

**BENTON COUNTY 911 EMERGENCY
COMMUNICATIONS SERVICES
COUNTY SERVICE DISTRICT**

(A Component Unit of Benton County, Oregon)

**ANNUAL FINANCIAL REPORT
Year Ended June 30, 2025**

**BENTON COUNTY 911 EMERGENCY COMMUNICATION SERVICES
COUNTY SERVICE DISTRICT**
(A Component Unit of Benton County, Oregon)

For the Year Ended June 30, 2025

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**BENTON COUNTY 911 EMERGENCY
COMMUNICATION SERVICES
COUNTY SERVICE DISTRICT**

Officials of the District

For the Year Ended June 30, 2025

GOVERNING BODY
Benton County Board of Commissioners

Pat Malone, Chair
4500 SW Research Way
Corvallis, Oregon 97333

Nancy Wyse
4500 SW Research Way
Corvallis, Oregon 97333

Gabe Shepherd
4500 SW Research Way
Corvallis, Oregon 97333

Registered Agent and Address
Jennifer Ferrer-Santa Ines, Chief Financial Officer
4500 SW Research Way
Corvallis, OR 97333

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Benton County 911 Emergency Communications Services
County Service District
Benton County, Oregon

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Benton County 911 Emergency Communications Services County Service District
Corvallis, Oregon

Report on the Financial Statements

Opinions

We have audited the financial statements of the Benton County 911 Emergency Communications Services County Service District (the "District"), a component unit of Benton County, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 the 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect material misstatements 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 on pages 4 – 8 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison schedule for the General fund is presented for purposes of additional analysis and is 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 GAAS. In our opinion, the budgetary comparison schedule for the General fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated May 19, 2026 on our consideration of the 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.

Singer Lewak LLP

May 19, 2026

By:



Brad Bingenheimer, Partner

Management's Discussion and Analysis

We offer readers of Benton County 911 Emergency Communications Services County Service District's (District) financial statements the following narrative and analysis of the District's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider this information in conjunction with the financial statements, which begin on page 8.

Financial Highlights:

- The District's assets exceeded its liabilities at the close of the fiscal year by \$504,043 (*net position*). None of this amount is restricted.
- At the close of the year, the District's governmental fund reported an ending fund balance of \$430,156, an increase of \$219,350 over the prior year. Of this amount, all is available for spending at the District's discretion (*unassigned fund balance*).
- The District's total net position increased by \$228,585.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report has shown the government-wide financial statements and the fund financial statements in combined statements with adjustments. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business reporting.

The *statement of net position*, a component of the government-wide financial statements, presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position*.

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

The governmental activities of the District include 911 emergency communications operations, maintenance and system upgrades/expansion.

The government-wide financial statements can be found on pages 8 and 9 of this report.

Fund financial statements. A *fund* is a grouping of related accounts (revenues, expenditures, assets and liabilities) that is used to control resources that have been

segregated for specific activities. Benton County 911 Emergency Communications Services County Service District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has only one governmental fund, the General Fund.

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

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

A budgetary comparison statement has been provided to demonstrate budgetary compliance.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 11 through 15.

Government-wide Financial Analysis. The District’s net position is as follows. The District has no capital assets.

**Benton County 911 Emergency Communications Services
County Service District
Net Position
June 30**

	Governmental Activities	
	2025	2024
Cash and investments	\$ 410,612	\$ 191,137
Property taxes receivable	93,575	84,769
Total assets	504,187	275,906
Current liabilities	144	448
Net position:		
Unrestricted	\$ 504,043	\$ 275,458

Of the District’s net position, none is restricted. A restricted amount represents resources that are subject to external restrictions on how they may be used. The unrestricted net position of \$504,043 may be used to meet the District’s ongoing obligations to citizens and creditors.

Financial Analysis of Service District Funds

As noted earlier, Benton County 911 Emergency Communications Services County Service District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Activities. Governmental activities increased the District’s net position by \$228,585. The increase was primarily due to property tax revenues exceeding expectations.

**Benton County 911 Emergency Communications Services
County Service District
Change in Net Position
Year Ended June 30**

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Revenues:		
General Revenues:		
Property taxes	\$ 4,321,154	\$ 4,194,713
Intergovernmental	-	69,444
Interest and investment earnings	25,128	22,593
Total revenues	<u>4,346,282</u>	<u>4,286,750</u>
Expenses:		
Public Safety	<u>4,117,697</u>	<u>4,403,977</u>
Total expenses	<u>4,117,697</u>	<u>4,403,977</u>
Increase (decrease) in net position	228,585	(117,227)
Net position - beginning	<u>275,458</u>	<u>392,685</u>
Net position - ending	<u>\$ 504,043</u>	<u>\$ 275,458</u>

Governmental funds. The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District’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 fund reported an ending fund balance (all of which is unassigned) of \$430,156, an increase of \$219,350 over the prior year.

Budgetary Highlights

The 2023-25 biennial budget was adopted totaling \$8,096,325 for all budgeted funds. The budget was increased by \$721,168 due to an increase in collection on delinquent taxes and higher than anticipated beginning balances. Included in the increase is an intergovernmental transfer to refund duplicate facilities space charges in the amount of \$69,444.

Economic Factors

The District levies the property taxes as allowed by law and conveys the proceeds to the City of Corvallis for operations of the 911 Emergency Communications Services.

Key Economic Factors and Budget Information

The District has a taxing authority up to a maximum of \$0.65 per thousand dollars of assessed value. For 2024-25 the tax rate was set at \$0.45 per thousand dollars of assessed value.

Requests for Information

This financial report is designed to provide to citizens, customers, investors, creditors and others with an interest in Benton County 911 Emergency Communications Services County Service District, a general overview of the District’s finances and to demonstrate accountability for the funds it receives. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to:

Benton County 911 Emergency Communications Services County Service District
4500 SW Research Way
Corvallis, OR 97333

BASIC FINANCIAL STATEMENTS

**BENTON COUNTY 911 EMERGENCY COMMUNICATIONS SERVICES
COUNTY SERVICE DISTRICT**

(A Component Unit of Benton County, Oregon)

GOVERNMENTAL FUND BALANCE SHEET/STATEMENT OF NET POSITION

June 30, 2025

	<u>General Fund</u>	<u>Adjustments (Note II A)</u>	<u>Statement of Net Position</u>
ASSETS			
Cash and cash equivalents	\$ 410,612	\$ -	\$ 410,612
Property taxes receivable	<u>93,575</u>	<u>-</u>	<u>93,575</u>
Total assets	<u>504,187</u>	<u>-</u>	<u>504,187</u>
LIABILITIES			
Accounts payable	<u>144</u>	<u>-</u>	<u>144</u>
DEFERRED INFLOWS OF RESOURCES -			
Unavailable revenue	<u>73,887</u>	<u>(73,887)</u>	<u>-</u>
FUND BALANCE/NET POSITION			
Unassigned	<u>430,156</u>	<u>(430,156)</u>	<u>-</u>
Total fund balance	<u>430,156</u>	<u>(430,156)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 504,187</u>		
Net position:			
Unrestricted		<u>504,043</u>	<u>504,043</u>
Total net position		<u>\$ 504,043</u>	<u>\$ 504,043</u>

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

**BENTON COUNTY 911 EMERGENCY COMMUNICATIONS SERVICES
COUNTY SERVICE DISTRICT**

(A Component Unit of Benton County, Oregon)

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES**

For the Year Biennium Ended June 30, 2025

	<u>General Fund</u>	<u>Adjustments (Note II B)</u>	<u>Statement of Activities</u>
General revenues			
Taxes and assessments	\$ 4,311,919	\$ 9,235	\$ 4,321,154
Interest	25,128	-	25,128
Total revenues	<u>4,337,047</u>	<u>9,235</u>	<u>4,346,282</u>
Expenditures/expenses			
General government	<u>4,117,697</u>	-	<u>4,117,697</u>
Total expenditures/expenses	<u>4,117,697</u>	<u>-</u>	<u>4,117,697</u>
Excess (deficiency) of revenues over (under) expenditures/expenses	219,350	9,235	228,585
Fund balances/net position:			
Beginning of the year	<u>210,806</u>	<u>64,652</u>	<u>275,458</u>
End of the year	<u>\$ 430,156</u>	<u>\$ 73,887</u>	<u>\$ 504,043</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

BENTON COUNTY 911 EMERGENCY COMMUNICATION SERVICES COUNTY SERVICE DISTRICT

(A Component Unit of Benton County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2025

I. SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Organization and operation

The Benton County 911 Emergency Communication Services County Service District (District) was created and a tax base approved by voters on May 16, 2017. It is a county service district organized under ORS Chapter 451 dedicated to funding extension services countywide. The District has no staff of its own; staff support, including financial and budget, is provided by various county departments. The financial transactions of the District are limited to the levying and distribution of property taxes and payment of other contracted services.

The Benton County Board of Commissioners serve as the governing body of the District, as such, the District is considered a blended component unit of Benton County (County).

The accounting policies of Benton County 911 Emergency Communication Services County Service District conform to generally accepted accounting principles (GAAP) as applicable to governments. The more significant accounting policies are described below.

B. Government-wide and fund financial statements

Government-wide financial statements: The governmental fund balance sheet/statement of net position and the statement of governmental fund revenues, expenditures and changes in fund balances/statement of activities report information on all activity of the District, which normally is supported by taxes and intergovernmental revenues.

Fund financial statements: Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types." The District currently uses only a General Fund, a governmental fund, to account for its activities, including the collection and disbursement of earmarked monies.

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

Government-wide 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 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 is accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The operating statement of this fund presents increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance.

**BENTON COUNTY 911 EMERGENCY COMMUNICATION SERVICES
COUNTY SERVICE DISTRICT**

(A Component Unit of Benton County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2025

I. SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

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

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when 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 are recorded when a liability is incurred, as under accrual accounting. All transactions occurring in the governmental fund financial statements are recorded using the modified accrual basis of accounting, except for:

- Revenues from grants are recorded as earned.

Significant revenues that were measurable and available at June 30, 2025 under the modified accrual basis of accounting were as follows:

- Property taxes collected within 60 days of year end.

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.

D. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures.

E. Cash and cash equivalents

Cash includes amounts in demand deposits, cash on hand, and amounts in investment pools that have the general characteristics of demand deposit accounts. All cash received is turned over to the Benton County Finance Department. Benton County invests these funds in compliance with Oregon Revised Statutes.

State statutes authorize Benton County to invest the District's cash in general obligations of the United States and its agencies, certain debt of Oregon municipalities, time deposits, savings accounts, certificates of deposit, bankers' acceptances, the Oregon State Treasurer's Investment Pool and certain highly rated commercial paper. For financial reporting purposes, the District considers all highly- liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The District may draw on its share of Benton County's cash and investments at will. Therefore, the total amount on deposit with the County is considered to be cash and cash equivalents.

F. Net position

Net position represents the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. The County reports the following subcategories of net position:

**BENTON COUNTY 911 EMERGENCY COMMUNICATION SERVICES
COUNTY SERVICE DISTRICT**

(A Component Unit of Benton County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2025

I. SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

F. Net position, continued

Net investment in capital assets – Represents the difference between capital assets less

accumulated depreciation, deferred outflows of resources, and the outstanding balance of debt directly attributable to the acquisition, construction, or improvement of those assets.

Restricted net positions – Net positions are reported as restricted when there are limitations imposed on their use, either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Unrestricted – Represents all other net positions that are not restricted and do not meet the definition of net investment in capital assets.

G. Fund balance classifications

The District reports fund balance classifications that comprise a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed on the use of the resources reported in governmental funds. These classifications are as follows:

- Nonspendable - represents amounts that are not in a spendable form.
- Restricted - represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed - represents funds formally set aside by the Board of Commissioners for a particular purpose. The Board may commit fund balance by resolution. The Board may also modify or rescind commitments by resolution.
- Assigned - represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the Board or by an official to whom that authority has been given this authority by the Board.
- Unassigned - is the residual classification of the General Fund.

H. New accounting standard implemented

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences. The component unit implemented GASB Statement No. 101 in the fiscal year ended June 30, 2025. There was no impact to the current year financial statements with the implementation.

BENTON COUNTY 911 EMERGENCY COMMUNICATION SERVICES COUNTY SERVICE DISTRICT

(A Component Unit of Benton County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2025

I. SUMMARY OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES, *continued*

In January 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*, which establishes requirements for disclosing certain concentrations and constraints. The component unit implemented GASB Statement No. 102 in the fiscal year ended June 30, 2025. There was no impact to the current year financial statements with the implementation.

I. Future accounting standard not yet implemented

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*, which updates certain presentation and disclosure requirements. The component unit implemented GASB Statement No. 103 has not yet been implemented by the component unit. The District has not yet implemented this statement and is currently evaluating the impact of the standard on its financial statements.

In December 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 104, *Disclosure of Certain Capital Assets*, which establishes additional disclosure requirements for certain capital assets. GASB Statement No. 104 has not yet been implemented by the component unit. The District has not yet implemented this statement and is currently evaluating the impact of the standard on its financial statements.

In March 2025, GASB issued Statement No. 105, *Omnibus 2025*, which amends existing accounting and financial reporting guidance to improve clarity and consistency. GASB Statement No. 105 has not yet been implemented by the component unit. The District has not yet implemented this statement and is currently evaluating the impact of the standard on its financial statements.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS.

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

Amounts reported for the governmental activities in the statement of net position are different from the amounts reported in the governmental fund balance sheet due to the elimination of deferred inflows of resources. The amount eliminated was \$73,887.

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

Revenues in the statement of revenues, expenditures and changes in fund balance that do not provide current financial resources are not reported as revenues in the fund. The revenues were increased in the statement of activities by \$9,235 to reflect the change in deferred inflows of resources from fiscal year end June 30, 2024 to fiscal year end June 30, 2025.

**BENTON COUNTY 911 EMERGENCY COMMUNICATION SERVICES
COUNTY SERVICE DISTRICT**

(A Component Unit of Benton County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2025

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgets and budgetary accounting

The District budgets its governmental fund as required by state law. The District budgets on an annual basis. The ordinance authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The District adopts its budget using the modified accrual basis of accounting.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance or by Board authorization of unanticipated grant proceeds received. Original and supplemental budgets require hearings before the public, publication in the newspapers, and approval by the County Commissioners. Once approved, budgets may be modified by transfers of appropriations between the levels of control.

IV. DETAILED NOTES

A. Cash and cash equivalents

The County’s cash, cash equivalents and investments and the amount allocable to the District at June 30, 2025, are as follows:

	Benton County	Allocable to 911 CSD		The
Cash on hand	\$ 16,567	\$ -		
Deposits with financial institutions	32,451,870	410,612		
State of Oregon Local Government Investment Pool	61,011,394	-		
Investments	11,932,437	-		
Total cash and investments	\$ 105,412,268	\$ 410,612		

District’s cash, cash equivalents and investments are held by Benton County in a pool of cash, cash equivalents and investments that are available for use by the District and all funds of the County. The District’s portion of this pool is displayed on the financial statements as cash and investments. Interest earned on pooled investments is allocated to participating funds based upon their combined investment balances.

1) Deposits with financial institutions

Custodial Credit Risk – ORS 295 creates a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their

**BENTON COUNTY 911 EMERGENCY COMMUNICATION SERVICES
COUNTY SERVICE DISTRICT**

(A Component Unit of Benton County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2025

IV. DETAILED NOTES, continued

A. Cash and cash equivalents, continued

1) Deposits with financial institutions, continued

quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. Of the County’s bank deposits, \$735,812 was covered by FDIC and the remainder was subject to the State of Oregon collateral pool program. As of June 30, 2025, none of the District’s deposits were exposed to custodial credit risk.

2) State of Oregon Local Government Investment Pool

Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value. Fair value is determined at the quoted market price, 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. The Oregon State Treasury administers the LGIP. The LGIP is an unrated, open-ended, no-load, diversified portfolio offered to any agency, political subdivision or public corporation of the state who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State’s short-term funds. To provide regulatory oversight, the Oregon Legislature established the Oregon Short-Term Fund Board and LGIP investments are approved by the Oregon Investment Council. The fair value of the District’s position in the LGIP is the same as the value of the pool shares.

3) As of June 30, 2025, the County had the following investments:

<u>Investment Type</u>	<u>Weighted Avg. to Maturity</u>	<u>% of Portfolio</u>	<u>Reported Amount</u>
Municipalities	1.00 years	4.1%	485,455
Corporate Bonds	1.29 years	41.4%	4,939,037
U.S. Obligations	1.88 years	42.0%	5,006,304
U.S. Treasury Notes & Bonds	1.15 years	12.6%	1,501,641
Subtotal for Portfolio Percentages		100.0%	\$ 11,932,437

4) Interest rate risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County’s investment policy limits at least half of the County’s investment portfolio to maturities of less than 90 days.

**BENTON COUNTY 911 EMERGENCY COMMUNICATION SERVICES
COUNTY SERVICE DISTRICT**

(A Component Unit of Benton County, Oregon)
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2025

IV. DETAILED NOTES, continued

A. Cash and cash equivalents, continued

5) Concentration of credit risk

The County’s investment policy allows for 100% of investments in the LGIP and U.S. Government obligations. There are lesser limits on other investment types. At June 30, 2025, the County’s portfolio was invested in Municipal Bonds (4.1%), US Agencies (42.0%), Corporate Bonds (41.4%), and US Treasury Notes and Bonds (12.6%).

The District may draw on its share of Benton County’s cash and investments at will. Therefore, the total amount on deposit with the County is considered to be cash and investments.

The District maintains a cash and investment pool. The amount of this pool is displayed on the statement of net position as cash and cash equivalents. All cash received is turned over to the Benton County Finance Department. Benton County invests these funds in compliance with Oregon Revised Statutes.

B. Property taxes receivable

The County levies, collects and distributes property taxes for all taxing districts within its boundaries. Property taxes attach as an enforceable lien as of July 1. All taxes are levied as of the lien date and are payable in three installments on November 15, February 15 and May 15. The District's portion of property taxes receivable which have been collected within 60 days subsequent to year-end are considered measurable and available and are recognized as revenue. All other property taxes receivable are offset by deferred inflows of resources and, accordingly, have not been recorded as revenue.

At June 30, 2025, taxes receivable, available and unavailable, were as follows:

<u>Fund Group</u>	<u>Total Receivable</u>	<u>Available</u>	<u>Unavailable</u>
General	\$ <u>93,575</u>	\$ <u>19,688</u>	\$ <u>73,887</u>

V. OTHER INFORMATION

A. Risk management

The District has no capital assets or employees. As a component unit of Benton County, any risk exposure is covered by the County’s liability policies.

B. District’s relationship with Benton County

The District was formed to provide 911 Emergency Communications services to the various communities within Benton County. The District has its own maximum tax rate of \$0.65 per thousand dollars of assessed value. Each year, the District levies up to the amount of tax allowed and transfers the funds to City of Corvallis to be used by 911 Emergency Communications Services within the District.

REQUIRED SUPPLEMENTARY
INFORMATION

**BENTON COUNTY 911 EMERGENCY COMMUNICATIONS SERVICES
COUNTY SERVICE DISTRICT**

(A Component Unit of Benton County, Oregon)

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL**

For the Biennium ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 8,086,325	\$ 8,385,702	\$ 8,509,769	\$ 124,067
Interest	10,000	37,451	47,721	10,270
Total revenues	<u>8,096,325</u>	<u>8,423,153</u>	<u>8,557,490</u>	<u>134,337</u>
Expenditures				
Materials and services	<u>8,096,325</u>	<u>8,817,493</u>	<u>8,521,674</u>	<u>295,819</u>
Total expenditures	<u>8,096,325</u>	<u>8,817,493</u>	<u>8,521,674</u>	<u>295,819</u>
Transfer in/(out)				
Transfer in	<u>-</u>	<u>69,444</u>	<u>69,444</u>	<u>-</u>
Net change in fund balance	-	(324,896)	105,260	430,156
Beginning fund balance	<u>-</u>	<u>324,896</u>	<u>324,896</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 430,156</u>	<u>\$ 430,156</u>

COMPLIANCE SECTION

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

Board of Commissioners
Benton County 911 Emergency Communications Services County Service District
Corvallis, Oregon

We have audited the basic financial statements of the Benton County 911 Emergency Communications Services County Service District (the "District") as of and for the year ended June 30, 2025, and have issued our report thereon May 19, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures 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, roads, and streets.
- 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 162-010-000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

Board of Commissioners
Benton County 911 Emergency Communications Services County Service District
Corvallis, Oregon

Internal Control OAR 162-010-0230

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Restriction of Use

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

Singer Lewak LLP

May 19, 2026

By:



Brad Bingenheimer, Partner