

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**FINANCIAL REPORT**  
**JUNE 30, 2025**

# **SOUTH GILLIAM COUNTY HEALTH DISTRICT**

**BOARD OF DIRECTORS**

**JUNE 30, 2025**

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## **BOARD OF DIRECTORS**

Hanna Bass

Molly Roustson

Kelly Smith

Tory Flory (Until September 15, 2024)

Mary Reser

The Board of Directors receive mail at the District's address below.

## **DISTRICT ADDRESS**

PO Box 597  
Condon, Oregon 97823

## **REGISTERED AGENT**

Lisa Bettencourt, Administrator

# SOUTH GILLIAM COUNTY HEALTH DISTRICT

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
South Gilliam County Health District  
Condon, Oregon

### Report on the Audit of Financial Statements

#### **Opinions**

We have audited the modified cash-basis financial statements of the governmental activities, the business-type activities, and each major fund of the South Gilliam County Health District (the "District"), 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 modified cash-basis financial position of the governmental activities, the business-type activities, and each major fund of the South Gilliam County Health District, as of June 30, 2025, and the respective changes in modified cash-basis financial position, and where applicable, cash flows for the year then ended in accordance with modified cash basis of accounting described in Note 2.

#### **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.

#### **Emphasis of Matter**

##### *Basis of Accounting*

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

In performing an audit in accordance with GAAS, we:

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

Board of Directors  
South Gilliam County Health District  
Independent Auditor's Report  
December 11, 2025

**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 combining financial statements and individual fund schedules 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 combining financial statements and individual fund schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 2.

**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 December 11, 2025, 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.

*Singer Lewak LLP*

December 11, 2025

By:

A handwritten signature in black ink, appearing to read 'B. Bingenheimer', written over a horizontal line.

Bradley G. Bingenheimer, Partner

## **BASIC FINANCIAL STATEMENTS**



**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
**June 30, 2025**

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|                             | <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Totals</b>            |
|-----------------------------|------------------------------------|-------------------------------------|--------------------------|
| <b>Assets</b>               |                                    |                                     |                          |
| Cash and cash equivalents   | \$ 648,199                         | \$ 346,268                          | \$ 994,467               |
| Total assets                | <u>648,199</u>                     | <u>346,268</u>                      | <u>994,467</u>           |
| <b>Liabilities</b>          |                                    |                                     |                          |
| Accrued payroll liabilities | <u>204</u>                         | <u>-</u>                            | <u>204</u>               |
| Total liabilities           | <u>204</u>                         | <u>-</u>                            | <u>204</u>               |
| <b>Net position</b>         |                                    |                                     |                          |
| Restricted for:             |                                    |                                     |                          |
| Public health               | 66,107                             | -                                   | 66,107                   |
| Unrestricted                | <u>581,888</u>                     | <u>346,268</u>                      | <u>928,156</u>           |
| <b>Total net position</b>   | <u><b>\$ 647,995</b></u>           | <u><b>\$ 346,268</b></u>            | <u><b>\$ 994,263</b></u> |

See notes to financial statements



**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**  
**Year Ended June 30, 2025**

| Functions/Programs                   | Expenses            | Program Revenues        |  | Net (Expense) Revenue<br>and Changes in Net Position |                             | Totals            |
|--------------------------------------|---------------------|-------------------------|--|--|-----------------------------|-------------------|
|                                      |                     | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Governmental<br>Activities                           | Business-type<br>Activities |                   |
| <b>Governmental activities:</b>      |                     |                         |  |  |                             |                   |
| Health and wellness                  | \$ 1,736,509        | \$ 407,381              | \$ 849,322                               | \$ (479,806)   |                             | \$ (479,806)      |
| Total governmental activities        | 1,736,509           | 407,381                 | 849,322                                  | (479,806)  |                             | (479,806)         |
| <b>Business-type activities:</b>     |                     |                         |  |  |                             |                   |
| Ambulance                            | 69,316              | 115,579                 | 3,087                                    |  | \$ 49,350                   | 49,350            |
| Total business-type activities       | 69,316              | 115,579                 | 3,087                                    |  | 49,350                      | 49,350            |
| <b>Totals</b>                        | <b>\$ 1,805,825</b> | <b>\$ 522,960</b>       | <b>\$ 852,409</b>                        | (479,806)  | 49,350                      | (430,456)         |
| <b>General revenues:</b>             |                     |                         |  |  |                             |                   |
| Taxes levied for:                    |                     |                         |  |  |                             |                   |
| General purposes                     |                     |                         |  | 130,028  | -                           | 130,028           |
| Rent                                 |                     |                         |  | 28,200   | -                           | 28,200            |
| Unrestricted investment earnings     |                     |                         |  | 39,243   | 14,263                      | 53,506            |
| Miscellaneous                        |                     |                         |  | 39,987   | 13,570                      | 53,557            |
| Total general revenues and transfers |                     |                         |  | 237,458  | 27,833                      | 265,291           |
| Change in net position               |                     |                         |  | (242,348)  | 77,183                      | (165,165)         |
| Net position - beginning             |                     |                         |  | 890,343  | 269,085                     | 1,159,428         |
| <b>Net position - ending</b>         |                     |                         |  | <b>\$ 647,995</b>                                    | <b>\$ 346,268</b>           | <b>\$ 994,263</b> |

See notes to financial statements

# SOUTH GILLIAM COUNTY HEALTH DISTRICT

BALANCE SHEET - MODIFIED CASH BASIS

GOVERNMENTAL FUNDS

June 30, 2025

|  | General           | Public Health    | Facilities Reserve | Equipment Reserve | Total Governmental Funds |
|--|-------------------|------------------|--------------------|-------------------|--------------------------|
| <b>Assets</b>                              |                   |                  |                    |                   |                          |
| Cash and cash equivalents                  | \$ 301,465        | \$ 66,107        | \$ 229,236         | \$ 51,391         | \$ 648,199               |
| <b>Total assets</b>                        | <b>\$ 301,465</b> | <b>\$ 66,107</b> | <b>\$ 229,236</b>  | <b>\$ 51,391</b>  | <b>\$ 648,199</b>        |
| <b>Liabilities and fund balances</b>       |                   |                  |                    |                   |                          |
| Liabilities                                |                   |                  |                    |                   |                          |
| Accrued payroll liabilities                | \$ 204            | \$ -             | \$ -               | \$ -              | \$ 204                   |
| Total liabilities                          | 204               | -                | -                  | -                 | 204                      |
| Fund balances                              |                   |                  |                    |                   |                          |
| Restricted for:                            |                   |                  |                    |                   |                          |
| Public health                              | -                 | 66,107           | -                  | -                 | 66,107                   |
| Committed for:                             |                   |                  |                    |                   |                          |
| Health care                                | 51,303            | -                | -                  | -                 | 51,303                   |
| Capital projects                           | -                 | -                | 229,236            | 51,391            | 280,627                  |
| Unassigned                                 | 249,958           | -                | -                  | -                 | 249,958                  |
| Total fund balances                        | 301,261           | 66,107           | 229,236            | 51,391            | 647,995                  |
| <b>Total liabilities and fund balances</b> | <b>\$ 301,465</b> | <b>\$ 66,107</b> | <b>\$ 229,236</b>  | <b>\$ 51,391</b>  | <b>\$ 648,199</b>        |

See notes to financial statements

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - MODIFIED CASH BASIS**  
**GOVERNMENTAL FUNDS**  
**Year Ended June 30, 2025**

|   | <b>General</b>           | <b>Public Health</b>    | <b>Facilities<br/>Reserve</b> | <b>Equipment<br/>Reserve</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|---|--------------------------|-------------------------|-------------------------------|------------------------------|---|
| <b>Revenues</b>                                   |                          |                         |                               |                              |   |
| Property taxes                                    | \$ 130,028               | \$ -                    | \$ -                          | \$ -                         | \$ 130,028                              |
| Charges for services                              | 407,381                  | -                       | -                             | -                            | 407,381                                 |
| Intergovernmental                                 | 282,830                  | 566,492                 | -                             | -                            | 849,322                                 |
| Rent  | 28,200                   | -                       | -                             | -                            | 28,200                                  |
| Interest  | 24,493                   | -                       | 11,018                        | 3,732                        | 39,243                                  |
| Miscellaneous                                     | 34,972                   | 5,015                   | -                             | -                            | 39,987                                  |
| Total revenues                                    | <u>907,904</u>           | <u>571,507</u>          | <u>11,018</u>                 | <u>3,732</u>                 | <u>1,494,161</u>                        |
| <b>Expenditures</b>                               |                          |                         |                               |                              |   |
| Health and wellness                               |                          |                         |                               |                              |   |
| Personnel services                                | 698,732                  | 250,771                 | -                             | -                            | 949,503                                 |
| Materials and services                            | 187,787                  | 314,436                 | -                             | -                            | 502,223                                 |
| Capital outlay                                    | -                        | 100,000                 | 148,631                       | 36,152                       | 284,783                                 |
| Total expenditures                                | <u>886,519</u>           | <u>665,207</u>          | <u>148,631</u>                | <u>36,152</u>                | <u>1,736,509</u>                        |
| Excess (deficiency) of revenues over expenditures | <u>21,385</u>            | <u>(93,700)</u>         | <u>(137,613)</u>              | <u>(32,420)</u>              | <u>(242,348)</u>                        |
| <b>Other financing sources (uses)</b>             |                          |                         |                               |                              |   |
| Transfers in                                      | -                        | -                       | 100,000                       | -                            | 100,000                                 |
| Transfers out                                     | -                        | (100,000)               | -                             | -                            | (100,000)                               |
| Total other financing sources (uses)              | <u>-</u>                 | <u>(100,000)</u>        | <u>100,000</u>                | <u>-</u>                     | <u>-</u>                                |
| Net change in fund balances                       | <u>21,385</u>            | <u>(193,700)</u>        | <u>(37,613)</u>               | <u>(32,420)</u>              | <u>(242,348)</u>                        |
| Fund balances at beginning of year                | <u>279,876</u>           | <u>259,807</u>          | <u>266,849</u>                | <u>83,811</u>                | <u>890,343</u>                          |
| <b>Fund balances at end of year</b>               | <b><u>\$ 301,261</u></b> | <b><u>\$ 66,107</u></b> | <b><u>\$ 229,236</u></b>      | <b><u>\$ 51,391</u></b>      | <b><u>\$ 647,995</u></b>                |

See notes to financial statements

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
**PROPRIETARY FUNDS**  
**June 30, 2025**

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|                           | <b>Ambulance<br/>Enterprise</b> | <b>Ambulance<br/>Replacement<br/>Reserve</b> | <b>Total</b>             |
|---------------------------|---------------------------------|--|--------------------------|
| <b>Assets</b>             |                                 |  |                          |
| Current assets            |                                 |  |                          |
| Cash and cash equivalents | \$ 209,576                      | \$ 136,692                                   | \$ 346,268               |
| Total current assets      | <u>209,576</u>                  | <u>136,692</u>                               | <u>346,268</u>           |
| <b>Net position</b>       |                                 |  |                          |
| Unrestricted              | <u>209,576</u>                  | <u>136,692</u>                               | <u>346,268</u>           |
| Total net position        | <u><b>\$ 209,576</b></u>        | <u><b>\$ 136,692</b></u>                     | <u><b>\$ 346,268</b></u> |

See notes to financial statements

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION - MODIFIED CASH BASIS**  
**PROPRIETARY FUNDS**  
**Year Ended June 30, 2025**

|   | <b>Ambulance<br/>Enterprise</b> | <b>Ambulance<br/>Replacement<br/>Reserve</b> | <b>Total</b>             |
|---|---------------------------------|--|--------------------------|
| <b>Operating revenues</b>                         |                                 |  |                          |
| Charges for services                              | \$ 115,579                      | \$ -   | \$ 115,579               |
| Operating grants                                  | 3,087                           | -  | 3,087                    |
|   | <u>118,666</u>                  | <u>-</u>                                     | <u>118,666</u>           |
| <b>Operating expenses</b>                         |                                 |  |                          |
| Personnel services                                | 20,778                          | -  | 20,778                   |
| Materials and services                            | 48,538                          | -  | 48,538                   |
|   | <u>69,316</u>                   | <u>-</u>                                     | <u>69,316</u>            |
| Operating income (loss)                           | <u>49,350</u>                   | <u>-</u>                                     | <u>49,350</u>            |
| <b>Nonoperating revenues (expenses)</b>           |                                 |  |                          |
| Interest income                                   | 9,570                           | 4,693  | 14,263                   |
| Miscellaneous                                     | 13,570                          | -  | 13,570                   |
|   | <u>23,140</u>                   | <u>4,693</u>                                 | <u>27,833</u>            |
| Income before capital contributions and transfers | 72,490                          | 4,693  | 77,183                   |
| Transfers in                                      | -                               | 45,000                                       | 45,000                   |
| Transfers out                                     | (45,000)                        | -  | (45,000)                 |
| Change in net position                            | 27,490                          | 49,693                                       | 77,183                   |
| Net position - beginning                          | <u>182,086</u>                  | <u>86,999</u>                                | <u>269,085</u>           |
| <b>Net position - ending</b>                      | <u><b>\$ 209,576</b></u>        | <u><b>\$ 136,692</b></u>                     | <u><b>\$ 346,268</b></u> |

See notes to financial statements

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS**  
**PROPRIETARY FUNDS**  
**Year Ended June 30, 2025**

|   | <b>Ambulance<br/>Enterprise</b> | <b>Ambulance<br/>Replacement<br/>Reserve</b> | <b>Total</b>      |
|---|---------------------------------|--|-------------------|
| <b>Cash flows from operating activities</b>   |                                 |  |                   |
| Receipts from customers   | \$ 115,579                      | \$ -   | \$ 115,579        |
| Other   | 3,087                           | -  | 3,087             |
| Payments to employees   | (20,778)                        | -  | (20,778)          |
| Payments to suppliers   | (48,538)                        | -  | (48,538)          |
| Net cash provided by operating activities   | 49,350                          | -  | 49,350            |
| <b>Cash flows from noncapital financing activities</b>  |                                 |  |                   |
| Transfers in  | -                               | 45,000                                       | 45,000            |
| Transfers out   | (45,000)                        | -  | (45,000)          |
| Net cash used in noncapital financing activities  | (45,000)                        | 45,000                                       | -                 |
| <b>Cash flows from capital and related financing activities</b>                                   |                                 |  |                   |
| Other   | 13,570                          | -  | 13,570            |
| Net cash provided by (used in) capital and related financing activities                           | 13,570                          | -  | 13,570            |
| <b>Cash flows from investing activities</b>   |                                 |  |                   |
| Interest on investments   | 9,570                           | 4,693  | 14,263            |
| Net cash provided by investing activities   | 9,570                           | 4,693  | 14,263            |
| Net increase (decrease) in cash and cash equivalents  | 27,490                          | 49,693                                       | 77,183            |
| Cash and cash equivalents - beginning of year   | 182,086                         | 86,999                                       | 269,085           |
| <b>Cash and cash equivalents - end of year</b>  | <b>\$ 209,576</b>               | <b>\$ 136,692</b>                            | <b>\$ 346,268</b> |
| <b>Reconciliation of operating income (loss) to net cash provided<br/>by operating activities</b> |                                 |  |                   |
| Operating income (loss)   | \$ 49,350                       | \$ -   | \$ 49,350         |
| <b>Net cash provided by operating activities</b>  | <b>\$ 49,350</b>                | <b>\$ -</b>                                  | <b>\$ 49,350</b>  |

See notes to financial statements

# SOUTH GILLIAM COUNTY HEALTH DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 – FINANCIAL REPORTING ENTITY

The South Gilliam County Health District (the “District”) was organized under the general laws of the State of Oregon. Control of the District is vested in its Board of Directors. Administrative functions are delegated to individuals who report to and are responsible to the Board. The chief administrative officer is the District Administrator.

The accompanying financial statements present all activities and funds for which the District is considered to be financially accountable. The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government.

### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation- government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the District. Governmental activities, which normally are supported by taxes and intergovernmental revenues, and other nonexchange transactions are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide financial statements are reported on a modified cash basis of accounting. The modified cash basis of accounting is based on the recording of cash and cash equivalents and changes therein, and only recognizes revenues, expenses, assets, and liabilities resulting from cash transactions, adjusted for modifications that have substantial support in generally accepted accounting principles.

Only cash and cash equivalents and items that involve the receipt or disbursement of cash or cash equivalents during the period are recognized, except for the following modifications:

Interfund receivables and payables that arise from transactions and events involving cash or cash equivalents are recognized;

Assets that normally convert to cash or cash equivalents (e.g., certificates of deposit, marketable investments, and receivables resulting from loans) that arise from transactions and events involving cash or cash equivalents are recognized; and

Liabilities for cash or cash equivalents held on behalf of others, held in escrow, or received in advance of being earned or meeting eligibility requirements are recognized.

As a result of the use of this modified cash basis of accounting, certain transactions are not presented in the financial statements. For example, accounts receivable for billed or provided services that have not been collected in cash are not accrued as revenue or receivables. Additionally, capital assets such as property, equipment, and infrastructure are not presented as well as long-term liabilities such as debt and compensated absences.



# SOUTH GILLIAM COUNTY HEALTH DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of presentation- government-wide financial statements

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### Basis of presentation – fund financial statements

The fund financial statements provide information about the government's funds. Separate statements for each fund are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. The fund financial statements are presented on the modified cash basis of accounting.

The District reports the following major governmental funds:

*General* – accounts for the financial resources of the District that are not accounted for in any other fund. Principal sources of revenue are property taxes and charges for services. Expenditures are primarily for administration and operations of the District.

*Public Health* – accounts for the operation of public health service programs. Principle sources of revenues are grants.

*Facilities Reserve* – accounts for expenditures on major facilities construction projects.

*Equipment Reserve* – accounts for expenditures related to equipment acquisition.

The District reports the following major proprietary funds:

*Ambulance Enterprise* – accounts for operations of ambulance services for the District. Ambulance billings and operating grants are its principal revenues.

*Ambulance Replacement Reserve* – accounts for expenditures related to the replacement of ambulances.

# SOUTH GILLIAM COUNTY HEALTH DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### Basis of presentation – fund financial statements (continued)

Further, certain activity occurs during the year involving transfers of resources between funds involving cash or cash equivalents. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between funds included in governmental activities are eliminated.

If the District utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for the governmental funds would use the modified accrual basis of accounting, and the fund financial statements for the enterprise funds would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

The District's policy, although not in accordance with accounting principles generally accepted in the United States of America, is acceptable under Oregon Law (ORS 294.333), which leaves the selection of the method of accounting to the discretion of the municipal corporation.

#### Budget policies and budgetary control

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds except agency funds. The modified cash basis of accounting is used for all budgets. All annual appropriations lapse at fiscal year-end.

The District begins its budgeting process by appointing budget committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the budget committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The Board of Directors adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over-expended, except in the case of grant receipts and bond sale proceeds which could not be reasonably estimated at the time the budget was adopted.

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot legally exceed appropriations. The District established the levels of budgetary control at the department and program level, along with transfers and contingencies when activity could be identified as such, and personal services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for other activity in funds.

Budget amounts shown in the financial statements may have been revised since the original budget amounts were adopted. The Board of Directors must authorize all appropriation transfers and supplementary budgetary appropriations.

# SOUTH GILLIAM COUNTY HEALTH DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Cash and cash equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, checking, savings and money market accounts, and any highly-liquid debt instruments purchased with a maturity of three months or less.

#### Net position

##### *Government-wide and proprietary fund statements*

On the statement of net position, equity is classified as net position and displayed in two components:

Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net position that does not meet the definition of “restricted”.

#### Restricted resources in government-wide and proprietary fund financial statements

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

#### Fund balance

##### *Governmental fund balance*

Governmental fund balance is reported within one of the fund balance categories listed below:

*Non-spendable* — Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted* — Amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

# SOUTH GILLIAM COUNTY HEALTH DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Fund balance (continued)

*Committed* — Fund balance amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the District that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

*Assigned* — Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Board of Directors has granted authority to assign fund balance amounts. Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board of Directors has by resolution authorized the Finance Manager to assign fund balance. The Board of Directors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, the constraints upon resources resulting from assignments are more easily removed or modified.

*Unassigned* — the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Additionally, other funds may report negative unassigned fund balance in certain circumstances.

#### Restricted resources in governmental fund financial statements

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

#### Restricted resources in governmental fund financial statements

It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

# SOUTH GILLIAM COUNTY HEALTH DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property taxes

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collections to entities levying taxes. Real and personal property taxes are levied upon all taxable property and become a lien against the property as of July 1 of each year. Property taxes are payable in three installments following the lien date on November 15, February 15 and May 15 each year.

As the basic financial statements are presented on the cash basis, uncollected property taxes are not reported. Property taxes are recorded as revenues when received.

#### Revenues and expenditures/expenses

##### *Program revenues*

Amounts reported as program revenues include 1) charges to customers or applicants who use, or directly benefit from services or privileges provided by a given function or segment (e.g., licenses and permits), and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All other taxes and fees, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

##### *Proprietary funds operating and nonoperating revenues and expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the public works funds are ambulance charges to customers for services. Operating expenses for the enterprise fund include personal services, materials and services, and capital outlay expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### NOTE 3 – CASH AND CASH EQUIVALENTS

The District's cash and cash equivalents at June 30, 2025 are as follows:

|  |                       |
|--|-----------------------|
| Deposits with financial institutions             | \$ 125,469            |
| State of Oregon Local Government Investment Pool | <u>868,998</u>        |
| <br>Total deposits and investments               | <br><u>\$ 994,467</u> |

The District maintains a pool of cash and cash equivalents that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and cash equivalents. Interest earned on pooled cash and cash equivalents is allocated to participating funds based upon their combined cash and cash equivalents balance.



# SOUTH GILLIAM COUNTY HEALTH DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 3 – CASH AND CASH EQUIVALENTS (Continued)

#### Deposits with financial institutions

*Custodial Credit Risk – Deposits with Financial Institutions:* This is the risk that in the event of a bank failure, the District's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the District's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest-bearing accounts and the aggregate of all interest-bearing accounts at each financial institution. Deposits in excess of FDIC coverage with financial institutions participating in the Oregon Public Funds Collateralization Program are collateralized under the Public Funds Collateralization Program (PFCP) of the Oregon State Treasurer. The PFCP is a shared liability structure for participating financial institutions and is considered additional depository insurance as defined in GASB 40. Participating financial institutions are required to pledge securities, held by the Federal Home Loan Bank of Seattle in the name of the financial institution, with a value equal to at least 10%, with limited exceptions that may require up to 110%, of the amount of deposits of Oregon municipal corporations in excess of FDIC depository insurance. In the event of a failure of a participating financial institution the collective amount of all pledged securities under the PFCP are available to return the District's deposits. As of June 30, 2025, none of the District's deposits with financial institutions were exposed to custodial credit risk.

#### State of Oregon Local Government Investment Pool

Balances 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.

*Credit risk:* Oregon statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the state treasurer's investment pool.

*Concentration of Credit Risk:* The District does not have a formal policy that places a limit on the amount that may be invested in any one insurer. 100% of the District's investments are in the State of Oregon State and Local Investment Pool.

*Interest Rate Risk:* The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair-value losses arising from increases in interest rates.

# SOUTH GILLIAM COUNTY HEALTH DISTRICT

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 3 – CASH AND CASH EQUIVALENTS (Continued)

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

### NOTE 4 – LEASES

The District leases building space to several tenants under 90-day cancellable contracts. The contract renew annually and will not transfer ownership. Revenue from leases of 12 months or less were \$28,200 during the fiscal year.

The ambulance service rents building space annually from the fire district. The annual rent is \$5,000.

### NOTE 5 – INTERFUND TRANSACTIONS

The interfund transfers during the year ended June 30, 2025 were as follows:

|                          | Transfers In:     |                  |                   |
|--------------------------|-------------------|------------------|-------------------|
|                          | Facilities        | Ambulance        |                   |
|                          | Reserve           | Replacement      |                   |
|                          |                   | Reserve          | Total             |
| Transfers Out:           |                   |                  |                   |
| Public Health Department | \$ 100,000        | \$ -             | \$ 100,000        |
| Ambulance Enterprise     | -                 | 45,000           | 45,000            |
| Total                    | <u>\$ 100,000</u> | <u>\$ 45,000</u> | <u>\$ 145,000</u> |

The District makes routine transfers from operating funds to reserve funds for specific purposes authorized by resolution.

Significant transfers during the year included a transfer from Public Health to the Facilities Reserve fund for construction projects totaling \$100,000.



# **SOUTH GILLIAM COUNTY HEALTH DISTRICT**

## **NOTES TO FINANCIAL STATEMENTS**

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### **NOTE 6 – DEFINED BENEFIT PENSION PLAN**

The District contributes to a defined contribution pension plan, authorized under Internal Revenue Code Section 457. The Variable Annuity Life Insurance Company administers the plan. Under provisions of the plan, established by the Board of Directors, the District contributes 7 percent of eligible employees' salaries. Provisions of the plan may be modified by the action of the District's Board of Directors.

This defined contribution pension plan provides an individual account for each participant. Under the defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investments of those contributions. The plan is available to all full-time employees of the District. Contributions vest immediately. During the year, \$52,239 was contributed by the District.

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**COMBINING FINANCIAL STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES**

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**COMBINING BALANCE SHEET - MODIFIED CASH BASIS**  
**GENERAL FUNDS**  
**June 30, 2025**

|  | <b>General Fund</b> | <b>Health Reserve Fund</b> | <b>Patient Assistance Reserve Fund</b> | <b>Total</b>      |
|--|---------------------|----------------------------|--|-------------------|
| <b>Assets</b>                              |                     |                            |  |                   |
| Cash and cash equivalents                  | \$ 250,162          | \$ 39,932                  | \$ 11,371                              | \$ 301,465        |
| <b>Total assets</b>                        | <b>\$ 250,162</b>   | <b>\$ 39,932</b>           | <b>\$ 11,371</b>                       | <b>\$ 301,465</b> |
| <b>Liabilities and fund balances</b>       |                     |                            |  |                   |
| Liabilities                                |                     |                            |  |                   |
| Accounts payable and accrued liabilities   | \$ 204              | \$ -                       | \$ -                                   | \$ 204            |
| Total liabilities                          | 204                 | -                          | -                                      | 204               |
| <b>Fund balances</b>                       |                     |                            |  |                   |
| Committed for:                             |                     |                            |  |                   |
| Health care                                | -                   | 39,932                     | 11,371                                 | 51,303            |
| Unassigned                                 | 249,958             | -                          | -                                      | 249,958           |
| <b>Total fund balances</b>                 | <b>249,958</b>      | <b>39,932</b>              | <b>11,371</b>                          | <b>301,261</b>    |
| <b>Total liabilities and fund balances</b> | <b>\$ 250,162</b>   | <b>\$ 39,932</b>           | <b>\$ 11,371</b>                       | <b>\$ 301,465</b> |

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - MODIFIED CASH BASIS**  
**GENERAL FUNDS**  
**Year Ended June 30, 2025**

|                                     | <b>General Fund</b> | <b>Health Reserve Fund</b> | <b>Patient Assistance Fund</b> | <b>Total</b>      |
|-------------------------------------|---------------------|----------------------------|--------------------------------|-------------------|
| <b>Revenues</b>                     |                     |                            |                                |                   |
| Property taxes                      | \$ 130,028          | \$ -                       | \$ -                           | \$ 130,028        |
| Charges for services                | 407,381             | -                          | -                              | 407,381           |
| Intergovernmental                   | 282,830             | -                          | -                              | 282,830           |
| Rent                                | 28,200              | -                          | -                              | 28,200            |
| Interest                            | 21,919              | 1,901                      | 673                            | 24,493            |
| Miscellaneous                       | 34,972              | -                          | -                              | 34,972            |
|                                     |                     |                            |                                |                   |
| Total revenues                      | 905,330             | 1,901                      | 673                            | 907,904           |
| <b>Expenditures</b>                 |                     |                            |                                |                   |
| Health and wellness                 |                     |                            |                                |                   |
| Personnel services                  | 698,732             | -                          | -                              | 698,732           |
| Materials and services              | 185,026             | -                          | 2,761                          | 187,787           |
|                                     |                     |                            |                                |                   |
| Total expenditures                  | 883,758             | -                          | 2,761                          | 886,519           |
|                                     |                     |                            |                                |                   |
| Net change in fund balances         | 21,572              | 1,901                      | (2,088)                        | 21,385            |
|                                     |                     |                            |                                |                   |
| Fund balances at beginning of year  | 228,386             | 38,031                     | 13,459                         | 279,876           |
|                                     |                     |                            |                                |                   |
| <b>Fund balances at end of year</b> | <b>\$ 249,958</b>   | <b>\$ 39,932</b>           | <b>\$ 11,371</b>               | <b>\$ 301,261</b> |

# SOUTH GILLIAM COUNTY HEALTH DISTRICT

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL Year Ended June 30, 2025

|   | Budget          |                 | Actual                | Variance              |
|---|-----------------|-----------------|-----------------------|-----------------------|
|   | Original        | Final           |                       |                       |
| <b>Revenues</b>                                   |                 |                 |                       |                       |
| Property taxes                                    | \$ 154,000      | \$ 154,000      | \$ 130,028            | \$ (23,972)           |
| Charges for services                              | 431,272         | 431,272         | 407,381               | (23,891)              |
| Intergovernmental                                 | 175,000         | 175,000         | 282,830               | 107,830               |
| Rents   | 25,200          | 25,200          | 28,200                | 3,000                 |
| Interest  | 7,000           | 7,000           | 21,919                | 14,919                |
| Miscellaneous                                     | 2,900           | 2,900           | 34,972                | 32,072                |
| <br>Total revenues                                | <br>795,372     | <br>795,372     | <br>905,330           | <br>109,958           |
| <b>Expenditures</b>                               |                 |                 |                       |                       |
| Personnel services                                | 929,312         | 604,312         | 698,732               | (94,420)              |
| Materials and services                            | 289,060         | 289,060         | 185,026               | 104,034               |
| Capital outlay                                    | 15,000          | 15,000          | -                     | 15,000                |
| Contingency                                       | 117,000         | 117,000         | -                     | 117,000               |
| <br>Total expenditures                            | <br>1,350,372   | <br>1,025,372   | <br>883,758           | <br>141,614           |
| Excess (deficiency) of revenues over expenditures | (555,000)       | (230,000)       | 21,572                | 251,572               |
| <b>Other financing sources (uses)</b>             |                 |                 |                       |                       |
| Transfers in                                      | 355,000         | 30,000          | -                     | (30,000)              |
| <br>Total other financing sources (uses)          | <br>355,000     | <br>30,000      | <br>-                 | <br>(30,000)          |
| Net change in fund balance                        | (200,000)       | (200,000)       | 21,572                | 221,572               |
| Fund balance at beginning of year                 | 200,000         | 200,000         | 228,386               | 28,386                |
| <br><b>Fund balance at end of year</b>            | <br><b>\$ -</b> | <br><b>\$ -</b> | <br><b>\$ 249,958</b> | <br><b>\$ 249,958</b> |

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**HEALTH RESERVE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL**  
**Year Ended June 30, 2025**

|                                    | <u>Budget</u>      | <u>Actual</u>           | <u>Variance</u>         |
|------------------------------------|--------------------|-------------------------|-------------------------|
| <b>Revenues</b>                    |                    |                         |                         |
| Interest                           | \$ 1,800           | \$ 1,901                | \$ 101                  |
| Total revenues                     | <u>1,800</u>       | <u>1,901</u>            | <u>101</u>              |
| <b>Expenditures</b>                |                    |                         |                         |
| Materials and services             | <u>39,824</u>      | <u>-</u>                | <u>39,824</u>           |
| Total expenditures                 | <u>39,824</u>      | <u>-</u>                | <u>39,824</u>           |
| Net change in fund balance         | (38,024)           | 1,901                   | 39,925                  |
| Fund balance at beginning of year  | <u>38,024</u>      | <u>38,031</u>           | <u>7</u>                |
| <b>Fund balance at end of year</b> | <u><b>\$ -</b></u> | <u><b>\$ 39,932</b></u> | <u><b>\$ 39,932</b></u> |



**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**PATIENT ASSISTANCE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL**  
**Year Ended June 30, 2025**

|                                    | <u>Budget</u>      | <u>Actual</u>           | <u>Variance</u>         |
|------------------------------------|--------------------|-------------------------|-------------------------|
| <b>Revenues</b>                    |                    |                         |                         |
| Interest                           | \$ 660             | \$ 673                  | \$ 13                   |
| Total revenues                     | <u>660</u>         | <u>673</u>              | <u>13</u>               |
| <b>Expenditures</b>                |                    |                         |                         |
| Materials and services             | <u>14,113</u>      | <u>2,761</u>            | <u>11,352</u>           |
| Total expenditures                 | <u>14,113</u>      | <u>2,761</u>            | <u>11,352</u>           |
| Net change in fund balance         | (13,453)           | (2,088)                 | 11,365                  |
| Fund balance at beginning of year  | <u>13,453</u>      | <u>13,459</u>           | <u>6</u>                |
| <b>Fund balance at end of year</b> | <u><b>\$ -</b></u> | <u><b>\$ 11,371</b></u> | <u><b>\$ 11,371</b></u> |

**SOUTH GILLIAM COUNTY HEALTH DISTRICT****PUBLIC HEALTH FUND****SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL****Year Ended June 30, 2025**

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|   | <b>Budget</b>   |              | <b>Actual</b>    | <b>Variance</b>  |
|---|-----------------|--------------|------------------|------------------|
|   | <b>Original</b> | <b>Final</b> |                  |                  |
| <b>Revenues</b>                                   |                 |              |                  |                  |
| Intergovernmental                                 | \$ 678,527      | \$ 678,527   | \$ 566,492       | \$ (112,035)     |
| Miscellaneous                                     | -               | -            | 5,015            | 5,015            |
| Total revenues                                    | 678,527         | 678,527      | 571,507          | (107,020)        |
| <b>Expenditures</b>                               |                 |              |                  |                  |
| Personnel services                                | -               | 325,000      | 250,771          | 74,229           |
| Materials and services                            | 261,789         | 261,789      | 314,436          | (52,647)         |
| Capital outlay                                    | 111,738         | 111,738      | 100,000          | 11,738           |
| Total expenditures                                | 373,527         | 698,527      | 665,207          | 33,320           |
| Excess (deficiency) of revenues over expenditures | 305,000         | (20,000)     | (93,700)         | (73,700)         |
| <b>Other financing sources (uses)</b>             |                 |              |                  |                  |
| Transfers out                                     | (455,000)       | (130,000)    | (100,000)        | 30,000           |
| Total other financing sources (uses)              | (455,000)       | (130,000)    | (100,000)        | 30,000           |
| Net change in fund balance                        | (150,000)       | (150,000)    | (193,700)        | (43,700)         |
| Fund balance at beginning of year                 | 150,000         | 150,000      | 259,807          | 109,807          |
| <b>Fund balance at end of year</b>                | <b>\$ -</b>     | <b>\$ -</b>  | <b>\$ 66,107</b> | <b>\$ 66,107</b> |

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**FACILITIES RESERVE FUND (MAJOR FUND) (CAPITAL PROJECTS FUND)**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL**  
**Year Ended June 30, 2025**

|   | <b>Budget</b> | <b>Actual</b>     | <b>Variance</b>   |
|---|---------------|-------------------|-------------------|
| <b>Revenues</b>                                   |               |                   |                   |
| Interest  | \$ 13,200     | \$ 11,018         | \$ (2,182)        |
| Total revenues                                    | 13,200        | 11,018            | (2,182)           |
| <b>Expenditures</b>                               |               |                   |                   |
| Capital outlay                                    | 379,928       | 148,631           | 231,297           |
| Total expenditures                                | 379,928       | 148,631           | 231,297           |
| Excess (deficiency) of revenues over expenditures | (366,728)     | (137,613)         | 229,115           |
| <b>Other financing sources (uses)</b>             |               |                   |                   |
| Transfers in                                      | 100,000       | 100,000           | -                 |
| Total other financing sources (uses)              | 100,000       | 100,000           | -                 |
| Net change in fund balance                        | (266,728)     | (37,613)          | 229,115           |
| Fund balance at beginning of year                 | 266,728       | 266,849           | 121               |
| <b>Fund balance at end of year</b>                | <b>\$ -</b>   | <b>\$ 229,236</b> | <b>\$ 229,236</b> |

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**EQUIPMENT RESERVE FUND (CAPITAL PROJECTS FUND)**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL**  
**Year Ended June 30, 2025**

|                                    | <u>Budget</u>      | <u>Actual</u>           | <u>Variance</u>         |
|------------------------------------|--------------------|-------------------------|-------------------------|
| <b>Revenues</b>                    |                    |                         |                         |
| Interest                           | \$ 4,080           | \$ 3,732                | \$ (348)                |
| Total revenues                     | <u>4,080</u>       | <u>3,732</u>            | <u>(348)</u>            |
| <b>Expenditures</b>                |                    |                         |                         |
| Capital outlay                     | <u>87,836</u>      | <u>36,152</u>           | <u>51,684</u>           |
| Total expenditures                 | <u>87,836</u>      | <u>36,152</u>           | <u>51,684</u>           |
| Net change in fund balance         | (83,756)           | (32,420)                | 51,336                  |
| Fund balance at beginning of year  | <u>83,756</u>      | <u>83,811</u>           | <u>55</u>               |
| <b>Fund balance at end of year</b> | <u><b>\$ -</b></u> | <u><b>\$ 51,391</b></u> | <u><b>\$ 51,391</b></u> |

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**AMBULANCE ENTERPRISE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL**  
**Year Ended June 30, 2025**

|   | <b>Budget</b> | <b>Actual</b>     | <b>Variance</b>   |
|---|---------------|-------------------|-------------------|
| <b>Revenues</b>                                   |               |                   |                   |
| Charges for services                              | \$ 122,000    | \$ 115,579        | \$ (6,421)        |
| Intergovernmental                                 | 10            | 3,087             | 3,077             |
| Interest  | 4,000         | 9,570             | 5,570             |
| Miscellaneous                                     | 12,200        | 13,570            | 1,370             |
|   |               |                   |                   |
| Total revenues                                    | 138,210       | 141,806           | 3,596             |
|   |               |                   |                   |
| <b>Expenditures</b>                               |               |                   |                   |
| Personnel services                                | 30,800        | 20,778            | 10,022            |
| Materials and services                            | 141,000       | 48,538            | 92,462            |
| Capital outlay                                    | 45,000        | -                 | 45,000            |
| Contingency                                       | 31,410        | -                 | 31,410            |
|   |               |                   |                   |
| Total expenditures                                | 248,210       | 69,316            | 178,894           |
|   |               |                   |                   |
| Excess (deficiency) of revenues over expenditures | (110,000)     | 72,490            | 182,490           |
|   |               |                   |                   |
| <b>Other financing sources (uses)</b>             |               |                   |                   |
| Transfers out                                     | (45,000)      | (45,000)          | -                 |
|   |               |                   |                   |
| Total other financing sources (uses)              | (45,000)      | (45,000)          | -                 |
|   |               |                   |                   |
| Net change in fund balance                        | (155,000)     | 27,490            | 182,490           |
|   |               |                   |                   |
| Fund balance at beginning of year                 | 155,000       | 182,086           | 27,086            |
|   |               |                   |                   |
| <b>Fund balance at end of year</b>                | <b>\$ -</b>   | <b>\$ 209,576</b> | <b>\$ 209,576</b> |

**SOUTH GILLIAM COUNTY HEALTH DISTRICT**  
**AMBULANCE REPLACEMENT RESERVE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL**  
**Year Ended June 30, 2025**

|   | <u>Budget</u>      | <u>Actual</u>            | <u>Variance</u>          |
|---|--------------------|--------------------------|--------------------------|
| <b>Revenues</b>                                   |                    |                          |                          |
| Interest  | \$ 2,500           | \$ 4,693                 | \$ 2,193                 |
| Total revenues                                    | <u>2,500</u>       | <u>4,693</u>             | <u>2,193</u>             |
| <b>Expenditures</b>                               |                    |                          |                          |
| Capital outlay                                    | <u>133,824</u>     | <u>-</u>                 | <u>133,824</u>           |
| Total expenditures                                | <u>133,824</u>     | <u>-</u>                 | <u>133,824</u>           |
| Excess (deficiency) of revenues over expenditures | <u>(131,324)</u>   | <u>4,693</u>             | <u>136,017</u>           |
| <b>Other financing sources (uses)</b>             |                    |                          |                          |
| Transfers in                                      | <u>45,000</u>      | <u>45,000</u>            | <u>-</u>                 |
| Total other financing sources (uses)              | <u>45,000</u>      | <u>45,000</u>            | <u>-</u>                 |
| Net change in fund balance                        | <u>(86,324)</u>    | <u>49,693</u>            | <u>136,017</u>           |
| Fund balance at beginning of year                 | <u>86,324</u>      | <u>86,999</u>            | <u>675</u>               |
| <b>Fund balance at end of year</b>                | <u><b>\$ -</b></u> | <u><b>\$ 136,692</b></u> | <u><b>\$ 136,692</b></u> |

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## **COMPLIANCE SECTION**

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

Board of Directors  
South Gilliam County Health District  
Condon, Oregon

We have audited the basic financial statements of the South Gilliam County Health District (the "District") as of and for the year ended June 30, 2025, and have issued our report thereon dated December 11, 2025. Our audit was conducted 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 162-010-0230 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 162-010-0230 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

Board of Directors  
South Gilliam County Health District  
Independent Auditor's Report  
Required by Oregon State Regulations

Budgets legally required

In the detail budget document for the 2025-26 fiscal year, the historical amounts for fiscal year 2022-23 and 2023-24 do not agree to actual amounts as follows:

| <u>Fund/Appropriation Category</u>                   | <u>Presented</u> | <u>Historical</u> | <u>Variance</u> |
|--|------------------|-------------------|-----------------|
| 2023-24 General - Total Resources                    | 1,084,050        | 1,033,561         | (50,489)        |
| 2023-24 General - Total Requirements                 | 1,084,050        | 1,032,661         | (51,389)        |
| 2023-24 Public Health - Total Resources/Requirements | 357,030          | 616,836           | 259,806         |
| 2022-23 General - Total Resources/Requirements       | 1,142,828        | 1,188,242         | 45,414          |
| 2022-23 Public Health - Total Resources              | 571,491          | 745,356           | 173,865         |
| 2022-23 Public Health - Total Requirements           | 323,160          | 745,356           | 422,196         |
| 2022-23 Equipment - Total Resources/Requirements     | 131,648          | 95,712            | (35,936)        |

Expenditures in Excess of Appropriations

The District had expenditures in excess of appropriation as follows:

| <u>Fund</u>   | <u>Appropriation category</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---------------|-------------------------------|---------------|---------------|-----------------|
| General       | Personnel services            | \$ 604,313    | \$ 698,732    | \$ (94,419)     |
| Public Health | Materials and services        | 261,789       | 314,436       | (52,647)        |

**OAR 162-010-0230 Internal Control**

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. We have separately issued a letter to those charged with governance regarding deficiencies in internal control.

**Restriction of Use**

This report is intended solely for the information and use of the Board of Directors and management of South Gilliam County Health 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*

December 11, 2025

By:



Brad Bingenheimer, Partner