

SIUSLAW PUBLIC LIBRARY
FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025
WITH
INDEPENDENT AUDITOR'S REPORT

SIUSLAW PUBLIC LIBRARY

For the Year Ended June 30, 2025

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INTRODUCTORY SECTION

SIUSLAW PUBLIC LIBRARY

List of Elected Officials

As of June 30, 2025

ELECTED OFFICIALS

Susy Lacer	President
Sandra Kuhlman	Vice President
Colin Morgan	Member
Donna Oshel	Member
Jane Yecny	Member

Library Director
Megan Spencer
1460 9th Street
Florence, OR 97439

The District has not designated a registered agent.

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT



Board of Directors
Siuslaw Public Library
Florence, Oregon

920 Country Club Road, Suite 200A
Eugene, OR 97401
541.342.5161
www.islercpa.com

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Siuslaw Public Library ("District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements of the District as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of the Proportionate Share of the Net Pension Liability, the Schedule of Pension Contributions and the General Operations and Building and Reserve Fund budget and actual schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the Management's Discussion and Analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budget and actual schedule for the General Operations and the Building and Reserve Fund 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Operations and the Building and Reserve Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budgetary Basis) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The General Fund Combining Schedules and Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budgetary Basis) for the Pers Reserve Fund, Grant Fund, combined General Fund, and the General Operations Fund - Management detail are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Pers Reserve Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budgetary Basis) is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the list of elected officials but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated February 4, 2026 on our consideration of District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

ISLER CPA



By: Cody Savey, CPA, a member of the firm

Eugene, Oregon
February 4, 2026

Management's Discussion and Analysis

This Management Discussion and Analysis (MD&A) is presented to facilitate financial analysis and provide an overview of the financial activities of the Siuslaw Public Library (District) for the fiscal year ended June 30, 2025. Information in the MD&A is based on currently known facts, decisions and conditions. Please read it in conjunction with the basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

- The District assets totaled \$2,512,097 at June 30, 2025, and consisted mainly of cash of \$823,132 and capital assets of \$1,596,763.
- Net position (assets minus liabilities) was \$1,809,242 at June 30, 2025. Net position increased by \$112,010.
- As of the end of the current fiscal year, the District's General Operations and aggregate remaining non-major funds (Pers Reserve Fund and Grant Fund) reported ending fund balances of \$705,571 and \$95,039 respectively .

Overview of the Financial Statements

The District's basic financial statements are presented using the integrated approach as prescribed by GASB Statement No. 34. The basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

The District has combined the government-wide and fund financial statements using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column.

The basic financial statements present financial information about the District as a whole and about its activities.

Government-wide Financial Statements

The government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities and are designed to present the financial picture of the District in a manner similar to a private-sector business (i.e. from the economic resources measurement focus using the accrual basis of accounting).

The Statement of Net Position includes all assets of the District as well as all liabilities (including long-term debt). Net position is the difference between assets and liabilities, which is one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position may be an indicator of whether its financial health is improving or deteriorating.

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

Fund Financial Statements

Funds are used to segregate resources for specific activities or objectives. The District has four governmental funds: the Pers Fund, the General Fund, the Grant Fund and the Building and Reserve Fund.

The Governmental Fund statements emphasize available current financial resources rather than change in net position. They are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Notes to the Basic Financial Statements

The notes provide information that is essential for a full understanding of the data presented in the government-wide and fund financial statements (the basic financial statements). Information such as significant accounting policies and detail of certain assets and liabilities are included in the notes that should be read in conjunction with the basic financial statements.

Government-Wide Financial Analysis

Statements of Net Position

The District's assets exceeded liabilities by \$1,809,242 at June 30, 2025. The largest portions of its net position were capital assets net of related debt and cash and cash equivalents. A condensed version of the Statement of Net Position as of June 30, 2025 and 2024 follows:

	Condensed Statement of Net Position	
	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 915,334	\$ 703,668
Capital assets	<u>1,596,763</u>	<u>1,617,621</u>
Total assets	<u>2,512,097</u>	<u>2,321,289</u>
Total deferred outflows of resources	<u>383,965</u>	<u>257,476</u>
Long-term liabilities	857,529	676,626
Other liabilities	<u>169,962</u>	<u>104,748</u>
Total liabilities	<u>1,027,491</u>	<u>781,374</u>
Total deferred inflows of resources	<u>59,329</u>	<u>100,159</u>
Net position		
Net investment in capital assets	1,596,763	1,617,621
Restricted	62,050	-
Unrestricted	<u>150,429</u>	<u>79,611</u>
Total net position	<u>\$ 1,809,242</u>	<u>\$ 1,697,232</u>

At the end of the current fiscal year, the District reported a positive balance in both categories of net position. Total net position increased by \$112,010.

Statements of Activities

The District's Statements of Activities for the fiscal years ended June 30, 2025 and June 30, 2024 follows:

	Condensed Statement of Activities	
	<u>2025</u>	<u>2024</u>
Revenues:		
Program revenues:		
Fines and Fees	\$ 15,318	\$ 14,144
Operating grants and contributions	405,518	30,255
General revenues:		
Property taxes	1,223,480	1,183,877
Interest Income	19,775	9,066
General contributions non-program specific amounts	26,409	26,477
Miscellaneous	<u>6,999</u>	<u>1,361</u>
Total revenues	1,697,499	1,265,180
Expenses:		
Library services	<u>1,585,489</u>	<u>1,520,368</u>
Increase (decrease) in net position	112,010	(255,188)
Net position beginning of the year	<u>1,697,232</u>	<u>1,952,420</u>
Net position end of the year	<u>\$ 1,809,242</u>	<u>\$ 1,697,232</u>

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of expendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported as follows:

Fund	Ending Balance <u>6/30/2025</u>	Ending Balance <u>6/30/2024</u>	<u>Change</u>
General Fund, Unassigned	\$ 556,593	\$ 451,841	\$ 104,752
General Fund, Assigned			
Building & Equipment Reserve Fund	113,552	102,888	10,664
General Fund, Non-Spendable	35,426	31,004	4,422
Other Non-major funds			
Pension Expense Reserve Fund & Grant Fund, Committed	32,989	29,901	3,088
Other Non-major funds			
Pension Expense Reserve Fund & Grant Fund, Restricted	<u>62,050</u>	<u>-</u>	<u>62,050</u>
Total Governmental Fund Balances	<u>\$ 800,610</u>	<u>\$ 615,634</u>	<u>\$ 184,976</u>

General Fund Budgetary Highlights

There were no significant differences between original budget, final budget, and actual.

Capital Assets

As of June 30, 2025, the District had invested \$1,596,763 in capital assets, net of depreciation as reflected in the following table, which represents a net decrease (additions less deductions and depreciation) of \$20,858.

	<u>2025</u>	<u>2024</u>
Land	\$ 206,836	\$ 206,836
Buildings and improvements	3,364,946	3,364,946
Equipment and furniture	1,017,609	972,626
Accumulated depreciation	<u>(2,992,628)</u>	<u>(2,926,787)</u>
	<u>\$ 1,596,763</u>	<u>\$ 1,617,621</u>

Additional information on the District's capital assets can be found in Note IV. B. of this report.

Request for Information

The District's financial statements are designed to present users with a general overview of the District's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to the Library Director at Siuslaw Public Library District, 1460 9th Street, Florence, OR 97439.

BASIC FINANCIAL STATEMENTS

SIUSLAW PUBLIC LIBRARY

Governmental Funds Balance Sheet / Statement of Net Position

June 30, 2025

	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Total Governmental Funds</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS AND DEFERRED OUTFLOWS					
Cash and Cash Equivalents	\$ 728,093	\$ 95,039	\$ 823,132	\$ -	\$ 823,132
Accounts Receivable, Net	4,080	-	4,080	-	4,080
Property Taxes Receivable	52,696	-	52,696	-	52,696
Prepaid Expenses	35,426	-	35,426	-	35,426
Land	-	-	-	206,836	206,836
Depreciable Capital Assets, Net	-	-	-	1,389,927	1,389,927
Total assets	<u>820,295</u>	<u>95,039</u>	<u>915,334</u>	<u>1,596,763</u>	<u>2,512,097</u>
Deferred outflows of resources:					
Related to pensions	-	-	-	383,965	383,965
Total assets and deferred outflows	<u>\$ 820,295</u>	<u>\$ 95,039</u>	<u>\$ 915,334</u>	<u>1,980,728</u>	<u>2,896,062</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES / NET POSITION					
Liabilities:					
Accounts Payable	\$ 55,261	\$ -	\$ 55,261	-	55,261
Payroll Liabilities	6,767	-	6,767	-	6,767
Accrued compensated absences payable	-	-	-	107,934	107,934
Net pension liability	-	-	-	857,529	857,529
Total liabilities	62,028	-	62,028	965,463	1,027,491
Deferred inflows of resources:					
Unavailable property taxes	52,696	-	52,696	(52,696)	-
Related to pensions	-	-	-	59,329	59,329
Total liabilities and deferred inflows	<u>114,724</u>	<u>-</u>	<u>114,724</u>	<u>972,096</u>	<u>1,086,820</u>
Fund balances / net position:					
Fund balances:					
Restricted	-	62,050	62,050	(62,050)	
Non-Spendable	35,426	-	35,426	(35,426)	
Committed	-	32,989	32,989	(32,989)	
Assigned	113,552	-	113,552	(113,552)	
Unassigned	556,593	-	556,593	(556,593)	
Total fund balances	<u>705,571</u>	<u>95,039</u>	<u>800,610</u>	<u>(800,610)</u>	
Total liabilities and fund balances	<u>\$ 820,295</u>	<u>\$ 95,039</u>	<u>\$ 915,334</u>		
Net position:					
Restricted				62,050	62,050
Net Investment in Capital Assets				1,596,763	1,596,763
Unrestricted				150,429	150,429
Total net position				<u>\$ 1,809,242</u>	<u>\$ 1,809,242</u>

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

SIUSLAW PUBLIC LIBRARY

Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances / Statement of Activities

For the Year Ended June 30, 2025

	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Total Governmental Funds</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
REVENUES					
Property Taxes	\$ 1,212,949	\$ -	\$ 1,212,949	\$ 10,531	\$ 1,223,480
Intergovernmental Revenues	8,997	64,550	73,547	-	73,547
Fines and fees	15,318	-	15,318	-	15,318
Interest Income	17,487	2,288	19,775	-	19,775
Donations and Grants	331,971	-	331,971	-	331,971
Endowed Funds	26,409	-	26,409	-	26,409
Miscellaneous	6,999	-	6,999	-	6,999
Total Revenues	<u>1,620,130</u>	<u>66,838</u>	<u>1,686,968</u>	<u>10,531</u>	<u>1,697,499</u>
EXPENDITURES / EXPENSES					
Personnel Services	977,717	-	977,717	62,639	1,040,356
Materials & Services	448,372	-	448,372	30,921	479,293
Depreciation	-	-	-	65,840	65,840
Capital Outlay	73,403	2,500	75,903	(75,903)	-
Total Expenditures / Expenses	<u>1,499,492</u>	<u>2,500</u>	<u>1,501,992</u>	<u>83,497</u>	<u>1,585,489</u>
Excess (deficiency) of revenues over (under) expenditures / expenses	<u>120,638</u>	<u>64,338</u>	<u>184,976</u>	<u>(72,966)</u>	<u>112,010</u>
Transfers In	-	800	800	(800)	-
Transfers Out	<u>(800)</u>	<u>-</u>	<u>(800)</u>	<u>800</u>	<u>-</u>
Net change in fund balances / net position	119,838	65,138	184,976	(72,966)	112,010
Fund balances / net position - beginning	<u>585,733</u>	<u>29,901</u>	<u>615,634</u>	<u>1,081,598</u>	<u>1,697,232</u>
Fund balances / net position - ending	<u>\$ 705,571</u>	<u>\$ 95,039</u>	<u>\$ 800,610</u>	<u>\$ 1,008,632</u>	<u>\$ 1,809,242</u>

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

SIUSLAW PUBLIC LIBRARY
Notes to the Financial Statements

June 30, 2025

Note I - Summary of significant accounting policies

A. Reporting entity

The Siuslaw Public Library (District) is an Oregon municipal corporation governed by the five-member governing board (Board), who are elected to office at large by voters within the District zone. Administrative functions are delegated to individuals who report and are responsible to the board.

The District is considered a primary government and is not a component unit of another entity, nor are there any component units for which the District is financially accountable.

B. Measurement focus, basis of accounting, and financial statement presentation

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the governmental funds.

Property taxes associated with the current fiscal period are susceptible to accrual and have been recognized as revenues of the current fiscal period if received within the District's period of availability. The District uses 60 days as their period of availability for property taxes. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred, all other eligibility requirements have been met and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The District has determined that the General Fund is the District's only major fund.

General Fund - The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund. Principal revenue sources include property taxes, grants and payments from intergovernmental arrangements, unrestricted donations, fines and fees, interest and other miscellaneous charges for services. Expenditures are for the general operation of the District and include, but are not limited to library staffing, media and materials purchases, certain administrative functions and debt service. General Sub-Fund account groupings are used to separate accounting for management purposes.

General Operations Fund accounts for general operation revenues, expenditures and transfers of the District. Principal revenue sources include property taxes, grants and payments from intergovernmental arrangements and unrestricted donations. Expenditures include personal services, materials and services and certain administrative functions necessary to carry out library and media services.

SIUSLAW PUBLIC LIBRARY

Notes to the Financial Statements

June 30, 2025

Note I - Summary of significant accounting policies, continued

B. Measurement focus, basis of accounting, and financial statement presentation, continued

Library Building and Equipment Reserve Fund was created by the Board of Directors for emergency repairs to the library buildings and equipment.

In addition to the General Fund, the District reports the Grant fund and the Pension Expense Reserve Fund as non-major funds.

The Grant Fund is considered a Special Revenue Fund. Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

The PERS Reserve Fund Established during fiscal year 2019-20, to account for the District's unfunded obligation to the Public Employee Retirement System (PERS). Resources consist of transfers from the General Fund and interest with future expenditures consisting of payments towards the PERS liability.

C. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

D. Assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position or fund balance

1. Cash and cash equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and investments in the State of Oregon Treasury Department's Local Government Investment Pool (LGIP). State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, municipal bonds, banker's acceptances, repurchase agreements and the LGIP.

2. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

3. Property taxes receivable

Property taxes are assessed on July 1st of the fiscal year, which begins July 1 and ends June 30. The taxes are levied and become an enforceable lien on real property on July 1. Collection dates are November 15, February 15 and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent, at which time subject to interest.

SIUSLAW PUBLIC LIBRARY

Notes to the Financial Statements

June 30, 2025

Note I - Summary of significant accounting policies, continued

D. Assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position or fund balance, continued

4. Capital assets

Capital assets, are recorded at original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated life in excess of one year. Maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are reported in the governmental activities column in the government-wide Statement of Net Position. Capital assets are depreciated using the straight-line method over the following useful lives.

<u>Assets</u>	<u>Years</u>
Building and improvements	15-40 years
Equipment and furniture	5 to 10 years

5. Compensated Absences

Effective July 1, 2024, The District implemented GASB Statement No. 101, Compensated Absences. This Statement requires a single recognition and measurement model for all types of compensated absences and amends certain disclosure requirements. The adoption of GASB Statement No. 101 did not result in a restatement of prior period balances.

It is the District's policy to permit employees to accumulate earned but unused paid time off. All paid time off is accrued when incurred in the government-wide statements up to the maximum hours allowed based on number of years of service. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability is measured using pay rates in effect as of the financial statement date and includes salary-related payments such as the District's share of Social Security and Medicare taxes.

6. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (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.

7. Deferred outflows/inflows of resources

In addition to assets, the statement of net 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.

In addition to liabilities, the statement of net 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 District reports one type of deferred inflows. Unavailable revenues, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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Notes to the Financial Statements

June 30, 2025

Note I - Summary of significant accounting policies, continued

D. Assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position or fund balance, continued

8. Fund balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The fund balance classifications are:

Nonspendable - resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for sale.

Restricted - constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grants, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - the Board passes an ordinance that places specific constraints on how the resources may be used. The Board can modify or rescind the ordinance at any time through passage of an additional ordinance.

Assigned - resources that are constrained by the Board's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the board of directors approves which resources should be "reserved" during the adoption of the annual budget.

Unassigned - resources that have not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

When restricted, committed, assigned, and unassigned resources are available for use, it is the District's policy to use restricted resources first, followed by committed, assigned, and unassigned fund balance.

9. Net Position

Net position is defined as the difference between assets and deferred outflows and liabilities and deferred inflows of resources in the District's financial statements.

Government-wide net position comprises the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

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

Restricted net position - assets with external constraints placed on their use by creditors, grantors, contributors, or laws and regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - all other net position.

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

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Notes to the Financial Statements

June 30, 2025

Note II - Explanation of differences between the Government-wide statements and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

Fund balances - governmental funds	\$	800,610
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When capital assets that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the District as a whole.

Governmental capital assets, cost	4,589,391	
less accumulated depreciation	<u>(2,992,628)</u>	1,596,763

Assets, liabilities, deferred inflows and deferred outflows related to the District's portion of the State-wide pension plan and other post-retirement benefits are not current resources or requirements and therefore are not reported in the fund balance.

Deferred outflows of resources related to pensions	383,965	
Net Pension Liability	(857,529)	
Deferred inflows of resources related to Pension	<u>(59,329)</u>	
Total Pension activity		(532,893)

Because the focus of governmental funds is on short-term financing, some assets, such as receivables, will not be available to pay for current-period expenditures. Receivables are offset by unavailable revenue in the governmental funds, and thus are not included in the fund balance.

Adjustment of unavailable revenue		52,696
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Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Balances at June 30, 2025 were:

Compensated absences		(107,934)
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Net position of governmental activities		<u>\$ 1,809,242</u>
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SIUSLAW PUBLIC LIBRARY

Notes to the Financial Statements

June 30, 2025

Note II - Explanation of differences between the Government-wide statements and fund financial statements, continued

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

Net change in fund balances - governmental funds \$ 184,976

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation exceeds capital outlay in the current period is: (20,857)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Change in unavailable revenue 10,530
Expense related to PERS obligations (13,584)

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Balances at June 30, 2025 were:

Change in compensated absences (49,055)

Change in net position of governmental activities \$ 112,010

Note III - Stewardship and compliance

A. Budgetary information

Budgets are prepared and adopted, and expenditures are appropriated, in accordance with Oregon Local Budget Law. The District is required by law to budget all funds. The budgetary level of control is by department, debt service, interfund transfers and contingency for each fund. Expenditures may not legally exceed the adopted level of detail and all annual appropriations lapse at year end.

Unexpected additional resources may be added to the budget through the use of a supplemental budget. A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, publications in newspapers, and adoption by the Board of Directors. The Board of Directors can also authorize transfers of appropriations between existing expenditure categories. Budget amounts shown in the financial statements represent the budget as finally revised by the Board of Directors.

SIUSLAW PUBLIC LIBRARY

Notes to the Financial Statements

June 30, 2025

Note IV - Detailed notes on all funds

A. Cash and cash equivalents

As of June 30, 2025, the District's cash and cash equivalents was reported as follows:

Cash on hand	\$	150
Deposits in financial institutions		106,370
Cash with fiscal agent		1,643
Investment in LGIP		<u>714,969</u>
Total	\$	<u><u>823,132</u></u>

State statutes govern the District's cash management policies, because the District does not have an official investment policy. State statutes authorize the District to invest in the Oregon State Treasurer's Local Government Investment Pool, time certificates of deposit, U.S. Government Treasury Obligations, and obligations of the United States and its agencies and instrumentalities.

The Oregon Local Government Investment Pool (LGIP) is an open-ended, no-load diversified portfolio offered to any municipality, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any public funds. The Office of the State Treasurer (OST) manages the LGIP. The LGIP is commingled with other State funds in the Oregon Short-Term Fund (OSTF). The OSTF is not managed as a stable net asset value fund; therefore, the preservation of principal is not assured. The LGIP is not rated by a national rating service. Additional information about the OSTF can be obtained at www.ost.state.or.us and www.oregon.gov/treasury. The weighted-average maturity of LGIP is less than one year.

Credit Risk - The LGIP is not rated by any national rating service

Interest Rate Risk - The weighted-average maturity of LGIP is less than one year.

Custodial Credit Risk Deposits - Custodial credit risk is the risk that in the event of a bank failure, District's deposits may not be returned to it. Deposits with financial institutions include bank demand deposits. Cash, except for cash held at District, is covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool called the Public Funds Collateralization Program (PFCP) administered by the Office of the State Treasurer for the State of Oregon.

At June 30, 2025, District's total deposits in financial institutions, per the bank statements, was \$198,557. All of which was covered by FDIC and PFCP.

SIUSLAW PUBLIC LIBRARY

Notes to the Financial Statements

June 30, 2025

Note IV - Detailed notes on all funds, continued

B. Capital assets

Capital asset activity for the District for the year ended June 30, 2025 was as follows:

	<u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2025</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 206,836	\$ -	\$ -	\$ 206,836
Total capital assets, not being depreciated	<u>206,836</u>	<u>-</u>	<u>-</u>	<u>206,836</u>
Capital assets, being depreciated:				
Building and improvements	3,364,946	-	-	3,364,946
Equipment and furniture	<u>972,626</u>	<u>44,983</u>	<u>-</u>	<u>1,017,609</u>
Total capital assets being depreciated	<u>4,337,572</u>	<u>44,983</u>	<u>-</u>	<u>4,382,555</u>
Less accumulated depreciation for:				
Building and improvements	(1,955,859)	(65,279)	-	(2,021,138)
Equipment and furniture	<u>(970,928)</u>	<u>(562)</u>	<u>-</u>	<u>(971,490)</u>
Total accumulated depreciation	<u>(2,926,787)</u>	<u>(65,841)</u>	<u>-</u>	<u>(2,992,628)</u>
Total capital assets, being depreciated, net	<u>1,410,785</u>	<u>(20,858)</u>	<u>-</u>	<u>1,389,927</u>
Governmental activities capital assets, net	<u>\$ 1,617,621</u>	<u>\$ (20,858)</u>	<u>\$ -</u>	<u>\$ 1,596,763</u>

Depreciation expense in the amount of 65,841 was charged to the District's library operations.

SIUSLAW PUBLIC LIBRARY

Notes to the Financial Statements

June 30, 2025

Note IV - Detailed notes on all funds, continued

C. Lease Agreements

The District has a month-month cancellable operating lease with Mapleton Lions Club for the Mapleton library branch facilities. Per that agreement, rent is increased or decreased annually by a percentage equal to the increase or decrease in the U.S. City Average Consumer price index for all items for all urban consumers not to exceed 6%. On July 2022, the rate increased from \$425 to \$550 per month with the modification that the Library would no longer pay electricity on the space. Rent in the amount of \$6,600 was paid for fiscal year 2024-2025.

D. Fund Balances

As mentioned in Note 1, the District classifies its fund balances for major governmental funds based on the extent to which amounts in each fund can be spent. The five classifications of fund balances are nonspendable, restricted, committed, assigned or unassigned. The District's order of spending regarding restricted and unrestricted fund balances, when both are available for expenditure is to spend the restricted fund balances first. The District's order of spending when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classification could be used is as follows: to first spend those funds in the committed fund balances, then the assigned fund balances and finally the unassigned fund balances.

Details of fund balance classifications are as follows:

	<u>General</u>	<u>Non-Major</u>	<u>Total Governmental Funds</u>
Fund Balances:			
Restricted:			
Grants	-	62,050	62,050
Nonspendable:			
Prepaid items	\$ 35,426	\$ -	\$ 35,426
Committed:			
Pers Fund & Grant Fund	-	32,989	32,989
Assigned:			
Building & Equipment Reserve Fund	113,552	-	113,552
Unassigned:			
General operations	<u>556,593</u>	<u>-</u>	<u>556,593</u>
Total fund balance	<u>\$ 705,571</u>	<u>\$ 95,039</u>	<u>\$ 800,610</u>

E. Long-Term Liabilities - Compensated Absences

The following is a summary of changes in the compensated absences liability for the year ending June 30, 2025.

	<u>Beginning Balance</u>	<u>Net Change</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated Absences	<u>\$ 58,879</u>	<u>\$ 49,055</u>	<u>\$ 107,934</u>	<u>\$ 70,157</u>

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Notes to the Financial Statements

June 30, 2025

Note V - Other information, continued

F. Property Taxes

The tax levy is certified by the District Board to the Lane County Assessor. The tax rate is calculated by the county assessor for each taxing district based upon the July 1 assessed valuation. The levy becomes a lien on July 1 of each year. Unpaid taxes become subject to foreclosure four years after they become a lien on the property. Collections and foreclosures are the responsibility of the county tax collector/treasurer. Uncollected property taxes are recorded on the statement of net position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property tax receivables are due from property tax owners within the District. Because property is subject of foreclosure for unpaid property taxes, it is the District's position that no allowance for uncollectible taxes is considered necessary. The levy for general operations is based on a permanent rate of \$.5163 per thousand dollars of assessed valuation.

The Levies, as extended on the tax rolls, are summarized as follows:

	General Fund
Certification to Assessor	\$ 1,263,631
Farmland adjustments and tax roll corrections	561
Levy as extended on tax rolls	<u>\$ 1,264,192</u>

G. Employee Retirement Plans

Employees of the District are provided with pensions through the Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit pension plan. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available Annual Comprehensive Financial Report and Actuarial Valuation that can be obtained at:

<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Risk Pooling

the District has elected to participate in the State and Local Government Rate Pool (SLGRP). Pooling allows separate employers to be part of one group for the purpose of determining employer pension costs and contribution rates. Pool participants share pension assets and future pension liabilities and surpluses. Employers in the pool jointly fund the future pension costs of all of the pooled participants.

Plan Benefits

1. *Tier One/Tier Two Retirement Benefit (Chapter 238).*

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 (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. Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2021. The limit was \$238,567 for 2025 and it is indexed with inflation every year.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to

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Notes to the Financial Statements

June 30, 2025

Note V - Other information, continued

F. Employee Retirement Plans, continued

age 58 with fewer than 30 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

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

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

Disability Benefits

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

Benefit Changes

Members may choose to continue participation in a variable equity 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 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

2. *OPSRP Pension Program (OPSRP DB)*

Pension Benefits.

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

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, or, 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 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

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Notes to the Financial Statements

June 30, 2025

Note V - Other information, continued

F. Employee Retirement Plans, continued

3. OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits

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

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

Death Benefits

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

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

Contributions:

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2022 actuarial valuation. The rates, based on a percentage of payroll, first became effective July 1, 2024. Employer contributions for the year ended June 30, 2025 were \$136,600 . The rates in effect for the fiscal year ended June 30, 2025 were 21.79 percent for Tier One/Tier Two General Services, 19.77 percent for OPSRP Pension Program General Services.

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

At June 30, 2025, the District's proportionate share of the net pension is \$857,529. The net pension decrease was measured as of June 30, 2024, and the total pension used to calculate the net pension was determined by actuarial valuation as of December 31, 2022 rolled forward to June 30, 2024. the District's proportion of the net pension was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2025, the District's proportion was 0.00385801 percent, which was a change from its proportion measured as of June 30, 2024 of 0.00361240 percent.

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Notes to the Financial Statements

June 30, 2025

Note V - Other information, continued

F. Employee Retirement Plans, continued

For the year ended June 30, 2025 the District recognized pension expense of 150,184. At June 30, 2025 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 50,801	\$ 2,047
Change in assumptions	86,216	110
Net difference between projected and actual earnings on pension plan investments	54,477	-
Changes in proportionate share	50,775	23,388
Differences between City contributions and proportionate share of contributions	<u>15,593</u>	<u>33,784</u>
Subtotal before post-measurement date contributions	257,862	59,329
City contributions subsequent to the measurement date	<u>126,103</u>	-
Total	<u><u>\$ 383,965</u></u>	<u><u>\$ 59,329</u></u>

Deferred outflows of resources related to pensions of \$126,103 resulting from the District's contributions subsequent to the measurement date will be recognized as either a reduction of the net pension liability or an increase in the net pension asset in the year ended June 30, 2026. Other net deferred outflows (inflows) of resources of \$198,533 will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>		
2026	\$	4,464
2027		97,319
2028		53,348
2029		35,499
2030		<u>7,903</u>
Total	\$	<u><u>198,533</u></u>

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Notes to the Financial Statements

June 30, 2025

Note V - Other information, continued

F. Employee Retirement Plans, continued

Actuarial Methods and Assumptions:

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, published July 24, 2023
Actuarial Cost Method	Entry Age normal
Actuarial Assumptions:	
Inflation Rate	2.4 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.9 percent
Project Salary Increases	3.40 percent overall payroll growth
Cost Living Adjustments (COLA)	Blend of 2.00% COLA and Graded COLA (1.25%/0.15% in accordance with <i>Moro</i> decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Date Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active Members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2022 Experience Study which reviewed experience for the four-year period ending on December 31, 2022.

Long-term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

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Notes to the Financial Statements

June 30, 2025

Note V - Other information, continued

F. Employee Retirement Plans, continued

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 PERS' 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.

Discount Rate

The discount rate used to measure the total pension liability of the Plan was 6.9 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.9 percent, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9 percent) or 1-percentage-point higher (7.9 percent) than the current rate:

	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
Proportionate Share of Net Pension Liability (Asset)	\$ 1,352,718	\$ 857,529	\$ 676,627

Pension Plan Fiduciary Net Position

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

SIUSLAW PUBLIC LIBRARY

Notes to the Financial Statements

June 30, 2025

Note V - Other information, continued

F. Employee Retirement Plans, continued

Changes in Assumptions and Other Inputs

Changes in actuarial methods and assumptions implemented since the December 31, 2020 valuation are described in the 2020 Experience Study (Study), published July 2021.

Changes in assumptions from that Study are reported in the table of actuarial methods and assumptions, modifications to the allocation of actuarial accrued liabilities, administrative expense assumptions, healthcare cost inflation, and mortality tables can be found in the Study at <https://www.oregon.gov/pers/Documents/Financials/Actuarial/2021/2020-Experience-Study.pdf>

Note V - Other information

A. Commitments

On June 15, 2023, the District entered into a contract with Smeed Communication Services to provide telephone (VOI) services to the District. The contract runs from September 2023 with an initial one-time payment of \$3,115 and 36 monthly payments thereafter of \$486 including taxes and fees.

B. Risk management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance for general, auto and property liability. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

C. Subsequent events

The District has evaluated subsequent events through February 4, 2026, the date these financial statements were available to be issued. Management is not aware of any subsequent events that require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

SIUSLAW PUBLIC LIBRARY
REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2025

Schedule of the Proportionate Share of the Net Pension Liability

	Oregon Public Employees Retirement System									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the net pension liability (asset)	0.003858 %	0.003612 %	0.003612 %	0.003571 %	0.003813 %	0.003472 %	0.004079 %	0.003653 %	0.003923 %	0.004480 %
Proportionate share of the net pension liability (asset)	\$ 857,529	\$ 676,627	\$ 546,751	\$ 456,244	\$ 757,762	\$ 705,568	\$ 553,374	\$ 528,829	\$ 667,750	\$ 219,219
Covered payroll	\$ 588,709	\$ 507,182	\$ 460,922	\$ 423,066	\$ 444,507	\$ 444,463	\$ 416,253	\$ 412,338	\$ 409,451	\$ 395,986
Proportionate share of the pension liability (asset) as a percentage of its covered employee payroll	145.66 %	133.41 %	118.62 %	107.84 %	170.47 %	158.75 %	132.94 %	128.25 %	163.08 %	55.36 %
Plan net position as a percentage of the total pension liability	79.30 %	81.70 %	84.50 %	87.60 %	75.80 %	80.20 %	82.10 %	83.10 %	80.53 %	91.90 %

Schedule of Pension Contributions

Oregon Public Employees Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 136,600	\$ 106,651	\$ 100,740	\$ 75,475	\$ 81,361	\$ 74,056	\$ 57,360	\$ 55,456	\$ 41,686	\$ 42,227
Contributions in relation to the contractually required contribution	<u>136,600</u>	<u>106,651</u>	<u>100,740</u>	<u>75,475</u>	<u>81,361</u>	<u>74,056</u>	<u>57,360</u>	<u>55,456</u>	<u>41,686</u>	<u>42,227</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 602,914	\$ 588,709	\$ 507,182	\$ 460,922	\$ 423,066	\$ 444,507	\$ 444,463	\$ 416,253	\$ 412,338	\$ 409,451
Contributions as a percentage of covered employee payroll	22.66 %	18.12 %	19.86 %	16.37 %	19.23 %	16.66 %	12.91 %	13.32 %	10.11 %	10.31 %

SIUSLAW PUBLIC LIBRARY
NOTES TO PENSION REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2025

Note I - Measurement Period

Amounts presented are for the measurement period, which for FY 2025 is July 1, 2023 - June 30, 2024.

Note II - Changes in Benefit Terms

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. OPERS will make restoration payments to those benefit recipients. OPERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire. This change in benefit terms was not included in the net pension liability (asset) proportionate shares provided by OPERS for the year ending June 30, 2015.

Note III - Changes in Assumptions

Details and a comprehensive list of changes in methods and assumptions can be found in the 2012, 2014, 2016, 2018, and 2022 Experience Studies. These reports can be found at:

<https://www.oregon.gov/pers/pages/financials/actuarial-presentations-and-reports.aspx>

SIUSLAW PUBLIC LIBRARY

General Fund

General Operations Sub-Fund Account Group

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Current Year Property taxes	\$ 1,189,851	\$ 1,194,904	\$ 5,053
Prior years' property taxes	13,000	18,045	5,045
Intergovernmental Revenues	-	8,997	8,997
Fines and fees	4,000	15,318	11,318
Donations and Grants	26,000	331,971	305,971
Endowed Funds	23,000	26,409	3,409
Interest Income	4,000	14,823	10,823
Miscellaneous	8,900	6,999	(1,901)
Total revenues	<u>1,268,751</u>	<u>1,617,466</u>	<u>348,715</u>
Expenditures:			
Personnel Services	1,146,440	977,717	168,723
Materials and services	519,011	448,372	70,639
Capital Outlay	79,500	73,403	6,097
Contingency	20,000	-	20,000
Total expenditures	<u>1,764,951</u>	<u>1,499,492</u>	<u>265,459</u>
Excess (deficiency) of revenues over (under) expenditures	(496,200)	117,974	614,174
Other financing sources (uses):			
Transfers out	<u>(8,800)</u>	<u>(8,800)</u>	<u>-</u>
Net change in fund balances	(505,000)	109,174	614,174
Fund Balance:			
Beginning of year	<u>550,000</u>	<u>482,845</u>	<u>(67,155)</u>
End of year	<u>\$ 45,000</u>	<u>\$ 592,019</u>	<u>\$ 547,019</u>

SIUSLAW PUBLIC LIBRARY
General Fund
Building and Reserve Fund Sub-Fund Account Group
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual (Budgetary Basis)
For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Interest Income	\$ 200	\$ 2,664	\$ 2,464
Total revenues	<u>200</u>	<u>2,664</u>	<u>2,464</u>
Expenditures:			
Capital Outlay	<u>109,950</u>	<u>-</u>	<u>109,950</u>
Total expenditures	<u>109,950</u>	<u>-</u>	<u>109,950</u>
Excess (deficiency) of revenues over (under) expenditures	(109,750)	2,664	109,750
Other financing sources (uses):			
Transfers In	<u>8,000</u>	<u>8,000</u>	<u>-</u>
Net change in fund balances	(101,750)	10,664	112,414
Fund Balance:			
Beginning of year	<u>101,750</u>	<u>102,888</u>	<u>1,138</u>
End of year	<u>\$ -</u>	<u>\$ 113,552</u>	<u>\$ 113,552</u>

SUPPLEMENTARY INFORMATION

SIUSLAW PUBLIC LIBRARY

Combining Schedule of Assets, Liabilities and Fund Balance
 General Fund Sub-Fund Account Groupings (Budget Basis)
 For the Year Ended June 30, 2025

	<u>General Operations</u>	<u>Building & Equipment Reserve</u>	<u>Total</u>
Assets:			
Cash and Investments	\$ 614,541	\$ 113,552	\$ 728,093
Account Receivable	4,080	-	4,080
Property Taxes Receivable	52,696	-	52,696
Prepaid Expenses	<u>35,426</u>	<u>-</u>	<u>35,426</u>
Total Assets	<u>\$ 706,743</u>	<u>\$ 113,552</u>	<u>\$ 820,295</u>
Liabilities:			
Accounts Payable	\$ 55,261	\$ -	\$ 55,261
Payroll Liabilities	<u>6,767</u>	<u>-</u>	<u>6,767</u>
Total Liabilities	<u>62,028</u>	<u>-</u>	<u>62,028</u>
Deferred Inflows of Resources:			
Unavailable revenue-property taxes	<u>52,696</u>	<u>-</u>	<u>52,696</u>
Total deferred inflows of resources	<u>52,696</u>	<u>-</u>	<u>52,696</u>
Fund Balances:			
Non-spendable	35,426	-	35,426
Assigned	-	113,552	113,552
Unassigned	<u>556,593</u>	<u>-</u>	<u>556,593</u>
Total fund balance	<u>592,019</u>	<u>113,552</u>	<u>705,571</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 706,743</u>	<u>\$ 113,552</u>	<u>\$ 820,295</u>

SIUSLAW PUBLIC LIBRARY

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
 General Fund Sub-Fund Account Groupings (Budget Basis)
 For the Year Ended June 30, 2025

	<u>General Operations</u>	<u>Building & Equipment Reserve</u>	<u>Total</u>
Revenues:			
Property Taxes	\$ 1,212,949	\$ -	\$ 1,212,949
Intergovernmental	8,997	-	8,997
Licenses and fees	15,318	-	15,318
Interest	14,823	2,664	17,487
Donations	331,971	-	331,971
Endowed funds	26,409	-	26,409
Miscellaneous	<u>6,999</u>	<u>-</u>	<u>6,999</u>
Total revenues	<u>1,617,466</u>	<u>2,664</u>	<u>1,620,130</u>
Expenditures:			
Personal services	977,717	-	977,717
Materials and services	448,372	-	448,372
Capital outlay	<u>73,403</u>	<u>-</u>	<u>73,403</u>
Total expenditures	<u>1,499,492</u>	<u>-</u>	<u>1,499,492</u>
Excess (deficiency) of revenues over (under) expenditures	<u>117,974</u>	<u>2,664</u>	<u>120,638</u>
Other financing sources (uses):			
Transfers out	(8,800)	-	(8,800)
Transfers in	<u>-</u>	<u>8,000</u>	<u>8,000</u>
Net change in fund balance	109,174	10,664	119,838
Fund balance - beginning	<u>482,845</u>	<u>102,888</u>	<u>585,733</u>
Fund balance - ending	<u>\$ 592,019</u>	<u>\$ 113,552</u>	<u>\$ 705,571</u>

SIUSLAW PUBLIC LIBRARY

General Fund (Combined)

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Current Year Property taxes	\$ 1,189,851	\$ 1,194,904	\$ 5,053
Prior years' property taxes	13,000	18,045	5,045
Intergovernmental Revenues	-	8,997	8,997
Fines and fees	4,000	15,318	11,318
Donations and Grants	26,000	331,971	305,971
Endowed Funds	23,000	26,409	3,409
Interest Income	4,000	17,487	13,487
Miscellaneous	<u>8,900</u>	<u>6,999</u>	<u>(1,901)</u>
Total revenues	<u>1,268,751</u>	<u>1,620,130</u>	<u>351,379</u>
Expenditures:			
Current:			
Personnel Services	1,146,440	977,717	168,723
Materials and services	519,011	448,372	70,639
Capital Outlay	79,500	73,403	6,097
Contingency	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total expenditures	<u>1,764,951</u>	<u>1,499,492</u>	<u>265,459</u>
Excess (deficiency) of revenues over (under) expenditures	(496,200)	120,638	616,838
Other financing sources (uses):			
Transfers out	<u>(800)</u>	<u>(800)</u>	<u>-</u>
Net change in fund balances	(497,000)	119,838	616,838
Fund Balance:			
Beginning of year	<u>550,000</u>	<u>585,733</u>	<u>35,733</u>
End of year	<u>\$ 53,000</u>	<u>\$ 705,571</u>	<u>\$ 652,571</u>

SIUSLAW PUBLIC LIBRARY

Pers Reserve Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Interest	\$ 100	\$ 738	\$ 638
Total revenues	<u>100</u>	<u>738</u>	<u>638</u>
Expenditures:			
Personnel Services	<u>30,430</u>	<u>-</u>	<u>30,430</u>
Total expenditures	<u>30,430</u>	<u>-</u>	<u>30,430</u>
Excess (deficiency) of revenues over (under) expenditures	(30,330)	738	(30,330)
Other financing sources (uses):			
Transfers In	<u>800</u>	<u>800</u>	<u>-</u>
Net change in fund balances	(29,530)	1,538	(31,068)
Fund Balance:			
Beginning of year	<u>29,530</u>	<u>29,901</u>	<u>371</u>
End of year	<u>\$ -</u>	<u>\$ 31,439</u>	<u>\$ 31,439</u>

SIUSLAW PUBLIC LIBRARY

Grant Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Grant Proceeds	\$ 15,000	\$ 64,550	\$ 49,550
Interest Income	<u>-</u>	<u>1,551</u>	<u>1,551</u>
Total revenues	<u>15,000</u>	<u>66,101</u>	<u>51,101</u>
Expenditures:			
Personnel Services	5,000	-	5,000
Materials and Services	5,000	-	5,000
Capital Outlay	<u>5,000</u>	<u>2,500</u>	<u>2,500</u>
Total expenditures	15,000	2,500	12,500
Net change in fund balance	<u>-</u>	<u>63,601</u>	<u>63,601</u>
Fund balances:			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ 63,601</u>	<u>\$ 63,601</u>

SIUSLAW PUBLIC LIBRARY
 General Operations - Management Detail
 Schedule of Revenues, Expenditures, and Changes in Fund Balances
 Budget and Actual (Budgetary Basis)
 For the Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance with Final Budget
Revenues:			
Current Year Property taxes	\$ 1,189,851	\$ 1,194,904	\$ 5,053
Prior years' property taxes	13,000	18,045	5,045
Grants	-	8,997	8,997
Fines and Fees	4,000	4,452	452
Donations	26,000	331,971	305,971
Endowed funds	9,000	7,807	(1,193)
Book endowment fund	14,000	15,517	1,517
L.Chernoff, M.Beechler,Cherones/Keener funds	-	3,085	3,085
Investment earnings (loss)	4,000	14,823	10,823
State per capita	2,900	-	(2,900)
Copier	2,000	2,322	322
E-rate	3,000	8,544	5,544
Other miscellaneous receipts	1,000	6,999	5,999
Total revenues	<u>1,268,751</u>	<u>1,617,466</u>	<u>348,715</u>

Expenditures:

Personnel services:

Library Director	113,500	113,232	268
Assistant Director	88,200	85,728	2,472
Librarian II	225,000	214,121	10,879
Librarian I	110,000	88,311	21,689
Library Assistant	116,240	103,671	12,569
Substitutes	42,000	19,372	22,628
Library Aid	18,000	18,030	(30)
Donations - Personnel Services	1,000	-	1,000
Fringe-Insurance	200,000	147,423	52,577
Fringe-Pers	160,000	136,600	23,400
Fringe-FICA	65,000	48,379	16,621
Fringe-Workers' Comp	3,500	2,790	710
Miscellaneous Expenses	1,000	60	940
Fringe-Oregon Paid Leave	3,000	-	3,000
Total Personal Services	<u>1,146,440</u>	<u>977,717</u>	<u>168,723</u>

Materials and services:

Library Materials:

Adult Books	38,000	40,402	(2,402)
Book endowment	15,000	12,842	2,158
Materials and Shipping	1,000	409	591
Children's Material-Ready Read	2,900	5,007	(2,107)
Children Books	12,000	9,887	2,113
Reference Books	3,000	2,112	888
Periodicals	13,500	13,963	(463)
Electronic Data Base	33,000	23,104	9,896
Spanish Language Materials	1,200	44	1,156
Chernoff/Beechler/Cherones Fund	8,000	1,375	6,625
Large Print Books	11,000	13,470	(2,470)
Lost/Paid/ILL Materials	1,000	275	725

Materials and Services,Continued:

Recorded Books	12,000	5,112	6,888
Videos and DVDs	6,000	3,776	2,224
Music CDs	1,000	183	817
Children's AV	5,000	482	4,518
Summer Book Giveaway	1,236	1,300	(64)
	<hr/>	<hr/>	<hr/>
Total library materials	164,836	133,743	31,093
Postage	7,000	14,970	(7,970)
Employee Recognition	2,500	1,395	1,105
Volunteer Recognition	2,500	1,466	1,034
Travel and Training	12,000	9,229	2,771
Board Expenses	2,000	711	1,289
Membership and Dues	7,500	8,528	(1,028)
Telecommunications Service	24,000	21,390	2,610
Sirsi Maintenance	35,000	32,663	2,337
OCLC Fees	6,500	5,557	943
Fire Suppression Maintenance	2,500	1,220	1,280
Equipment Maintenance	2,000	3,444	(1,444)
Landscape Maintenance	7,000	9,189	(2,189)
Building Maintenance	24,000	39,440	(15,440)
Computer Supplies	6,000	1,282	4,718
Food Supplies	500	126	374
Office Supplies	3,800	3,166	634
Printing	1,500	277	1,223
Materials Process. Supplies	7,500	6,167	1,333
Supplies, Photocopier	3,500	-	3,500
Legal Notices & Newspaper Pub	2,000	536	1,464
Marketing	6,000	4,836	1,164
Utilities	32,000	28,206	3,794
Insurance	27,000	28,518	(1,518)
Interest Expense	200	-	200
Mapleton Rent	7,000	1,629	5,371
Mapleton Utilities	75	237	(162)
Mapleton Operations	2,600	908	1,692
Legal Services	4,000	5,109	(1,109)
Election Costs	2,500	2,079	421
Bookkeeping	12,000	12,264	(264)
Audit	16,000	14,150	1,850
Janitorial Supplies	6,000	4,991	1,009
Janitorial Services	15,000	10,878	4,122
Programs, Adult	5,000	3,959	1,041
Programs, Children	8,500	8,012	488
Community Relations	2,000	1,125	875
Technology Contractor	24,000	-	24,000
Other	500	513	(13)
Teen Programs	3,500	3,370	130
Network Maint. & Support	3,000	5,240	(2,240)
Donations - Materials & Service	15,000	10,455	4,545
Art Display	500	168	332
Book Shelf Signage	500	-	500
Grant Materials and Services	-	7,226	(7,226)
Website Design	1,000	-	1,000
Strategic Planning	1,000	-	1,000
	<hr/>	<hr/>	<hr/>
Total Materials and Services	519,011	448,372	70,639
Capital Outlay:			
Equipment	22,000	13,956	8,044
Capital Outlay - other	10,000	-	10,000

Capital Outlay, Continued:

Exterior repair & painting	-	15,067	(15,067)
Mapleton capital	2,500	-	2,500
Computer PC-LaAN	30,000	26,273	3,727
Furniture	5,000	18,107	(13,107)
Donations - Capital	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total Capital Outlay	79,500	73,403	79,500
Contingency	20,000	-	20,000
Total Expenditures	<u>1,764,951</u>	<u>1,499,492</u>	<u>265,459</u>
Revenues over (under) expenditures	(496,200)	117,974	614,174
Other financing sources (uses):			
Transfers Out	<u>(8,800)</u>	<u>(8,800)</u>	<u>-</u>
Net Change in Fund Balance	(505,000)	109,174	614,174
Fund Balance - Beginning	<u>550,000</u>	<u>482,845</u>	<u>(67,155)</u>
Fund Balance - Ending	<u>\$ 45,000</u>	<u>\$ 592,019</u>	<u>\$ 547,019</u>

COMMENTS AND DISCLOSURES OF INDEPENDENT AUDITOR REQUIRED BY STATE STATUTE

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



Board of Directors
Siuslaw Public Library
Creswell, Oregon

920 Country Club Road, Suite 200A
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541.342.5161
www.islercpa.com

We have audited the basic financial statements of the Siuslaw Public Library ("District") as of and for the year ended June 30, 2025, and have issued our report thereon dated February 4, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-000 to 162-10-320, of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Budgets legally required (ORS Chapter 294)**
- **Insurance and fidelity bonds in force or required by law**
- **Programs funded from outside sources**
- **Authorized investment of surplus funds (ORS Chapter 294)**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)**

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

OAR 162-10-0230 Internal Control

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

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District'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.

Our 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

ISLER CPA



By: Cody Savey, CPA, a member of the firm
February 4, 2026