385,924
Non-Current Assets:				
Net OPEB Asset (RHIA)	1,277	-	-	1,277
Total Non-Current Assets	1,277	-	-	1,277
Capital Assets:				
Land and Construction In Progress	665,642	-	-	665,642
Capital Assets, Net of Depreciation	31,331,656	-	-	31,331,656
Total Capital Assets	31,997,298	-	-	31,997,298
Total Assets	**34,920,981**	**2,029,956**	**433,562**	**37,384,499**
DEFERRED OUTFLOW OF RESOURCES:				
Pension Related Deferrals	72,596	-	-	72,596
OPEB Related Deferrals - RHIA	573	-	-	573
Total Deferred Outflows of Resources	**73,169**	**-**	**-**	**73,169**
LIABILITIES:				
Current Liabilities:				
Accounts Payable	51,490	17,911	3,151	72,552
Interest Payable	56,385	-	-	56,385
Compensated Absences, Current Portion	6,808	-	-	6,808
Long-Term Liabilities, Current Portion	1,135,875	-	-	1,135,875
Total Current Liabilities	1,250,558	17,911	3,151	1,271,620
Long-Term Liabilities:				
Long-Term Liabilities, Less Current Portion	4,413,852	-	-	4,413,852
Compensated Absences, Less Current Portion	20,424	-	-	20,424
Bond Premium, Net	264,660	-	-	264,660
Net Pension Liability	191,463	-	-	191,463
Net OPEB Obligation - CIS	15,684	-	-	15,684
Total Long-Term Liabilities	4,906,083	-	-	4,906,083
Total Liabilities	**6,156,641**	**17,911**	**3,151**	**6,177,703**
DEFERRED INFLOW OF RESOURCES:				
Pension Related Deferrals	16,108	-	-	16,108
OPEB Related Deferrals - RHIA	352	-	-	352
Total Deferred Inflows of Resources	**16,460**	**-**	**-**	**16,460**
NET POSITION:				
Net Investment in Capital Assets	26,447,571	-	-	26,447,571
Unrestricted	2,373,478	2,012,045	430,411	4,815,934
Total Net Position	**$ 28,821,049**	**$ 2,012,045**	**$ 430,411**	**$ 31,263,505**

CITY OF LEBANON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

WASTEWATER FUNDS

For the Fiscal Year Ended June 30, 2019

	Wastewater Utility Fund	SDC - Wastewater Improvements Fund	SDC - Wastewater Reimbursements Fund	Totals
OPERATING REVENUES:				
Fees and Charges	$ 5,600,524	$ 113,897	$ 20,041	$ 5,734,462
Miscellaneous Revenue	3,989	-	-	3,989
Total Operating Revenues	**5,604,513**	**113,897**	**20,041**	**5,738,451**
OPERATING EXPENSES:				
Personnel Services	213,421	-	-	213,421
Materials and Supplies	2,295,632	-	-	2,295,632
Depreciation	995,367	-	-	995,367
Total Operating Expenditures	**3,504,420**	**-**	**-**	**3,504,420**
Operating Income (Loss)	2,100,093	113,897	20,041	2,234,031
NON-OPERATING REVENUES (EXPENSES):				
Investment Earnings	39,548	39,205	8,416	87,169
Interest and Fees	(229,367)	-	-	(229,367)
Total Non-Operating Revenues (Expenses)	**(189,819)**	**39,205**	**8,416**	**(142,198)**
Income Before Other Revenues, Expenses, and Transfers	1,910,274	153,102	28,457	2,091,833
CAPITAL CONTRIBUTIONS AND TRANFERS:				
Capital Contributions	501,100	-	-	501,100
Interfund Transfers In	751,956	-	-	751,956
Interfund Transfers Out	(1,756,618)	(8,453)	-	(1,765,071)
Total Capital Contributions and Transfers	**(503,562)**	**(8,453)**	**-**	**(512,015)**
Changes in Net Position	1,406,712	144,649	28,457	1,579,818
Beginning Net Position - As Restated	27,414,337	1,867,396	401,954	29,683,687
Ending Net Position	**$ 28,821,049**	**$ 2,012,045**	**$ 430,411**	**$ 31,263,505**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Wastewater Utility Fund

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 5,190,000	$ 5,190,000	$ 5,597,954	$ 407,954
Investment Earnings	10,000	10,000	39,548	29,548
Miscellaneous Revenue	-	-	3,989	3,989
Total Revenues	**5,200,000**	**5,200,000**	**5,641,491**	**441,491**
EXPENDITURES:				
Current:				
Personnel Services	308,780	308,780	192,416	(116,364)
Materials and Supplies	2,186,165	2,186,165	2,175,015	(11,150)
Debt Service	670,102	670,102	670,102	-
Capital Outlay	1,956,500	1,956,500	446,245	(1,510,255)
Contingency	229,913	229,913	-	(229,913)
Total Expenditures	**5,351,460**	**5,351,460**	**3,483,778**	**(1,867,682)**
Excess (Deficiency) of Revenues Over Expenditures	(151,460)	(151,460)	2,157,713	2,309,173
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	63,474	63,474	63,474	-
Interfund Transfers Out	(1,756,618)	(1,756,618)	(1,756,618)	-
Total Other Financing Sources (Uses)	**(1,693,144)**	**(1,693,144)**	**(1,693,144)**	**-**
Net Change in Fund Balance	(1,844,604)	(1,844,604)	464,569	2,309,173
Beginning Fund Balance - As Restated	1,844,604	1,844,604	2,403,778	559,174
Ending Fund Balance	**$ -**	**$ -**	**$ 2,868,347**	**$ 2,868,347**

Reconciliation to generally accepted accounting principles basis

Change in fund balance from above	464,569
Change in Bond Amortization	11,028
Change in Compensated Absences	(17,213)
Change in Accrued Interest	7,847
Change in Pension and OPEB Expense	(3,792)
Debt Principal Payments	487,658
Capital contributed recognized as revenue	501,100
Equity transfer for capital asset recognition	10,782
Equity transfer for debt service payments	677,700
Revenue recognition of deferred inflows	2,570
Capital outlay expenditures that are capitalized	325,627
Interest and loan fees paid with equity transfer in	(65,798)
Depreciation Expense	(995,367)
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position	$ 1,406,711

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Wastewater Improvements Fund

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 165,000	$ 165,000	$ 102,558	$ (62,442)
Investment Earnings	4,500	4,500	39,205	34,705
Total Revenues	**169,500**	**169,500**	**141,763**	**(27,737)**
EXPENDITURES:				
Current:				
Capital Outlay	2,110,000	2,110,000	-	(2,110,000)
Contingency	79,047	79,047	-	(79,047)
Total Expenditures	**2,189,047**	**2,189,047**	**-**	**(2,189,047)**
Excess (Deficiency) of Revenues Over Expenditures	(2,019,547)	(2,019,547)	141,763	2,161,310
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(8,453)	(8,453)	(8,453)	-
Total Other Financing Sources (Uses)	**(8,453)**	**(8,453)**	**(8,453)**	**-**
Net Change in Fund Balance	(2,028,000)	(2,028,000)	133,310	2,161,310
Beginning Fund Balance - As Previously Reported	2,028,000	2,028,000	1,753,156	(274,844)
Beginning Fund Balance - As Restated	2,028,000	2,028,000	1,753,156	(274,844)
Ending Fund Balance	**$ -**	**$ -**	**$ 1,886,466**	**$ 1,886,466**

Reconciliation to generally accepted accounting principles basis

Changes in fund balance from above	133,310
Revenue recognition of deferred inflows	11,339
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position	$ 144,649

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Wastewater Reimbursements Fund

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 36,500	$ 36,500	$ 18,042	$ (18,458)
Investment Earnings	1,650	1,650	8,416	6,766
Total Revenues	**38,150**	**38,150**	**26,458**	**(11,692)**
EXPENDITURES:				
Current:				
Capital Outlay	380,000	380,000	-	(380,000)
Contingency	36,971	36,971	-	(36,971)
Total Expenditures	**416,971**	**416,971**	**-**	**(416,971)**
Net Change in Fund Balance	(378,821)	(378,821)	26,458	405,279
Beginning Fund Balance - As Restated	378,821	378,821	381,904	3,083
Ending Fund Balance	**$ -**	**$ -**	**$ 408,362**	**$ 408,362**

Reconciliation to generally accepted accounting principles basis	
Changes in fund balance from above	26,458
Revenue recognition of deferred inflows	1,999
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position	$ 28,457

OTHER SUPPLEMENTARY INFORMATION

Proprietary Funds

Storm Drain Funds

CITY OF LEBANON

COMBINING STATEMENT OF NET POSITION
STORM DRAINAGE FUNDS
June 30, 2019

	Storm Drain Utility Fund	SDC - Drainage Improvements Fund	SDC - Drainage Reimbursements Fund	Totals
ASSETS:				
Current Assets:				
Cash and Investments	$ 76,029	$ 133,821	$ 16,981	$ 226,831
Accounts Receivable	61,690	391	26	62,107
Total Current Assets	137,719	134,212	17,007	288,938
Capital Assets:				
Land and Construction In Progress	-	-	-	-
Capital Assets, Net of Depreciation	1,694,399	-	-	1,694,399
Total Capital Assets	1,694,399	-	-	1,694,399
Total Assets	**1,832,118**	**134,212**	**17,007**	**1,983,337**
LIABILITIES:				
Current Liabilities:				
Accounts Payable	2,685	-	-	2,685
Total Current Liabilities	2,685	-	-	2,685
Total Liabilities	**2,685**	**-**	**-**	**2,685**
NET POSITION:				
Net Investment in Capital Assets	1,694,399	-	-	1,694,399
Unrestricted	135,034	134,212	17,007	286,253
Total Net Position	**$ 1,829,433**	**$ 134,212**	**$ 17,007**	**$ 1,980,652**

CITY OF LEBANON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

STORM DRAINAGE FUNDS

For the Fiscal Year Ended June 30, 2019

	Storm Drain Utility Fund	SDC - Drainage Improvements Fund	SDC - Drainage Reimbursements Fund	Totals
OPERATING REVENUES:				
Fees and Charges	$ 484,517	$ 11,019	$ 1,957	$ 497,493
Total Operating Revenues	**484,517**	**11,019**	**1,957**	**497,493**
OPERATING EXPENSES:				
Materials and Supplies	125,013	-	-	125,013
Depreciation	5,759	-	-	5,759
Total Operating Expenditures	**130,772**	**-**	**-**	**130,772**
Operating Income (Loss)	353,745	11,019	1,957	366,721
NON-OPERATING REVENUES (EXPENSES):				
Investment Earnings	3,186	2,731	331	6,248
Total Non-Operating Revenues (Expenses)	**3,186**	**2,731**	**331**	**6,248**
Income Before Other Revenues, Expenses, and Transfers	356,931	13,750	2,288	372,969
CAPITAL CONTRIBUTIONS AND TRANFERS:				
Capital Contributions	518,898	-	-	518,898
Interfund Transfers In	400,000	-	-	400,000
Interfund Transfers Out	(293,981)	(8,453)	-	(302,434)
Total Capital Contributions and Transfers	**624,917**	**(8,453)**	**-**	**616,464**
Changes in Net Position	981,848	5,297	2,288	989,433
Beginning Net Position - As Restated	847,585	128,915	14,719	991,219
Ending Net Position	**$ 1,829,433**	**$ 134,212**	**$ 17,007**	**$ 1,980,652**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Storm Drain Utility Fund

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Fees and Charges	$ 465,000	$ 465,000	$ 484,517	$ 19,517
Investment Earnings	2,500	2,500	3,186	686
Total Revenues	**467,500**	**467,500**	**487,703**	**20,203**
EXPENDITURES:				
Current:				
Materials and Supplies	84,630	84,630	65,013	(19,617)
Capital Outlay	935,000	935,000	854,881	(80,119)
Contingency	23,224	23,224	-	(23,224)
Total Expenditures	**1,042,854**	**1,042,854**	**919,894**	**(122,960)**
Excess (Deficiency) of Revenues Over Expenditures	(575,354)	(575,354)	(432,191)	143,163
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	400,000	400,000	400,000	-
Interfund Transfers Out	(293,981)	(293,981)	(293,981)	-
Total Other Financing Sources (Uses)	**106,019**	**106,019**	**106,019**	**-**
Net Change in Fund Balance	(469,335)	(469,335)	(326,172)	143,163
Beginning Fund Balance - As Previously Reported	469,335	469,335	461,206	(8,129)
Beginning Fund Balance - As Restated	469,335	469,335	461,206	(8,129)
Ending Fund Balance	**$ -**	**$ -**	**$ 135,034**	**$ 135,034**

Reconciliation to generally accepted accounting principles basis

Ending fund balance from above	(326,172)
Capital outlay that is capitalized	1,313,779
Depreciation Expense	(5,759)
Ending Net Position as Reported in Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position	$ 981,848

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Drainage Improvements Fund

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 20,000	$ 20,000	$ 11,251	$ (8,749)
Investment Earnings	100	100	2,731	2,631
Total Revenues	**20,100**	**20,100**	**13,982**	**(6,118)**
EXPENDITURES:				
Current:				
Capital Outlay	175,000	175,000	-	(175,000)
Contingency	24,827	24,827	-	(24,827)
Total Expenditures	**199,827**	**199,827**	**-**	**(199,827)**
Excess (Deficiency) of Revenues Over Expenditures	(179,727)	(179,727)	13,982	193,709
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(8,453)	(8,453)	(8,453)	-
Total Other Financing Sources (Uses)	**(8,453)**	**(8,453)**	**(8,453)**	**-**
Net Change in Fund Balance	(188,180)	(188,180)	5,529	193,709
Beginning Fund Balance - As Previously Reported	188,180	188,180	128,292	(59,888)
Beginning Fund Balance - As Restated	188,180	188,180	128,292	(59,888)
Ending Fund Balance	**$ -**	**$ -**	**$ 133,821**	**$ 133,821**

Reconciliation to generally accepted accounting principles basis

Changes in fund balance from above	5,529
Revenue recognition of deferred inflows	(232)
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position	$ 5,297

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Drainage Reimbursements Fund

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 5,000	$ 5,000	$ 1,966	$ (3,034)
Investment Earnings	50	50	331	281
Total Revenues	**5,050**	**5,050**	**2,297**	**(2,753)**
EXPENDITURES:				
Current:				
Capital Outlay	8,000	8,000	-	(8,000)
Contingency	5,414	5,414	-	(5,414)
Total Expenditures	**13,414**	**13,414**	**-**	**(13,414)**
Over Expenditures	(8,364)	(8,364)	2,297	10,661
Net Change in Fund Balance	(8,364)	(8,364)	2,297	10,661
Beginning Fund Balance - As Previously Reported	8,364	8,364	14,683	6,319
Beginning Fund Balance - As Restated	8,364	8,364	14,683	6,319
Ending Fund Balance	**$ -**	**$ -**	**$ 16,980**	**$ 16,980**

Reconciliation to generally accepted accounting principles basis

Changes in fund balance from above	2,297
Revenue recognition of deferred inflows	(9)
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenses, and Changes in Net Position	$ 2,288

OTHER

SUPPLEMENTARY

INFORMATION

Non-Major Governmental Funds

CITY OF LEBANON

COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS -- BY FUND TYPE
June 30, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Non-Major Governmental Funds
ASSETS:				
Cash and Investments	$ 1,715,153	$ 386,080	$ 3,146,230	$ 5,247,463
Accounts Receivable	589,750	-	117,851	707,601
Property Taxes Receivable	-	77,264	-	77,264
Total Assets	**$ 2,304,903**	**$ 463,344**	**$ 3,264,081**	**$ 6,032,328**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:				
LIABILITIES:				
Accounts Payable	$ 183,633	$ -	$ 38,635	$ 222,268
Deposit Payable	-	-	1,635	1,635
Due to Other Funds	262,528	-	-	262,528
Total Liabilities	**446,161**	**-**	**40,270**	**486,431**
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Court Fines	-	70,621	-	70,621
Unavailable Revenue - Bike Path	1,533	-	-	1,533
Unavailable Revenue - Special Assessments	148,935	-	117,253	266,188
Total Deferred Inflows of Resources	**150,468**	**70,621**	**117,253**	**338,342**
FUND BALANCES:				
Restricted for:				
Debt Service	-	392,723	-	392,723
Capital Projects	-	-	3,106,558	3,106,558
Committed for:				
Community Development Projects	1,117,846	-	-	1,117,846
Public Works	511,758	-	-	511,758
Parks and Recreation Programs	150,638	-	-	150,638
Unassigned	(71,968)	-	-	(71,968)
Total Fund Balances	**1,708,274**	**392,723**	**3,106,558**	**5,207,555**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 2,304,903**	**$ 463,344**	**$ 3,264,081**	**$ 6,032,328**

CITY OF LEBANON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE

For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Non-Major Governmental Funds
REVENUES:				
Property Taxes	$ -	$ 1,587,413	$ -	$ 1,587,413
Intergovernmental	1,233,370	-	-	1,233,370
Transient Room Taxes	334,774	-	-	334,774
Fees and Charges	507,964	-	140,911	648,875
Investment Earnings	31,558	33,547	67,286	132,391
Grants and Contributions	1,428,127	-	496,683	1,924,810
Miscellaneous Revenue	19,284	-	1,997	21,281
Total Revenues	**3,555,077**	**1,620,960**	**706,877**	**5,882,914**
EXPENDITURES:				
Current:				
General Government	1,074,961	-	-	1,074,961
Public Safety	4,280	-	8,022	12,302
Highways and Streets	693,012	-	4,414	697,426
Culture and Recreation	562,019	-	72,445	634,464
Community Planning	29,422	-	-	29,422
Debt Service	-	3,499,058	-	3,499,058
Capital Outlay	1,484,593	-	1,380,794	2,865,387
Total Expenditures	**3,848,287**	**3,499,058**	**1,465,675**	**8,813,020**
Excess (Deficiency) of Revenues Over Expenditures	(293,210)	(1,878,098)	(758,798)	(2,930,106)
OTHER FINANCING SOURCES (USES):				
Interfund Transfers In	1,189,554	1,996,956	566,489	3,752,999
Interfund Transfers Out	(1,024,371)	-	(20,406)	(1,044,777)
Proceeds from Sale of Assets	7,286	-	108,712	115,998
Net Change in Fund Balance	**(120,741)**	**118,858**	**(104,003)**	**(105,886)**
Beginning Fund Balance - As Restated	1,829,015	273,865	3,210,561	5,313,441
Ending Fund Balance	**1,708,274**	**392,723**	**3,106,558**	**5,207,555**

OTHER

SUPPLEMENTARY

INFORMATION

Non-Major Special Revenue Funds

CITY OF LEBANON

COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
June 30, 2019

	Motel Tax Fund #510	Youth Court Fund #515	Police Reserves Fund #516	Building Inspection Fund #527	Park Enterprise Fund #533	Parks Grant Fund #535	GIS Fund #540	Info System Service Fund #542	Totals
ASSETS:									
Cash and Investments	$ 100,217	$ 180	$ 5,121	$ 535,304	$ 120,229	$ -	$ 60,807	$ 200,522	$ 1,715,153
Accounts Receivable	100,428	-	-	-	-	187,479	-	-	589,750
Total Assets	**$ 200,645**	**$ 180**	**$ 5,121**	**$ 535,304**	**$ 120,229**	**$ 187,479**	**$ 60,807**	**$ 200,522**	**$ 2,304,903**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:									
LIABILITIES:									
Accounts Payable	$ 71,820	$ 30	$ 168	$ 40,928	$ 7,353	$ 499	$ 3,733	$ 41,539	$ 183,633
Due to Other Funds	-	-	-	-	-	258,948	-	-	262,528
Total Liabilities	**71,820**	**30**	**168**	**40,928**	**7,353**	**259,447**	**3,733**	**41,539**	**446,161**
DEFERRED INFLOWS OF RESOURCES:									
Unavailable Revenue - Bike Path	-	-	-	-	-	-	-	-	1,533
Unavailable Revenue - Special Assessment	-	-	-	-	-	-	-	-	148,935
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**150,468**
FUND BALANCES:									
Restricted for:									
Community Development Projects	128,825	150	-	494,376	-	-	57,074	158,983	1,117,846
Public Works	-	-	4,953	-	-	-	-	-	511,758
Parks and Recreation Programs	-	-	-	-	112,876	-	-	-	150,638
Unassigned	-	-	-	-	-	(71,968)	-	-	(71,968)
Total Fund Balances	**128,825**	**150**	**4,953**	**494,376**	**112,876**	**(71,968)**	**57,074**	**158,983**	**1,708,274**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 200,645**	**$ 180**	**$ 5,121**	**$ 535,304**	**$ 120,229**	**$ 187,479**	**$ 60,807**	**$ 200,522**	**$ 2,304,903**

(Continued on next page)

CITY OF LEBANON

COMBINING BALANCE SHEET (Cont.)
NON-MAJOR SPECIAL REVENUE FUNDS
June 30, 2019

	Custodial & Maint Services Fund #545	State Foot & Bike Path Fund #550	Eng Development Review Fund #555	Street Maintenance Fund #558	Equitable Sharing (US Marshal) Fund #562	School Resource Officer Fund #564	Dial-A-Bus Fund #569	STP Street Project Fund #571	Boat Ramps Fund #593	Totals
ASSETS:										
Cash and Investments	$ 119,601	$ 40,701	$ 115,257	$ 370,229	$ 3,714	$ -	$ -	$ 32,653	$ 10,618	$ 1,715,153
Accounts Receivable	-	2,651	-	111,310	-	-	187,882	-	-	589,750
Total Assets	**$ 119,601**	**$ 43,352**	**$ 115,257**	**$ 481,539**	**$ 3,714**	**$ -**	**$ 187,882**	**$ 32,653**	**$ 10,618**	**$ 2,304,903**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:										
LIABILITIES:										
Accounts Payable	$ 1,953	$ -	$ -	$ 7,387	$ -	$ -	$ 7,715	$ -	$ 508	$ 183,633
Due to Other Funds	-	-	-	-	-	-	3,580	-	-	262,528
Total Liabilities	**1,953**	**-**	**-**	**7,387**	**-**	**-**	**11,295**	**-**	**508**	**446,161**
DEFERRED INFLOWS OF RESOURCES:										
Unavailable Revenue - Bike Path	-	1,533	-	-	-	-	-	-	-	1,533
Unavailable Revenue - Special Assessment	-	-	-	-	-	-	148,935	-	-	148,935
Total Deferred Inflows of Resources	**-**	**1,533**	**-**	**-**	**-**	**-**	**148,935**	**-**	**-**	**150,468**
FUND BALANCES:										
Restricted for:										
Community Development Projects	117,648	41,819	115,257	-	3,714	-	-	-	-	1,117,846
Public Works	-	-	-	474,152	-	-	-	32,653	-	511,758
Parks and Recreation Programs	-	-	-	-	-	-	27,652	-	10,110	150,638
Unassigned	-	-	-	-	-	-	-	-	-	(71,968)
Total Fund Balances	**117,648**	**41,819**	**115,257**	**474,152**	**3,714**	**-**	**27,652**	**32,653**	**10,110**	**1,708,274**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 119,601**	**$ 43,352**	**$ 115,257**	**$ 481,539**	**$ 3,714**	**$ -**	**$ 187,882**	**$ 32,653**	**$ 10,618**	**$ 2,304,903**

CITY OF LEBANON

COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
June 30, 2019

	Motel Tax Fund #510	Youth Court Fund #515	Police Reserves Fund #516	Building Inspection Fund #527	Park Enterprise Fund #533	Parks Grant Fund #535	GIS Fund #540	Info System Service Fund #542	Totals
ASSETS:									
Cash and Investments	$ 100,217	$ 180	$ 5,121	$ 535,304	$ 120,229	$ -	$ 60,807	$ 200,522	$ 1,715,153
Accounts Receivable	100,428	-	-	-	-	187,479	-	-	589,750
Total Assets	**$ 200,645**	**$ 180**	**$ 5,121**	**$ 535,304**	**$ 120,229**	**$ 187,479**	**$ 60,807**	**$ 200,522**	**$ 2,304,903**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:									
LIABILITIES:									
Accounts Payable	$ 71,820	$ 30	$ 168	$ 40,928	$ 7,353	$ 499	$ 3,733	$ 41,539	$ 183,633
Due to Other Funds	-	-	-	-	-	258,948	-	-	262,528
Total Liabilities	**71,820**	**30**	**168**	**40,928**	**7,353**	**259,447**	**3,733**	**41,539**	**446,161**
DEFERRED INFLOWS OF RESOURCES:									
Unavailable Revenue - Bike Path	-	-	-	-	-	-	-	-	1,533
Unavailable Revenue - Special Assessment	-	-	-	-	-	-	-	-	148,935
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**150,468**
FUND BALANCES:									
Community Development Projects	128,825	150	-	494,376	-	-	57,074	158,983	1,117,846
Public Works	-	-	4,953	-	-	-	-	-	511,758
Parks and Recreation Programs	-	-	-	-	112,876	-	-	-	150,638
Unassigned	-	-	-	-	-	(71,968)	-	-	(71,968)
Total Fund Balances	**128,825**	**150**	**4,953**	**494,376**	**112,876**	**(71,968)**	**57,074**	**158,983**	**1,708,274**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 200,645**	**$ 180**	**$ 5,121**	**$ 535,304**	**$ 120,229**	**$ 187,479**	**$ 60,807**	**$ 200,522**	**$ 2,304,903**

(Continued on next page)

CITY OF LEBANON

COMBINING BALANCE SHEET (Cont.)
NON-MAJOR SPECIAL REVENUE FUNDS
June 30, 2019

	Custodial & Maint Services Fund #545	State Foot & Bike Path Fund #550	Eng Development Review Fund #555	Street Maintenance Fund #558	Equitable Sharing (US Marshal) Fund #562	School Resource Officer Fund #564	Dial-A-Bus Fund #569	STP Street Project Fund #571	Boat Ramps Fund #593	Totals
ASSETS:										
Cash and Investments	$ 119,601	$ 40,701	$ 115,257	$ 370,229	$ 3,714	$ -	$ -	$ 32,653	$ 10,618	$ 1,715,153
Accounts Receivable	-	2,651	-	111,310	-	-	187,882	-	-	589,750
Total Assets	**$ 119,601**	**$ 43,352**	**$ 115,257**	**$ 481,539**	**$ 3,714**	**$ -**	**$ 187,882**	**$ 32,653**	**$ 10,618**	**$ 2,304,903**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:										
LIABILITIES:										
Accounts Payable	$ 1,953	$ -	$ -	$ 7,387	$ -	$ -	$ 7,715	$ -	$ 508	$ 183,633
Due to Other Funds	-	-	-	-	-	-	3,580	-	-	262,528
Total Liabilities	**1,953**	**-**	**-**	**7,387**	**-**	**-**	**11,295**	**-**	**508**	**446,161**
DEFERRED INFLOWS OF RESOURCES:										
Unavailable Revenue - Bike Path	-	1,533	-	-	-	-	-	-	-	1,533
Unavailable Revenue - Special Assessment	-	-	-	-	-	-	148,935	-	-	148,935
Total Deferred Inflows of Resources	**-**	**1,533**	**-**	**-**	**-**	**-**	**148,935**	**-**	**-**	**150,468**
FUND BALANCES:										
Community Development Projects	117,648	41,819	115,257	-	3,714	-	-	-	-	1,117,846
Public Works	-	-	-	474,152	-	-	-	32,653	-	511,758
Parks and Recreation Programs	-	-	-	-	-	-	27,652	-	10,110	150,638
Unassigned	-	-	-	-	-	-	-	-	-	(71,968)
Total Fund Balances	**117,648**	**41,819**	**115,257**	**474,152**	**3,714**	**-**	**27,652**	**32,653**	**10,110**	**1,708,274**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 119,601**	**$ 43,352**	**$ 115,257**	**$ 481,539**	**$ 3,714**	**$ -**	**$ 187,882**	**$ 32,653**	**$ 10,618**	**$ 2,304,903**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Motel Tax Fund #510

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Transient Room Taxes	$ 346,322	$ 346,322	$ 333,723	$ (12,599)
Investment Earnings	-	-	3,286	3,286
Total Revenues	**346,322**	**346,322**	**337,009**	**(9,313)**
EXPENDITURES:				
Current:				
Materials and Supplies	177,922	177,922	168,555	(9,367)
Capital Outlay	119,500	119,500	122,987	3,487
Contingency	122,220	122,220	-	(122,220)
Total Expenditures	**419,642**	**419,642**	**291,542**	**(128,100)**
Excess (Deficiency) of Revenues Over Expenditures	(73,320)	(73,320)	45,467	118,787
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(107,000)	(107,000)	(107,000)	-
Total Other Financing Sources (Uses)	**(107,000)**	**(107,000)**	**(107,000)**	**-**
Net Change in Fund Balance	(180,320)	(180,320)	(61,533)	118,787
Beginning Fund Balance - As Previously Reported	180,320	180,320	190,358	10,038
Beginning Fund Balance - As Restated	180,320	180,320	190,358	10,038
Ending Fund Balance	**$ -**	**$ -**	**$ 128,825**	**$ 128,825**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Youth Court Fund #515

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ -	$ -	$ 5	$ 5
Grants and Contributions	5,000	5,000	140	(4,860)
Total Revenues	**5,000**	**5,000**	**145**	**(4,855)**
EXPENDITURES:				
Current:				
Materials and Supplies	5,353	5,353	307	(5,046)
Total Expenditures	**5,353**	**5,353**	**307**	**(5,046)**
Over Expenditures	(353)	(353)	(162)	191
Net Change in Fund Balance	(353)	(353)	(162)	191
Beginning Fund Balance - As Previously Reported	353	353	312	(41)
Beginning Fund Balance - As Restated	353	353	312	(41)
Ending Fund Balance	**$ -**	**$ -**	**$ 150**	**$ 150**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Police Reserves Fund #516

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Investment Earnings	$ -	$ -	$ 135	$ 135
Grants and Contributions	10,000	10,000	3,327	(6,673)
Total Revenues	**10,000**	**10,000**	**3,462**	**(6,538)**
EXPENDITURES:				
Current:				
Materials and Supplies	5,435	5,435	3,973	(1,462)
Contingency	10,000	10,000	-	(10,000)
Total Expenditures	**15,435**	**15,435**	**3,973**	**(11,462)**
Over Expenditures	(5,435)	(5,435)	(511)	4,924
Net Change in Fund Balance	(5,435)	(5,435)	(511)	4,924
Beginning Fund Balance - As Previously Reported	5,435	5,435	5,464	29
Beginning Fund Balance - As Restated	5,435	5,435	5,464	29
Ending Fund Balance	**$ -**	**$ -**	**$ 4,953**	**$ 4,953**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Building Inspection Fund #527

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 250,000	$ 250,000	$ 244,107	$ (5,893)
Investment Earnings	4,000	4,000	11,592	7,592
Total Revenues	**254,000**	**254,000**	**255,699**	**1,699**
EXPENDITURES:				
Current:				
Materials and Supplies	78,125	138,125	131,294	(6,831)
Contingency	444,403	384,403	-	(384,403)
Total Expenditures	**522,528**	**522,528**	**131,294**	**(391,234)**
Excess (Deficiency) of Revenues Over Expenditures	(268,528)	(268,528)	124,405	392,933
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(238,865)	(238,865)	(238,865)	-
Total Other Financing Sources (Uses)	**(238,865)**	**(238,865)**	**(238,865)**	**-**
Net Change in Fund Balance	(507,393)	(507,393)	(114,460)	392,933
Beginning Fund Balance - As Previously Reported	507,393	507,393	608,836	101,443
Beginning Fund Balance - As Restated	507,393	507,393	608,836	101,443
Ending Fund Balance	**$ -**	**$ -**	**$ 494,376**	**$ 494,376**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Park Enterprise Fund #533

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Transient Room Taxes	$ 430	$ 430	$ 1,051	$ 621
Fees and Charges	111,000	111,000	129,821	18,821
Investment Earnings	1,400	1,400	3,501	2,101
Grants and Contributions	9,500	9,500	27,855	18,355
Miscellaneous Revenue	-	-	20	20
Total Revenues	**122,330**	**122,330**	**162,248**	**39,918**
EXPENDITURES:				
Current:				
Materials and Supplies	145,400	145,400	144,225	(1,175)
Non-Departmental:				
Capital Outlay	110,651	110,651	61,495	(49,156)
Contingency	22,333	22,333	-	(22,333)
Total Expenditures	**278,384**	**278,384**	**205,720**	**(72,664)**
Excess (Deficiency) of Revenues Over Expenditures	(156,054)	(156,054)	(43,472)	112,582
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(71,498)	(71,498)	(50,000)	(21,498)
Total Other Financing Sources (Uses)	**(71,498)**	**(71,498)**	**(50,000)**	**21,498**
Net Change in Fund Balance	(227,552)	(227,552)	(93,472)	134,080
Beginning Fund Balance - As Restated	227,552	227,552	206,347	(21,205)
Ending Fund Balance	**$ -**	**$ -**	**$ 112,875**	**$ 112,875**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Parks Grant Fund #535

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Investment Earnings	$ -	$ -	$ (3,897)	$ (3,897)
Grants and Contributions	350,000	350,000	326,278	(23,722)
Total Revenues	**350,000**	**350,000**	**322,381**	**(27,619)**
EXPENDITURES:				
Current:				
Capital Outlay	350,000	350,000	333,280	(16,720)
Contingency	1,103	1,103	-	(1,103)
Total Expenditures	**351,103**	**351,103**	**333,280**	**(17,823)**
Over Expenditures	(1,103)	(1,103)	(10,899)	(9,796)
Net Change in Fund Balance	(1,103)	(1,103)	(10,899)	(9,796)
Beginning Fund Balance - As Previously Reported	1,103	1,103	(61,069)	(62,172)
Beginning Fund Balance - As Restated	1,103	1,103	(61,069)	(62,172)
Ending Fund Balance	**$ -**	**$ -**	**$ (71,968)**	**$ (71,968)**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

GIS Fund #540

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ 500	$ 500	$ 1,203	$ 703
Total Revenues	**500**	**500**	**1,203**	**703**
EXPENDITURES:				
Current:				
Materials and Supplies	32,900	32,900	28,901	(3,999)
Capital Outlay	3,500	3,500	-	(3,500)
Contingency	37,114	37,114	-	(37,114)
Total Expenditures	**73,514**	**73,514**	**28,901**	**(44,613)**
Excess (Deficiency) of Revenues Over Expenditures	(73,014)	(73,014)	(27,698)	45,316
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	148,305	148,305	148,305	-
Interfund Transfers Out	(120,791)	(120,791)	(120,791)	-
Total Other Financing Sources (Uses)	**27,514**	**27,514**	**27,514**	**-**
Net Change in Fund Balance	(45,500)	(45,500)	(184)	45,316
Beginning Fund Balance - As Previously Reported	45,500	45,500	57,258	11,758
Beginning Fund Balance - As Restated	45,500	45,500	57,258	11,758
Ending Fund Balance	**$ -**	**$ -**	**$ 57,074**	**$ 57,074**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Info System Service Fund #542

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	37,500	37,500	45,715	8,215
Investment Earnings	500	500	5,210	4,710
Miscellaneous Revenue	-	-	9,272	9,272
Total Revenues	**38,000**	**38,000**	**60,197**	**22,197**
EXPENDITURES:				
Current:				
Personnel Services	409,286	409,286	404,932	(4,354)
Materials and Supplies	312,570	312,570	275,826	(36,744)
Capital Outlay	137,000	137,000	89,707	(47,293)
Contingency	10,349	10,349	-	(10,349)
Total Expenditures	**869,205**	**869,205**	**770,465**	**(98,740)**
Excess (Deficiency) of Revenues Over Expenditures	(831,205)	(831,205)	(710,268)	120,937
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	753,671	753,671	753,671	-
Interfund Transfers Out	(38,466)	(38,466)	(38,466)	-
Total Other Financing Sources (Uses)	**715,205**	**715,205**	**715,205**	**-**
Net Change in Fund Balance	(116,000)	(116,000)	4,937	120,937
Beginning Fund Balance - As Previously Reported	116,000	116,000	154,046	38,046
Beginning Fund Balance - As Restated	116,000	116,000	154,046	38,046
Ending Fund Balance	**$ -**	**$ -**	**$ 158,983**	**$ 158,983**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Custodial & Maint Services Fund #545

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ 500	$ 500	$ 3,315	$ 2,815
Miscellaneous Revenue	-	-	693	693
Total Revenues	**500**	**500**	**4,008**	**3,508**
EXPENDITURES:				
Current:				
Personnel Services	203,500	203,500	195,791	(7,709)
Materials and Supplies	101,500	101,500	67,118	(34,382)
Contingency	13,667	13,667	-	(13,667)
Total Expenditures	**318,667**	**318,667**	**262,909**	**(55,758)**
Excess (Deficiency) of Revenues Over Expenditures	(318,167)	(318,167)	(258,901)	59,266
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	252,123	252,123	230,625	(21,498)
Interfund Transfers Out	(12,624)	(12,624)	(12,624)	-
Total Other Financing Sources (Uses)	**239,499**	**239,499**	**218,001**	**(21,498)**
Net Change in Fund Balance	(78,668)	(78,668)	(40,900)	37,768
Beginning Fund Balance - As Previously Reported	78,668	78,668	158,548	79,880
Beginning Fund Balance - As Restated	78,668	78,668	158,548	79,880
Ending Fund Balance	**$ -**	**$ -**	**$ 117,648**	**$ 117,648**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

State Foot & Bike Path Fund #550

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Intergovernmental	$ 9,000	$ 9,000	$ 12,334	$ 3,334
Investment Earnings	-	-	704	704
Total Revenues	**9,000**	**9,000**	**13,038**	**4,038**
EXPENDITURES:				
Current:				
Capital Outlay	33,500	33,500	-	(33,500)
Contingency	3,000	3,000	-	(3,000)
Total Expenditures	**36,500**	**36,500**	**-**	**(36,500)**
Over Expenditures	(27,500)	(27,500)	13,038	40,538
Net Change in Fund Balance	(27,500)	(27,500)	13,038	40,538
Beginning Fund Balance - As Previously Reported	27,500	27,500	28,781	1,281
Beginning Fund Balance - As Restated	27,500	27,500	28,781	1,281
Ending Fund Balance	**$ -**	**$ -**	**$ 41,819**	**$ 41,819**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Eng Development Review Fund #555

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 46,000	$ 46,000	$ 58,102	$ 12,102
Investment Earnings	-	-	2,290	2,290
Total Revenues	**46,000**	**46,000**	**60,392**	**14,392**
EXPENDITURES:				
Current:				
Materials and Supplies	14,000	14,000	521	(13,479)
Contingency	7,853	7,853	-	(7,853)
Total Expenditures	**21,853**	**21,853**	**521**	**(21,332)**
Excess (Deficiency) of Revenues Over Expenditures	24,147	24,147	59,871	35,724
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(63,831)	(63,831)	(63,831)	-
Total Other Financing Sources (Uses)	**(63,831)**	**(63,831)**	**(63,831)**	**-**
Net Change in Fund Balance	(39,684)	(39,684)	(3,960)	35,724
Beginning Fund Balance - As Previously Reported	39,684	39,684	119,217	79,533
Beginning Fund Balance - As Restated	39,684	39,684	119,217	79,533
Ending Fund Balance	**$ -**	**$ -**	**$ 115,257**	**$ 115,257**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Street Maintenance Fund #558

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Intergovernmental	$ 972,147	$ 972,147	$ 1,221,036	$ 248,889
Fees and Charges	10,600	10,600	9,600	(1,000)
Investment Earnings	650	650	5,686	5,036
Miscellaneous Revenue	4,500	4,500	7,995	3,495
Total Revenues	**987,897**	**987,897**	**1,244,317**	**256,420**
EXPENDITURES:				
Current:				
Personnel Services	338,900	338,900	319,658	(19,242)
Materials and Supplies	375,777	375,777	373,354	(2,423)
Contingency	15,231	15,231	-	(15,231)
Total Expenditures	**729,908**	**729,908**	**693,012**	**(36,896)**
Excess (Deficiency) of Revenues Over Expenditures	257,989	257,989	551,305	293,316
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	56,953	56,953	56,953	-
Interfund Transfers Out	(371,940)	(371,940)	(371,940)	-
Total Other Financing Sources (Uses)	**(314,987)**	**(314,987)**	**(314,987)**	**-**
Net Change in Fund Balance	(56,998)	(56,998)	236,318	293,316
Beginning Fund Balance - As Previously Reported	56,998	56,998	237,834	180,836
Beginning Fund Balance - As Restated	56,998	56,998	237,834	180,836
Ending Fund Balance	**$ -**	**$ -**	**$ 474,152**	**$ 474,152**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Equitable Sharing (US Marshal) Fund #562

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ -	$ -	$ 74	$ 74
Total Revenues	**-**	**-**	**74**	**74**
EXPENDITURES:				
Current:				
Materials and Supplies	3,626	3,626	-	(3,626)
Total Expenditures	**3,626**	**3,626**	**-**	**(3,626)**
Over Expenditures	(3,626)	(3,626)	74	3,700
Net Change in Fund Balance	(3,626)	(3,626)	74	3,700
Beginning Fund Balance - As Previously Reported	3,626	3,626	3,640	14
Beginning Fund Balance - As Restated	3,626	3,626	3,640	14
Ending Fund Balance	**$ -**	**$ -**	**$ 3,714**	**$ 3,714**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

School Resource Officer Fund #564

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Property Taxes	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
EXPENDITURES:				
Current:				
Personnel Services	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(6,500)	(6,500)	-	(6,500)
Total Other Financing Sources (Uses)	**(6,500)**	**(6,500)**	**-**	**6,500**
Net Change in Fund Balance	(6,500)	(6,500)	-	6,500
Beginning Fund Balance - As Previously Reported	6,500	6,500	-	(6,500)
Beginning Fund Balance - As Restated	6,500	6,500	-	(6,500)
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Dial-A-Bus Fund #569

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 31,000	$ 31,000	$ 20,619	$ (10,381)
Investment Earnings	-	-	1,329	1,329
Grants and Contributions	314,167	314,167	234,153	(80,014)
Miscellaneous Revenue	1,500	1,500	1,304	(196)
Total Revenues	**346,667**	**346,667**	**257,405**	**(89,262)**
EXPENDITURES:				
Current:				
Personnel Services	188,500	188,500	170,319	(18,181)
Materials and Supplies	67,950	67,950	76,262	8,312
Capital Outlay	78,000	78,000	82,420	4,420
Contingency	34,851	34,851	-	(34,851)
Total Expenditures	**369,301**	**369,301**	**329,001**	**(40,300)**
Excess (Deficiency) of Revenues Over Expenditures	(22,634)	(22,634)	(71,596)	(48,962)
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(20,854)	(20,854)	(20,854)	-
Proceeds from Sale of Assets	-	-	7,286	7,286
Total Other Financing Sources (Uses)	**(20,854)**	**(20,854)**	**(13,568)**	**7,286**
Net Change in Fund Balance	(43,488)	(43,488)	(85,164)	(41,676)
Beginning Fund Balance - As Previously Reported	43,488	43,488	112,816	69,328
Beginning Fund Balance - As Restated	43,488	43,488	112,816	69,328
Ending Fund Balance	**$ -**	**$ -**	**$ 27,652**	**$ 27,652**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

STP Street Project Fund #571

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Investment Earnings	$ -	$ -	$ (2,989)	$ (2,989)
Grants and Contributions	828,000	828,000	828,374	374
Total Revenues	**828,000**	**828,000**	**825,385**	**(2,615)**
EXPENDITURES:				
Current:				
Capital Outlay	828,000	828,000	794,704	(33,296)
Contingency	1,962	1,962	-	(1,962)
Total Expenditures	**829,962**	**829,962**	**794,704**	**(35,258)**
Over Expenditures	(1,962)	(1,962)	30,681	32,643
Net Change in Fund Balance	(1,962)	(1,962)	30,681	32,643
Beginning Fund Balance - As Previously Reported	1,962	1,962	1,972	10
Beginning Fund Balance - As Restated	1,962	1,962	1,972	10
Ending Fund Balance	**$ -**	**$ -**	**$ 32,653**	**$ 32,653**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Boat Ramps Fund #593

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ -	$ -	$ 114	$ 114
Grants and Contributions	-	-	8,000	8,000
Total Revenues	**-**	**-**	**8,114**	**8,114**
EXPENDITURES:				
Current:				
Materials and Supplies	4,000	4,000	2,659	(1,341)
Capital Outlay	1,275	1,275	-	(1,275)
Total Expenditures	**5,275**	**5,275**	**2,659**	**(2,616)**
Over Expenditures	(5,275)	(5,275)	5,455	10,730
Net Change in Fund Balance	(5,275)	(5,275)	5,455	10,730
Beginning Fund Balance - As Previously Reported	5,275	5,275	4,655	(620)
Beginning Fund Balance - As Restated	5,275	5,275	4,655	(620)
Ending Fund Balance	**$ -**	**$ -**	**$ 10,110**	**$ 10,110**

OTHER SUPPLEMENTARY INFORMATION

Debt Service Funds

CITY OF LEBANON

COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS

June 30, 2019

	G.O. Full Faith & Credit Bond Fund #314	2013 Full Faith & Credit Bond Fund #317	Pension Bond Series 2002 Fund #320	Totals
ASSETS:				
Cash and Investments	$ 373,224	$ 11,805	$ 1,051	$ 386,080
Property Taxes Receivable	77,264	-	-	77,264
Total Assets	**$ 450,488**	**$ 11,805**	**$ 1,051**	**$ 463,344**
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Revenue - Court Fines	70,621	-	-	70,621
Total Deferred Inflows of Resources	**70,621**	**-**	**-**	**70,621**
FUND BALANCES:				
Restricted for:				
Debt Service	379,867	11,805	1,051	392,723
Total Fund Balances	**379,867**	**11,805**	**1,051**	**392,723**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 450,488**	**$ 11,805**	**$ 1,051**	**$ 463,344**

CITY OF LEBANON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

NON-MAJOR DEBT SERVICE FUNDS

For the Fiscal Year Ended June 30, 2019

	G.O. Full Faith & Credit Bond Fund #314	2013 Full Faith & Credit Bond Fund #317	Pension Bond Series 2002 Fund #320	Totals
REVENUES:				
Property Taxes	$ 1,587,413	$ -	$ -	$1,587,413
Investment Earnings	30,870	2,195	482	33,547
Total Revenues	**1,618,283**	**2,195**	**482**	**1,587,413**
EXPENDITURES:				
Debt Service	1,903,224	1,383,700	212,134	3,499,058
Total Expenditures	**1,903,224**	**1,383,700**	**212,134**	**3,499,058**
Excess (Deficiency) of Revenues Over Expenditures	(284,941)	(1,381,505)	(211,652)	(1,878,098)
OTHER FINANCING SOURCES (USES):				
Interfund Transfers In	401,900	1,383,700	211,356	1,996,956
Net Change in Fund Balance	**116,959**	**2,195**	**(296)**	**118,858**
Beginning Fund Balance - As Restated	262,908	9,610	1,347	273,865
Ending Fund Balance	**$ 379,867**	**$ 11,805**	**$ 1,051**	**$ 392,723**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

G.O. Full Faith & Credit Bond Fund #314 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Property Taxes	$ 1,503,313	$ 1,503,313	$ 1,587,413	$ 84,100
Investment Earnings	3,530	3,530	30,870	27,340
Total Revenues	**1,506,843**	**1,506,843**	**1,618,283**	**111,440**
EXPENDITURES:				
Current:				
Debt Service	1,903,224	1,903,224	1,903,224	-
Total Expenditures	**1,903,224**	**1,903,224**	**1,903,224**	**-**
Excess (Deficiency) of Revenues Over Expenditures	(396,381)	(396,381)	(284,941)	111,440
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	401,900	401,900	401,900	-
Total Other Financing Sources (Uses)	**401,900**	**401,900**	**401,900**	**-**
Net Change in Fund Balance	5,519	5,519	116,959	111,440
Beginning Fund Balance - As Previously Reported	74,481	74,481	262,908	188,427
Beginning Fund Balance - As Restated	74,481	74,481	262,908	188,427
ENDING FUND BALANCE	**$ 80,000**	**$ 80,000**	**$ 379,867**	**$ 299,867**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

2013 Full Faith & Credit Bond Fund #317 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ -	$ -	$ 2,195	$ 2,195
Total Revenues	**-**	**-**	**2,195**	**2,195**
EXPENDITURES:				
Current:				
Debt Service	1,383,700	1,383,700	1,383,700	-
Contingency	7,486	7,486	-	(7,486)
Total Expenditures	**1,391,186**	**1,391,186**	**1,383,700**	**(7,486)**
Excess (Deficiency) of Revenues Over Expenditures	(1,391,186)	(1,391,186)	(1,381,505)	9,681
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	1,383,700	1,383,700	1,383,700	-
Total Other Financing Sources (Uses)	**1,383,700**	**1,383,700**	**1,383,700**	**-**
Net Change in Fund Balance	(7,486)	(7,486)	2,195	9,681
Beginning Fund Balance - As Previously Reported	7,486	7,486	9,610	2,124
Beginning Fund Balance - As Restated	7,486	7,486	9,610	2,124
Ending Fund Balance	**$ -**	**$ -**	**$ 11,805**	**$ 11,805**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Pension Bond Series 2002 Fund #320 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Investment Earnings	$ -	$ -	$ 482	$ 482
Total Revenues	**-**	**-**	**482**	**482**
EXPENDITURES:				
Current:				
Debt Service	212,381	212,381	212,134	(247)
Total Expenditures	**212,381**	**212,381**	**212,134**	**(247)**
Excess (Deficiency) of Revenues Over Expenditures	(212,381)	(212,381)	(211,652)	729
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	211,356	211,356	211,356	-
Total Other Financing Sources (Uses)	**211,356**	**211,356**	**211,356**	**-**
Net Change in Fund Balance	(1,025)	(1,025)	(296)	729
Beginning Fund Balance - As Previously Reported	1,025	1,025	1,347	322
Beginning Fund Balance - As Restated	1,025	1,025	1,347	322
Ending Fund Balance	**$ -**	**$ -**	**$ 1,051**	**$ 1,051**

OTHER SUPPLEMENTARY INFORMATION

Capital Projects Funds

CITY OF LEBANON

COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
June 30, 2019

	State Hwy Signal Maint Fund #815	Equipment Acquisition & Replacement Fund #820	Pioneer Cemetery Restoration Trust Fund #825	Police Trust Fund #829	Library Trust Fund #830	Library Bldg Trust Fund #833	Totals
ASSETS:							
Cash and Investments	$ 9,491	$ 1,653,926	$ 9,876	$ 17,467	$ 176,952	$ 30,007	$ 3,146,230
Accounts Receivable	-	-	-	-	-	-	117,851
Total Assets	**$ 9,491**	**$ 1,653,926**	**$ 9,876**	**$ 17,467**	**$ 176,952**	**$ 30,007**	**$ 3,264,081**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:							
LIABILITIES:							
Accounts Payable	$ -	$ 1,266	$ -	$ 35	$ 63	$ 30,007	$ 38,635
Deposit Payable	-	-	-	-	1,635	-	1,635
Total Liabilities	**-**	**1,266**	**-**	**35**	**1,698**	**30,007**	**40,270**
DEFERRED INFLOWS OF RESOURCES:							
Unavailable Revenue - Special Assessment	-	-	-	-	-	-	117,253
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**	**-**	**-**	**117,253**
FUND BALANCES:							
Restricted for:							
Capital Projects	9,491	1,652,660	9,876	17,432	175,254	-	3,106,558
Total Fund Balances	**9,491**	**1,652,660**	**9,876**	**17,432**	**175,254**	**-**	**3,106,558**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 9,491**	**$ 1,653,926**	**$ 9,876**	**$ 17,467**	**$ 176,952**	**$ 30,007**	**$ 3,264,081**

(Continued on next page)

CITY OF LEBANON

COMBINING BALANCE SHEET (Cont.)
NON-MAJOR CAPITAL PROJECTS FUNDS
June 30, 2019

	Senior Services Trust Fund #835	Snedaker Trust Fund #838	Streets Capital Projects Fund #840	Infrastructure Deferral Fund #845	SDC - Parks Improvements Fund #862	SDC - Parks Reimbursements Fund #863	SDC - Street Reimbursements Fund #883	Totals
ASSETS:								
Cash and Investments	$ 170,467	$ 21,286	$ 340,961	$ 59,657	$ 605,150	$ 430	$ 50,560	$ 3,146,230
Accounts Receivable	598	-	-	-	18,542	64	98,647	117,851
Total Assets	**$ 171,065**	**$ 21,286**	**$ 340,961**	**$ 59,657**	**$ 623,692**	**$ 494**	**$ 149,207**	**$ 3,264,081**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:								
LIABILITIES:								
Accounts Payable	$ 426	$ -	$ -	$ -	$ 670	$ -	$ 6,168	$ 38,635
Deposit Payable	-	-	-	-	-	-	-	1,635
Total Liabilities	**426**	**-**	**-**	**-**	**670**	**-**	**6,168**	**40,270**
DEFERRED INFLOWS OF RESOURCES:								
Unavailable Revenue - Special Assessment	-	-	-	-	18,542	64	98,647	117,253
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**	**18,542**	**64**	**98,647**	**117,253**
FUND BALANCES:								
Restricted for:								
Capital Projects	170,639	21,286	340,961	59,657	604,480	430	44,392	3,106,558
Total Fund Balances	**170,639**	**21,286**	**340,961**	**59,657**	**604,480**	**430**	**44,392**	**3,106,558**
Total Liabilities, Deferred Inflows of Resources & Fund Balances	**$ 171,065**	**$ 21,286**	**$ 340,961**	**$ 59,657**	**$ 623,692**	**$ 494**	**$ 149,207**	**$ 3,264,081**

CITY OF LEBANON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

NON-MAJOR CAPITAL PROJECTS FUNDS

For the Fiscal Year Ended June 30, 2019

	State Hwy Signal Maint Fund #815	Equipment Acquisition & Replacement Fund #820	Pioneer Cemetery Restoration Trust Fund #825	Police Trust Fund #829	Library Trust Fund #830	Library Bldg Trust Fund #833	Totals
REVENUES:							
Fees and Charges	$ -	$ -	$ -	$ -	$ -	$ -	$ 140,911
Investment Earnings	302	32,891	198	307	3,152	124	67,286
Grants and Contributions	-	-	-	12,283	41,830	-	496,683
Miscellaneous Revenue	-	-	-	-	-	-	1,997
Total Revenues	**302**	**32,891**	**198**	**12,590**	**44,982**	**124**	**-**
EXPENDITURES:							
Current:							
Public Safety	-	-	-	8,022	-	-	8,022
Highways and Streets	273	-	-	-	-	-	4,414
Culture and Recreation	-	-	-	-	27,885	30,969	72,445
Capital Outlay	-	581,046	-	-	-	-	1,380,794
Total Expenditures	**273**	**581,046**	**-**	**8,022**	**27,885**	**30,969**	**1,465,675**
Excess (Deficiency) of Revenues Over Expenditures	29	(548,155)	198	4,568	17,097	(30,845)	(758,798)
OTHER FINANCING SOURCES (USES):							
Interfund Transfers In	-	481,717	-	-	-	-	566,489
Interfund Transfers Out	(11,953)	-	-	-	-	-	(20,406)
Proceeds from Sale of Assets	-	108,712	-	-	-	-	108,712
Net Change in Fund Balance	**(11,924)**	**42,274**	**198**	**4,568**	**17,097**	**(30,845)**	**(104,003)**
Beginning Fund Balance - As Restated	21,415	1,610,386	9,678	12,864	158,157	30,845	3,210,561
Ending Fund Balance	**$ 9,491**	**$ 1,652,660**	**$ 9,876**	**$ 17,432**	**$ 175,254**	**$ -**	**$ 3,106,558**

(Continued on next page)

CITY OF LEBANON

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Cont.)

NON-MAJOR CAPITAL PROJECTS FUNDS

For the Fiscal Year Ended June 30, 2019

	Senior Services Trust Fund #835	Snedaker Trust Fund #838	Streets Capital Projects Fund #840	Infrastructure Deferral Fund #845	SDC - Parks Improvements Fund #862	SDC - Parks Reimbursements Fund #863	SDC - Street Reimbursements Fund #883	Totals
REVENUES:								
Fees and Charges	$ 2,770	$ -	$ -	$ -	$ 99,343	$ 47	$ 38,751	$ 140,911
Investment Earnings	3,453	439	7,576	1,195	14,914	8	2,727	67,286
Grants and Contributions	7,098	-	435,472	-	-	-	-	496,683
Miscellaneous Revenue	1,997	-	-	-	-	-	-	1,997
Total Revenues	**15,318**	**439**	**443,048**	**1,195**	**114,257**	**55**	**41,478**	**-**
EXPENDITURES:								
Current:								
Public Safety	-	-	-	-	-	-	-	8,022
Highways and Streets	-	-	4,141	-	-	-	-	4,414
Culture and Recreation	12,035	1,556	-	-	-	-	-	72,445
Capital Outlay	-	-	416,233	-	284,447	20	99,048	1,380,794
Total Expenditures	**12,035**	**1,556**	**420,374**	**-**	**284,447**	**20**	**99,048**	**1,465,675**
Excess (Deficiency) of Revenues Over Expenditures	3,283	(1,117)	22,674	1,195	(170,190)	35	(57,570)	(758,798)
OTHER FINANCING SOURCES (USES):								
Interfund Transfers In	-	-	-	-	84,772	-	-	566,489
Interfund Transfers Out	-	-	-	-	(8,453)	-	-	(20,406)
Proceeds from Sale of Assets	-	-	-	-	-	-	-	108,712
Net Change in Fund Balance	**3,283**	**(1,117)**	**22,674**	**1,195**	**(93,871)**	**35**	**(57,570)**	**(104,003)**
Beginning Fund Balance - As Restated	167,356	22,403	318,287	58,462	698,351	395	101,962	3,210,561
Ending Fund Balance	**$ 170,639**	**$ 21,286**	**$ 340,961**	**$ 59,657**	**$ 604,480**	**$ 430**	**$ 44,392**	**$ 3,106,558**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

State Hwy Signal Maint Fund #815 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Investment Earnings	$ 300	$ 300	$ 302	$ 2
Total Revenues	**300**	**300**	**302**	**2**
EXPENDITURES:				
Current:				
Materials and Supplies	9,654	9,654	273	(9,381)
Total Expenditures	**9,654**	**9,654**	**273**	**(9,381)**
Excess (Deficiency) of Revenues Over Expenditures	(9,354)	(9,354)	29	9,383
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers Out	(11,953)	(11,953)	(11,953)	-
Total Other Financing Sources (Uses)	**(11,953)**	**(11,953)**	**(11,953)**	**-**
Net Change in Fund Balance	(21,307)	(21,307)	(11,924)	9,383
Beginning Fund Balance - As Previously Reported	21,307	21,307	21,415	108
Beginning Fund Balance - As Restated	21,307	21,307	21,415	108
Ending Fund Balance	**$ -**	**$ -**	**$ 9,491**	**$ 9,491**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Equipment Acquisition & Replacement Fund #820 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ 10,000	$ 10,000	$ 32,891	$ 22,891
Total Revenues	**10,000**	**10,000**	**32,891**	**22,891**
EXPENDITURES:				
Current:				
Capital Outlay	708,859	708,859	581,046	(127,813)
Contingency	1,361,846	1,361,846	-	(1,361,846)
Total Expenditures	**2,070,705**	**2,070,705**	**581,046**	**(1,489,659)**
Excess (Deficiency) of Revenues Over Expenditures	(2,060,705)	(2,060,705)	(548,155)	1,512,550
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	481,717	481,717	481,717	-
Proceeds from Sale of Assets	-	-	108,712	108,712
Total Other Financing Sources (Uses)	**481,717**	**481,717**	**590,429**	**108,712**
Net Change in Fund Balance	(1,578,988)	(1,578,988)	42,274	1,621,262
Beginning Fund Balance - As Previously Reported	1,578,988	1,578,988	1,610,386	31,398
Beginning Fund Balance - As Restated	1,578,988	1,578,988	1,610,386	31,398
Ending Fund Balance	**$ -**	**$ -**	**$ 1,652,660**	**$ 1,652,660**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Pioneer Cemetery Restoration Trust Fund #825 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Investment Earnings	$ 90	$ 90	$ 198	$ 108
Total Revenues	**90**	**90**	**198**	**108**
EXPENDITURES:				
Current:				
Capital Outlay	9,655	9,655	-	(9,655)
Contingency	60	60	-	(60)
Total Expenditures	**9,715**	**9,715**	**-**	**(9,715)**
Over Expenditures	(9,625)	(9,625)	198	9,823
Net Change in Fund Balance	(9,625)	(9,625)	198	9,823
Beginning Fund Balance - As Previously Reported	9,625	9,625	9,678	53
Beginning Fund Balance - As Restated	9,625	9,625	9,678	53
Ending Fund Balance	**$ -**	**$ -**	**$ 9,876**	**$ 9,876**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Police Trust Fund #829 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ 60	$ 60	$ 307	$ 247
Grants and Contributions	9,790	9,790	12,283	2,493
Total Revenues	**9,850**	**9,850**	**12,590**	**2,740**
EXPENDITURES:				
Current:				
Materials and Supplies	5,066	5,066	8,022	2,956
Contingency	17,294	17,294	-	(17,294)
Total Expenditures	**22,360**	**22,360**	**8,022**	**(14,338)**
Over Expenditures	(12,510)	(12,510)	4,568	17,078
Net Change in Fund Balance	(12,510)	(12,510)	4,568	17,078
Beginning Fund Balance - As Previously Reported	12,510	12,510	12,864	354
Beginning Fund Balance - As Restated	12,510	12,510	12,864	354
Ending Fund Balance	**$ -**	**$ -**	**$ 17,432**	**$ 17,432**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Library Trust Fund #830 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ 1,200	$ 1,200	$ 3,152	$ 1,952
Grants and Contributions	79,000	79,000	41,830	(37,170)
Total Revenues	**80,200**	**80,200**	**44,982**	**(35,218)**
EXPENDITURES:				
Current:				
Materials and Supplies	99,000	99,000	27,885	(71,115)
Contingency	144,680	144,680	-	(144,680)
Total Expenditures	**243,680**	**243,680**	**27,885**	**(215,795)**
Over Expenditures	(163,480)	(163,480)	17,097	180,577
Net Change in Fund Balance	(163,480)	(163,480)	17,097	180,577
Beginning Fund Balance - As Previously Reported	163,480	163,480	158,157	(5,323)
Beginning Fund Balance - As Restated	163,480	163,480	158,157	(5,323)
Ending Fund Balance	**$ -**	**$ -**	**$ 175,254**	**$ 175,254**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Library Bldg Trust Fund #833 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ 250	$ 250	$ 124	$ (126)
Total Revenues	**250**	**250**	**124**	**(126)**
EXPENDITURES:				
Current:				
Materials and Supplies	30,969	30,969	30,969	-
Total Expenditures	**30,969**	**30,969**	**30,969**	**-**
Over Expenditures	(30,719)	(30,719)	(30,845)	(126)
Net Change in Fund Balance	(30,719)	(30,719)	(30,845)	(126)
Beginning Fund Balance - As Previously Reported	30,719	30,719	30,845	126
Beginning Fund Balance - As Restated	30,719	30,719	30,845	126
Ending Fund Balance	**$ -**	**$ -**	**$ -**	**$ -**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Senior Services Trust Fund #835 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 4,350	$ 4,350	$ 2,770	$ (1,580)
Investment Earnings	800	800	3,453	2,653
Grants and Contributions	5,000	5,000	7,098	2,098
Miscellaneous Revenue	2,000	2,000	1,997	(3)
Total Revenues	**12,150**	**12,150**	**15,318**	**3,168**
EXPENDITURES:				
Current:				
Materials and Supplies	17,000	17,000	12,035	(4,965)
Capital Outlay	10,000	10,000	-	(10,000)
Contingency	141,176	141,176	-	(141,176)
Total Expenditures	**168,176**	**168,176**	**12,035**	**(156,141)**
Over Expenditures	(156,026)	(156,026)	3,283	159,309
Net Change in Fund Balance	(156,026)	(156,026)	3,283	159,309
Beginning Fund Balance - As Previously Reported	156,026	156,026	167,356	11,330
Beginning Fund Balance - As Restated	156,026	156,026	167,356	11,330
Ending Fund Balance	**$ -**	**$ -**	**$ 170,639**	**$ 170,639**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Snedaker Trust Fund #838 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	Original	Final		
REVENUES:				
Investment Earnings	$ 150	$ 150	$ 439	$ 289
Total Revenues	**150**	**150**	**439**	**289**
EXPENDITURES:				
Current:				
Materials and Supplies	10,000	10,000	1,556	(8,444)
Contingency	12,421	12,421	-	(12,421)
Total Expenditures	**22,421**	**22,421**	**1,556**	**(20,865)**
Over Expenditures	(22,271)	(22,271)	(1,117)	21,154
Net Change in Fund Balance	(22,271)	(22,271)	(1,117)	21,154
Beginning Fund Balance - As Previously Reported	22,271	22,271	22,403	132
Beginning Fund Balance - As Restated	22,271	22,271	22,403	132
Ending Fund Balance	**$ -**	**$ -**	**$ 21,286**	**$ 21,286**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Streets Capital Projects Fund #840 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ -	$ -	$ 7,576	$ 7,576
Grants and Contributions	455,000	455,000	435,472	(19,528)
Total Revenues	**455,000**	**455,000**	**443,048**	**(11,952)**
EXPENDITURES:				
Current:				
Materials and Supplies	58,000	58,000	4,141	(53,859)
Capital Outlay	495,000	495,000	416,233	(78,767)
Contingency	317,249	317,249	-	(317,249)
Total Expenditures	**870,249**	**870,249**	**420,374**	**(449,875)**
Over Expenditures	(415,249)	(415,249)	22,674	437,923
Net Change in Fund Balance	(415,249)	(415,249)	22,674	437,923
Beginning Fund Balance - As Previously Reported	415,249	415,249	318,287	(96,962)
Beginning Fund Balance - As Restated	415,249	415,249	318,287	(96,962)
Ending Fund Balance	**$ -**	**$ -**	**$ 340,961**	**$ 340,961**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Infrastructure Deferral Fund #845 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Investment Earnings	$ 600	$ 600	$ 1,195	$ 595
Total Revenues	**600**	**600**	**1,195**	**595**
EXPENDITURES:				
Current:				
Capital Outlay	58,676	58,676	-	(58,676)
Total Expenditures	**58,676**	**58,676**	**-**	**(58,676)**
Over Expenditures	(58,076)	(58,076)	1,195	59,271
Net Change in Fund Balance	(58,076)	(58,076)	1,195	59,271
Beginning Fund Balance - As Previously Reported	58,076	58,076	58,462	386
Beginning Fund Balance - As Restated	58,076	58,076	58,462	386
Ending Fund Balance	**$ -**	**$ -**	**$ 59,657**	**$ 59,657**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Parks Improvements Fund #862 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 150,000	$ 150,000	$ 99,343	$ (50,657)
Investment Earnings	4,100	4,100	14,914	10,814
Total Revenues	**154,100**	**154,100**	**114,257**	**(39,843)**
EXPENDITURES:				
Current:				
Materials and Supplies	7,500	7,500	-	(7,500)
Capital Outlay	1,070,919	1,070,919	284,447	(786,472)
Contingency	300,000	300,000	-	(300,000)
Total Expenditures	**1,378,419**	**1,378,419**	**284,447**	**(1,093,972)**
Excess (Deficiency) of Revenues Over Expenditures	(1,224,319)	(1,224,319)	(170,190)	1,054,129
OTHER FINANCING SOURCES / (USES):				
Interfund Transfers In	84,772	84,772	84,772	-
Interfund Transfers Out	(8,453)	(8,453)	(8,453)	-
Total Other Financing Sources (Uses)	**76,319**	**76,319**	**76,319**	**-**
Net Change in Fund Balance	(1,148,000)	(1,148,000)	(93,871)	1,054,129
Beginning Fund Balance - As Previously Reported	1,148,000	1,148,000	698,351	(449,649)
Beginning Fund Balance - As Restated	1,148,000	1,148,000	698,351	(449,649)
Ending Fund Balance	**$ -**	**$ -**	**$ 604,480**	**$ 604,480**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Parks Reimbursements Fund #863 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ -	$ -	$ 47	$ 47
Investment Earnings	-	-	8	8
Total Revenues	**-**	**-**	**55**	**55**
EXPENDITURES:				
Current:				
Capital Outlay	401	401	20	(381)
Total Expenditures	**401**	**401**	**20**	**(381)**
Over Expenditures	(401)	(401)	35	436
Net Change in Fund Balance	(401)	(401)	35	436
Beginning Fund Balance - As Previously Reported	401	401	395	(6)
Beginning Fund Balance - As Restated	401	401	395	(6)
Ending Fund Balance	**$ -**	**$ -**	**$ 430**	**$ 430**

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

SDC - Street Reimbursements Fund #883 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 26,500	$ 26,500	$ 38,751	$ 12,251
Investment Earnings	1,000	1,000	2,727	1,727
Total Revenues	**27,500**	**27,500**	**41,478**	**13,978**
EXPENDITURES:				
Current:				
Capital Outlay	110,000	110,000	99,048	(10,952)
Contingency	27,609	27,609	-	(27,609)
Total Expenditures	**137,609**	**137,609**	**99,048**	**(38,561)**
Over Expenditures	(110,109)	(110,109)	(57,570)	52,539
Net Change in Fund Balance	(110,109)	(110,109)	(57,570)	52,539
Beginning Fund Balance - As Previously Reported	110,109	110,109	101,962	(8,147)
Beginning Fund Balance - As Restated	110,109	110,109	101,962	(8,147)
Ending Fund Balance	**$ -**	**$ -**	**$ 44,392**	**$ 44,392**

OTHER SUPPLEMENTARY INFORMATION

Trust & Agency Fund

CITY OF LEBANON

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Bail Fund #910

For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over
	Original	Final	(See Note 1)	(Under)
REVENUES:				
Fees and Charges	$ 35,000	$ 35,000	$ 16,179	$ (18,821)
Fines and Forfeitures	92,900	92,900	104,889	11,989
Total Revenues	**127,900**	**127,900**	**121,068**	**(6,832)**
EXPENDITURES:				
Current:				
Materials and Supplies	128,536	128,536	129,086	550
Total Expenditures	**128,536**	**128,536**	**129,086**	**550**
Over Expenditures	(636)	(636)	(8,018)	(7,382)
Net Change in Fund Balance	(636)	(636)	(8,018)	(7,382)
Beginning Fund Balance - As Previously Reported	636	636	(6,356)	(6,992)
Beginning Fund Balance - As Restated	636	636	(6,356)	(6,992)
Ending Fund Balance	**$ -**	**$ -**	**$ (14,374)**	**$ (14,374)**

OTHER

SUPPLEMENTARY

INFORMATION

Additional
Supporting Schedules

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

NW URD Loan with IFA #B050003

NW URD - May 13, 2005, the City entered into a loan agreement with Business Oregon (IFA) for the Northwest Urban Renewal District. The original balance of the loan is $3,699,984 with an interest rate between 4.0 - 4.375%. On April 10, 2018, a reduction of the loan amount set forth in the agreement occured in exchange for a higher nominal interest rate, less certain issuance costs. This was done through Oregon Bond Bank Revenue Bonds, 2018.

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 2,271,343	$ -	$ 141,311	$ 2,130,032	$ 122,163
Interest	-	83,275	83,275	-	102,981
Total	$ 2,271,343	$ 83,275	$ 224,586	$ 2,130,032	$ 225,144

Future Requirements:

Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
2020	$ 122,163	$ 102,981	$ 225,144	5.00%
2021	128,077	98,067	226,144	5.00%
2022	134,047	91,847	225,894	5.00%
2023	140,069	85,325	225,394	5.00%
2024	146,134	78,510	224,644	5.00%
2025	152,258	71,386	223,644	5.00%
2026	158,450	63,944	222,394	5.00%
2027	169,696	56,199	225,895	5.00%
2028	175,994	47,900	223,894	5.00%
2029	187,350	39,294	226,644	5.00%
2030	193,766	30,129	223,895	5.00%
2031	205,243	20,651	225,894	5.00%
2032	216,785	10,609	227,394	5.00%
Total	$ 2,130,032	$ 796,842	$ 2,926,874	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

NW URD General Obligation Bond Lebanon UR10

NW URD - November 2, 2010, the City issued General Obligation Bonds for the Northwest URD. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is $3,310,000 with an Interest rate between 2.0% and 3.5%. LebanonUR10

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 750,000	$ -	$ 370,000	$ 380,000	$ 380,000
Interest	-	25,510	25,510	-	13,300
Total	$ 750,000	$ 25,510	$ 395,510	$ 380,000	$ 393,300

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 380,000	$ 13,300	$ 393,300	6.15%
Total		$ 380,000	$ 13,300	$ 393,300	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

N Gateway URD Note Payable with Samaritan Health

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

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 1,710,969	$ -	$ 326,956	$ 1,384,013	$ 142,581
Interest	-	73,044	73,044	-	66,656
Total	$ 1,710,969	$ 73,044	$ 400,000	$ 1,384,013	$ 209,237

Future Requirements:

Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
2020	$ 142,581	$ 66,656	$ 209,237	4.25%
2021	142,581	60,597	203,178	4.25%
2022	142,581	54,537	197,118	4.25%
2023	142,581	48,477	191,058	4.25%
2024	142,581	42,418	184,999	4.25%
2025	142,581	36,358	178,939	4.25%
2026	142,581	30,298	172,879	4.25%
2027	142,581	24,239	166,820	4.25%
2028	142,581	18,179	160,760	4.25%
2029	100,784	2,860	103,644	4.25%
2030				4.25%
Total	$ 1,384,013	$ 384,619	$ 1,768,632	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

2002 Pension Obligation Bonds with Wells Fargo

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

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 1,479,882	$ -	$ 33,224	$ 1,446,658	$ 51,658
Interest	-	178,902	178,902	-	170,621
Total	$ 1,479,882	$ 178,902	$ 212,126	$ 1,446,658	$ 222,279

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 51,658	$ 170,621	$ 222,279	0.00%
	2021	140,000	95,558	235,558	0.00%
	2022	160,000	85,968	245,968	0.00%
	2023	185,000	75,008	260,008	0.00%
	2024	205,000	62,335	267,335	0.00%
	2025	-	48,293	48,293	0.00%
	2026	260,000	48,293	308,293	0.00%
	2027	295,000	30,483	325,483	0.00%
	2028	150,000	10,275	160,275	0.00%
Total		$ 1,446,658	$ 626,832	$ 2,073,490	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

General Obligation Bonds #LEBGO2007

June 13, 2007, the City issued General Obligation Bonds, Series 2007. The bonds are held by Bank New York Mellon. The original balance of the bonds is $8,640,000 and carry an annual interest rate between 4.0% and 5.0%. LEBGO2007

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 375,000	$ -	$ 375,000	$ -	$ -
Interest	-	15,000	15,000	-	-
Total	$ 375,000	$ 15,000	$ 390,000	$ -	$ -

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
Total		$ -	$ -	$ -	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Promissary Note with Bank of New York Mellon #B07002

May 29, 2009, the City entered into a Promissory Note agreement with IFA Business Oregon. The original balance of the note is $1,839,833 with an annual interest rate between 3.0% and 5.25%. On April 10, 2018, a reduction of the loan amount set forth in the agreement occured in exchange for a higher nominal interest rate, less certain issuance costs. This was done through Oregon Bond Bank Revenue Bonds, 2018. A revised payment schedule, effective April 10, 2018, is entered below . Special Public Works Fund Loan number B07002.

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 1,060,952	$ -	$ 88,381	$ 972,571	$ 78,950
Interest	-	38,677	38,677	-	46,788
Total	$ 1,060,952	$ 38,677	$ 127,058	$ 972,571	$ 125,738

Future Requirements:

Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
2020	$ 78,950	$ 46,788	$ 125,738	5.00%
2021	79,578	43,613	123,191	5.00%
2022	85,161	39,750	124,911	5.00%
2023	90,919	35,606	126,525	5.00%
2024	91,715	31,180	122,895	5.00%
2025	97,383	26,711	124,094	5.00%
2026	103,253	21,950	125,203	5.00%
2027	109,211	16,902	126,113	5.00%
2028	115,171	11,561	126,732	5.00%
2029	121,230	5,929	127,159	5.00%
Total	$ 972,571	$ 279,990	$ 1,252,561	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Full Faith and Credit Bond 2013 #LebanonFFC2013

On July 31, 2013 the City issued Full Faith and Credit and Refunding Obligations Bonds to finance improvements to the City's water and transportation systems; and refund City's Wastewater Revenue Refunding Bonds, Series 2003 and a portion of Special Water Refunding Obligations, Series 2004. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is $15,235,000 with an interest rate between 2.0% and 4.0%. The amounts for these bonds are divide by the City for Northwest URD, Water and Wastewater. The amount allocated for this portion of the bonds is $11,855,000. LebanonFFC2013

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 9,720,000	$ -	$ 480,000	$ 9,240,000	$ 505,000
Interest	-	379,450	379,450	-	360,250
Total	$ 9,720,000	$ 379,450	$ 859,450	$ 9,240,000	$ 865,250

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 505,000	$ 360,250	$ 865,250	4.00%
	2021	930,000	340,050	1,270,050	4.00%
	2022	975,000	302,850	1,277,850	4.00%
	2023	1,010,000	273,600	1,283,600	3.00%
	2024	1,050,000	243,300	1,293,300	3.00%
	2025	1,110,000	190,800	1,300,800	5.00%
	2026	1,165,000	146,400	1,311,400	4.00%
	2027	1,220,000	99,800	1,319,800	4.00%
	2028	1,275,000	51,000	1,326,000	4.00%
Total		$ 9,240,000	$ 2,008,050	$ 11,248,050	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

General Obligation Refunding Bonds, Series 2015 #LebanonGOB, Series 2015

October 13, 2015 the City issued General Obligation Refunding Bonds, Series 2015 with Key Bank / Zion Bank to advance refund a portion of the City's outstanding GO Bonds, Series 2007; and the wastewater financing agreement with Siemens Public, Inc. The original balance of the bonds is $12,800,000 and carry an annual interest rate between 1.65% and 5.0%. #LebanonGORefBonds, Series 2015

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 11,960,000	$ -	$ 655,000	$ 11,305,000	$ 1,095,000
Interest	-	456,324	456,324	-	443,224
Total	$ 11,960,000	$ 456,324	$ 1,111,324	$ 11,305,000	$ 1,538,224

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 1,095,000	$ 443,224	$ 1,538,224	0.00%
	2021	1,160,000	425,156	1,585,156	0.00%
	2022	1,235,000	401,956	1,636,956	0.00%
	2023	1,330,000	352,556	1,682,556	0.00%
	2024	1,455,000	286,056	1,741,056	0.00%
	2025	1,540,000	251,500	1,791,500	0.00%
	2026	1,675,000	174,500	1,849,500	0.00%
	2027	1,815,000	90,750	1,905,750	0.00%
Total		$ 11,305,000	$ 2,425,698	$ 13,730,698	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Cheadle Lake URD Loan with Opus Bank

CHEADLE LAKE URD - May 18, 2017, the City entered into a loan agreement with Opus Bank for Cheadle Lake URD. The original balance of the loan is $4,232,723 and has a fixed annual interest rate of 2.88%. Loan #530000006441

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 4,007,182	$ -	$ 236,439	$ 3,770,743	$ 243,248
Interest	-	115,407	115,407	-	108,597
Total	$ 4,007,182	$ 115,407	$ 351,846	$ 3,770,743	$ 351,845

Future Requirements:

Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
2020	$ 243,248	$ 108,597	$ 351,845	2.88%
2021	250,254	101,592	351,846	2.88%
2022	257,461	94,385	351,846	2.88%
2023	264,876	86,970	351,846	2.88%
2024	272,504	79,341	351,845	2.88%
2025	280,353	71,493	351,846	2.88%
2026	288,427	63,419	351,846	2.88%
2027	296,733	55,112	351,845	2.88%
2028	305,279	46,566	351,845	2.88%
2029	314,071	37,774	351,845	2.88%
2030	323,117	28,729	351,846	2.88%
2031	332,422	19,423	351,845	2.88%
2032	341,998	9,850	351,848	2.88%
Total	$ 3,770,743	$ 803,251	$ 4,573,994	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Full Faith and Credit Bond 2013 # LebanonFFC2013 (Water)

July 31, 2013 the City issued Full Faith and Credit and Refunding Obligations Bonds. The bonds are held by Bank of New York Mellon / Zion Bank. The original balance of the bonds is $15,235,000 with an interest rate between 2.0% and 4.0%. The amounts for these bonds are divide by the City for Northwest URD, Water and Wastewater. The amount allocated for this portion of the bonds is $1,168,000. LebanonFFC2013 (Water)

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 895,000	$ -	$ 215,000	$ 680,000	$ 220,000
Interest	-	33,450	33,450	-	24,850
Total	$ 895,000	$ 33,450	$ 248,450	$ 680,000	$ 244,850

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 220,000	$ 24,850	$ 244,850	0.00%
	2021	225,000	16,050	241,050	0.00%
	2022	235,000	7,050	242,050	0.00%
Total		$ 680,000	$ 47,950	$ 727,950	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Full Faith and Credit Bond 2013 #LebanonFFC2013 (WasteWater)

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

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 520,000	$ -	$ 255,000	$ 265,000	$ 265,000
Interest	-	20,800	20,800	-	10,600
Total	$ 520,000	$ 20,800	$ 275,800	$ 265,000	$ 275,600

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 265,000	$ 10,600	$ 275,600	0.00%
Total		$ 265,000	$ 10,600	$ 275,600	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Full Faith and Credit Bond 2015 #LebanonFFC2015 (WasteWater)

October 13, 2015, the City issued Full Faith and Credit Bonds to advance refund a portion of the City's outstanding GO Bonds, Series 2007; and the wastewater financing agreement with Siemens Public, Inc. The bonds are held by Key Bank/ Zion Bank. The original balance of the bonds is $2,385,000 and carry an annual interest rate between 2.00% and 4.00% LebanonFFC2015 (WasteWater)

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 1,485,000	$ -	$ 355,000	$ 1,130,000	$ 365,000
Interest	-	46,900	46,900	-	38,775
Total	$ 1,485,000	$ 46,900	$ 401,900	$ 1,130,000	$ 403,775

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 365,000	$ 38,775	$ 403,775	0.00%
	2021	375,000	26,900	401,900	0.00%
	2022	390,000	11,700	401,700	0.00%
Total		$ 1,130,000	$ 77,375	$ 1,207,375	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Note Payable to Department of Environmental Quality #R56200

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

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 569,287	$ -	$ 44,560	$ 524,727	$ 45,875
Interest	-	19,092	19,092	-	17,551
Total	$ 569,287	$ 19,092	$ 63,652	$ 524,727	$ 63,426

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 45,875	$ 17,551	$ 63,426	0.00%
	2021	47,229	15,964	63,193	0.00%
	2022	48,623	14,330	62,953	0.00%
	2023	50,058	12,649	62,707	0.00%
	2024	51,535	10,918	62,453	0.00%
	2025	53,056	9,135	62,191	0.00%
	2026	54,623	7,299	61,922	0.00%
	2027	56,235	5,410	61,645	0.00%
	2028	57,895	3,465	61,360	0.00%
	2029	59,598	1,463	61,061	0.00%
Total		$ 524,727	$ 98,184	$ 622,911	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Revenue Bonds held by Bank of New York Mellon/ Zion Bank #LEBANONWW10

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

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 4,075,000	$ -	$ 445,000	$ 3,630,000	$ 460,000
Interest	-	161,450	161,450	-	143,650
Total	$ 4,075,000	$ 161,450	$ 606,450	$ 3,630,000	$ 603,650

Future Requirements:

Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
2020	$ 460,000	$ 143,650	$ 603,650	0.00%
2021	235,000	125,250	360,250	0.00%
2022	245,000	115,263	360,263	0.00%
2023	255,000	104,850	359,850	0.00%
2024	265,000	94,013	359,013	0.00%
2025	275,000	82,750	357,750	0.00%
2026	285,000	71,063	356,063	0.00%
2027	300,000	60,375	360,375	0.00%
2028	310,000	49,125	359,125	0.00%
2029	320,000	37,500	357,500	0.00%
2030	335,000	25,500	360,500	0.00%
2031	345,000	12,938	357,938	0.00%
Total	$ 3,630,000	$ 922,275	$ 4,552,275	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Loan with Business Oregon (IFA) #L16003

October 16, 2015, the City entered into a loan agreement with IFA Business Oregon for financing of the Special Public Works Fund Development Project. The original balance of the loan is $11,000,000 with an interest rate of 3.51%. # L16003

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 9,910,759	$ 1,089,241	$ -	$ 11,000,000	$ -
Interest	-	-	-	-	686,465
Total	$ 9,910,759	$ 1,089,241	$ -	$ 11,000,000	$ 686,465

Future Requirements:

Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
2020		$ 686,465		3.51%
2021	$ 287,855	398,610	$ 686,465	3.51%
2022	310,469	375,996	686,465	3.51%
2023	321,366	365,099	686,465	3.51%
2024	332,646	353,819	686,465	3.51%
2025	344,322	342,143	686,465	3.51%
2026	356,408	330,057	686,465	3.51%
2027	368,918	317,547	686,465	3.51%
2028	381,867	304,598	686,465	3.51%
2029	395,270	291,195	686,465	3.51%
2030	409,144	277,321	686,465	3.51%
2031	423,505	262,960	686,465	3.51%
2032	438,370	248,095	686,465	3.51%
2033	453,757	232,708	686,465	3.51%
2034	469,684	216,781	686,465	3.51%
2035	486,170	200,295	686,465	3.51%
2036	503,234	183,231	686,465	3.51%
2037	520,898	165,567	686,465	3.51%
2038	539,181	147,284	686,465	3.51%
2039	558,107	128,358	686,465	3.51%
2040	577,696	108,769	686,465	3.51%
2041	597,973	88,492	686,465	3.51%
2042	618,962	67,503	686,465	3.51%
2043	640,688	45,777	686,465	3.51%
2044	663,510	23,289	686,799	3.51%
Total	$ 11,000,000	$ 6,161,959	$ 16,475,494	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Loan with Business Oregon (IFA) #S16004

October 16, 2015, the City entered into a loan agreement for financing of the Safe Drinking Water Revolving Loan Fund. The loan is held by IFA Business Oregon. The original balance of the note is $13,000,000 and carries an interst rate of 1.0%. #L16004.

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 11,105,295	$ 879,705	$ -	$ 11,985,000	$ 274,577
Interest	-	-	-	-	192,727
Total	$ 11,105,295	$ 879,705	$ -	$ 11,985,000	$ 467,304

Future Requirements:

Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
2020	$ 274,577	$ 192,727	$ 467,304	0.00%
2021	350,199	117,104	467,303	0.00%
2022	353,701	113,602	467,303	0.00%
2023	357,238	110,065	467,303	0.00%
2024	360,811	106,493	467,304	0.00%
2025	364,419	102,885	467,304	0.00%
2026	368,063	99,241	467,304	0.00%
2027	371,744	95,560	467,304	0.00%
2028	375,461	91,842	467,303	0.00%
2029	379,216	88,088	467,304	0.00%
2030	383,008	84,296	467,304	0.00%
2031	386,838	80,466	467,304	0.00%
2032	390,706	76,597	467,303	0.00%
2033	394,613	72,690	467,303	0.00%
2034	398,560	68,744	467,304	0.00%
2035	402,545	64,758	467,303	0.00%
2036	406,571	60,733	467,304	0.00%
2037	410,636	56,667	467,303	0.00%
2038	414,743	52,561	467,304	0.00%
2039	418,890	48,414	467,304	0.00%
2040	423,079	44,225	467,304	0.00%
2041	427,310	39,994	467,304	0.00%
2042	431,583	35,721	467,304	0.00%
2043	435,899	31,405	467,304	0.00%
2044	440,258	27,046	467,304	0.00%
2045	444,660	22,643	467,303	0.00%
2046	449,107	18,197	467,304	0.00%
2047	453,598	13,706	467,304	0.00%
2048	458,134	9,170	467,304	0.00%
2049	458,833	4,588	463,421	0.00%
Total	$ 11,985,000	$ 2,030,228	$ 14,015,228	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Police Lease 2798

The City entered into a Municipal Lease and Option agreement with Auto Leasing Specialists, LLC for the purchase of three 2018 Ford Interceptor SUV's for the Police Department on September 19, 2017. The agreement requires four payments of $32687, one upon acceptance and annually thereafter, (interest included) beginning November 6, 2017.

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 85,000	$ -	$ 26,310	$ 58,690	$ 28,284
Interest	-	6,377	6,377	-	4,403
Total	$ 85,000	$ 6,377	$ 32,687	$ 58,690	$ 32,687

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 28,284	$ 4,403	$ 32,687	0.00%
	2021	30,406	2,281	32,687	0.00%
Total		$ 58,690	$ 6,684	$ 65,374	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Police Lease 2799

The City entered into a Municipal Lease and Option agreement with Auto Leasing Specialists, LLC for the purchase of two 2016 Chevy Tahoe's and two 2017 Dodge Durango's for the Police Department on September 19, 2017. The original amount financed is $150,199.70. The agreement requires five payments of $34,534, one upon acceptance and annually thereafter, (interest included) beginning September 29, 2017

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 115,666	$ -	$ 25,859	$ 89,807	$ 27,798
Interest	-	8,675	8,675	-	6,736
Total	$ 115,666	$ 8,675	$ 34,534	$ 89,807	$ 34,534

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2020	$ 27,798	$ 6,736	$ 34,534	0.00%
	2021	29,884	4,651	34,535	0.00%
	2022	32,125	2,409	34,534	0.00%
Total		$ 89,807	$ 13,796	$ 103,603	

CITY OF LEBANON

SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2019

Police Lease 2743

The City entered into a Municipal Lease and Option agreement with Auto Leasing Specialists, LLC for the purchase of two 2017 Ford Interceptor SUV vehicles for the Police Department on November 17, 2016. The original amount financed is $74913.46. The agreement requires three annual payments of $26,857, one upon acceptance and annually thereafter (interest included) beginning December 28, 2016, and ending on December 28, 2018.

Current Year Activity:

	Outstanding Balance July 1, 2018	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2019	Due Within One Year
Principal	$ 24,925	$ -	$ 24,925	$ -	$ -
Interest	-	1,932	1,932	-	-
Total	$ 24,925	$ 1,932	$ 26,857	$ -	$ -

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
Total		$ -	$ -	$ -	

ACCOMPANYING

INFORMATION

CITY OF LEBANON

INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS
As of June 30, 2019

To the Governing Body of the City of Lebanon
Lebanon, Oregon

I have audited the basic financial statements of the City of Lebanon as of and for the year ended June 30, 2019 and have issued my report thereon dated January 28, 2020. I conducted my audit in accordance with auditing standards generally accepted in the United States of America.

Compliance
As part of obtaining reasonable assurance about whether the City of Lebanon' financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion.
I performed procedures to the extent I considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Highway revenues used for public highways and roads (ORS Chapters 294, 368 & 373).**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

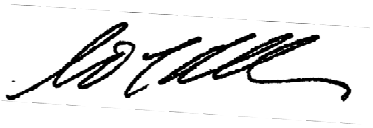
In connection with my testing nothing came to my attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000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

For the fiscal year ended June 30, 2019, over-expenditure of appropriations occurred in four funds, as noted on page 62 of the audit report.

The City has adopted new procedures to review budget vs. actual amounts regularly to avoid over-expenditures in the future.

OAR 162-10-0230 Internal Control
In planning and performing my audit, I considered the City's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the City internal control over financial reporting.

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



Steve Tuchscherer, CPA, PC
Roseburg, Oregon
January 28, 2020

SINGLE AUDIT SECTION

UMPQUA VALLEY
FINANCIAL

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and City Council
City of Lebanon, Oregon

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Lebanon as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise City of Lebanon's basic financial statements and have issued my report thereon dated January 28, 2020.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered City of Lebanon's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Lebanon's internal control. Accordingly, I do not express an opinion on the effectiveness of City of Lebanon's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Lebanon's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Steve Tuchscherer, CPA
January 28, 2020

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UMPQUA VALLEY
FINANCIAL

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
City of Lebanon

Report on Compliance for Each Major Federal Program

I have audited the City of Lebanon's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Lebanon's major federal programs for the year ended June 30, 2019. The City of Lebanon's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the City of Lebanon's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Lebanon's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of the City of Lebanon's compliance.

Opinion on Each Major Federal Program

In my opinion, the City of Lebanon complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

The management of the City of Lebanon is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit, I considered the City of Lebanon's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the City of Lebanon's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Steve Tuchscherer CPA
Umpqua Valley Financial
Roseburg, Oregon
January 28, 2020

CITY OF LEBANON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2019

Grantor / Lender Program and Title		Federal CFDA Number	Pass-Through Entity Identifying Number	Expenditures
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through Oregon Department of Transportation:				
Formula Grants for Rural Areas		20.509	31904	$ 77,546
Enhanced Mobility of Seniors and Individuals with Disabilities		20.513	32169	2,391
Bus and Bus Facilities Formula Program		20.526	32825	64,000
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through Oregon Business Development Department				
Community Development Block Grant		14.228	H16014	88,488
GENERAL SERVICES ADMINISTRATION				
Passed through Oregon Department of Administrative Services				
Donation of Federal Surplus Property		39.003		4,918
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Passed Through Oregon State Library				
State Library Program		45.310	LS-00-17-0038-17	3,000
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Passed through Oregon Infrastructure Finance Authority				
Capitalization Grants for Drinking Water State Revolving Funds	*	66.468	S16004	1,894,705
Capitalization Grants for Drinking Water State Revolving Funds	*	66.468	U18003	29,667
Total - Capitalization Grants for Drinking Water State Revolving Funds				1,924,372
TOTAL FEDERAL FINANCIAL ASSISTANCE				**$ 2,164,715**

*** Major Programs**

This schedule has been prepared using the modified accrual basis of accounting.

CITY OF LEBANON

Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2019

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of federal awards (the "Schedule") includes the federal award activity of City of Lebanon under programs of the federal government for the year ended June 30, 201. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of City of Lebanon, it is not intended to and does not present the financial position, changes in net assets, or cash flows of City of Lebanon.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 – INDIRECT COSTS RATE

City of Lebanon has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

CITY OF LEBANON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

June 30, 2019

Section I—Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of City of Lebanon in accordance with GAAP.

2. No material weaknesses or significant deficiencies in internal control related to the financial statement audit were identified which are required to be reported.

3. No instances of noncompliance material to the financial statements of City of Lebanon were disclosed during the audit.

4. The auditor's report on compliance for the major federal award program expresses an unmodified opinion.

5. The audit did not disclose any findings that are required to be reported.

6. The program tested as a major program was Capitalization Grants for Drinking Water State Revolving Funds CFDA No. 66.468.

7. The threshold for distinguishing between Type A and B programs was $750,000.

8. The District was determined to be a low-risk auditee.

Section II—Financial Statements Findings

No findings related to the financial statements are reported in accordance with *Government Auditing Standards* for the year ended June 30, 2019.

Section III—Findings and Questioned Costs for Federal Awards.

No matters were reported relating to significant deficiencies, material weaknesses, or instances of noncompliance related to the financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

Section IV—Summary Schedule of Prior Audit Findings

There were no findings or questioned costs for the year ended June 30, 2018.