

Library Board of Directors
Regular Meeting Agenda

Tuesday, January 20, 2026, 7:00pm
Library Meeting Room and Zoom
502 State St, Hood River

Library Board:

Board President: Sara Marsden, *Board Vice-President:* Karen Bureker, *Board members:* Megan Janik, Yesi Rojas, and Jean Sheppard.

The Hood River County Library District will hold this meeting by offering a hybrid format. Participants can attend in-person or on Zoom Conferencing. Please use the following phone number or video link:

1-253-215-8782, <https://us02web.zoom.us/j/88987942233>, Meeting ID: 889 8794 2233

Agenda Items		Action	Responsible
I.	Call to Order		Sara Marsden
II.	Roll call		Rachael Fox
III.	Approval of the agenda (additions/corrections/deletions)	Motion	Sara Marsden
IV.	Approval of the consent agenda i. Minutes from the December 16, 2025 regular board meeting	Motion	Sara Marsden
V.	Actual or potential conflicts of interest		Sara Marsden
VI.	Citizen comment (3 minutes each)		Sara Marsden
VII.	Audit report and presentation FY 2024-25		Tara Kamp
VIII.	Presentation Teen and Tween Services Librarian Elizabeth Backer		Elizabeth Backer
IX.	Reports		
	i. November 2025 Financial Statements		Rachael Fox
	ii. Friends update		Rachael Fox
	iii. Foundation update		Rachael Fox
	iv. Director's report		Rachael Fox
X.	Old Business		
XI.	New Business		
	i. Bilingual Pay Policy update	Motion	Sara Marsden

XII.	Announcements		
	i. Comments from board members		All
	ii. Requests/Comments from Library Director		Rachael Fox
XIII.	Agenda items for next meeting		Sara Marsden
IX.	Adjournment regular meeting		Sara Marsden

Other matters may be discussed as deemed appropriate by the Board. If necessary, Executive Session may be held in accordance with the following. Bolded topics are scheduled for the current meeting's executive session.

ORS 192.660 (1) (d) Labor Negotiations

ORS 192.660 (1) (e) Property

ORS 192.660 (1) (h) Legal Rights

ORS 192.660 (1) (i) Personnel

The Board of Directors meets on the 3rd Tuesday each month from 7:00pm to 9:00pm in the Jeanne Marie Gaulke Memorial Meeting Room at 502 State Street, Hood River, Oregon. Sign language interpretation for the hearing impaired is available if at least 48 hours notice is given.

**Library Board of Directors
Regular Meeting Agenda
Supplementary Information**

Tuesday, January 20, 2025, 7:00pm
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502 State St, Hood River

Board President: Sara Marsden, *Board Vice-President:* Karen Bureker, *Board members:* Yesi Rojas, Megan Janik and Jean Sheppard.

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I.	Call to Order		Sara Marsden
II.	Roll call		Rachael Fox
III.	Approval of the agenda (additions/corrections/deletions)	Motion	Sara Marsden
IV.	Approval of the consent agenda i. Minutes from the December 16, 2025 Regular Board Meeting Attachment: <ul style="list-style-type: none"> • IV.i. Minutes from the December 16, 2025 Regular Board Meeting 	Motion	Sara Marsden
V.	Actual or potential conflicts of interest		Sara Marsden
VI.	Citizen comment (3 minutes each)		Sara Marsden
VII.	Audit report and presentation FY 2024-25 Attachments: <ul style="list-style-type: none"> i. VII.i. Audit 2024-25 – Communication to the governing body ii. VII.ii. Audit 2024-25 – Financial report Tiffany Elvrum from Clear Trail CPAs, LLC will present the District's 2024-25 fiscal year audit via Zoom. The audit documents are attached (the letter to the governing body and the financial report). The letter to the governing body is an overview of the findings		Tiffany Elvrum

	of the audit, while the financial report is the detailed findings and numbers themselves. Please bring any questions you have to the meeting.		
VIII. Presentation Teen and Tween Services Librarian	Elizabeth Backer Librarian Elizabeth Backer will discuss her work at the library as our Teen and Tween Services Librarian.		Elizabeth Backer
IX. Reports			
	i. November 2025 Financial Statements Attachment: <ul style="list-style-type: none"> VII.i. November 2025 Financial Statement <p>The District has received approximately 92.6% of projected property tax revenue for the 2025-26 fiscal year. Collections are on track to meet the full projected amount for this fiscal year.</p> <p>We will receive the rest of the funds in two installments in February and May when tax payers complete their payment plans.</p> <p>As of November 30, 2025 we have \$1,769,033 in total current assets. This includes \$1,486,919 for the General Fund, \$113,936 for the Grants Fund, and \$168,178 for the Capital Equipment Reserve fund.</p>		Rachael Fox
	ii. Friends update <ul style="list-style-type: none"> The Friends of the Library will hold a book sale on Saturday, April 25, 2026. 		Rachael Fox
	iii. Foundation update <ul style="list-style-type: none"> The Library Foundation does not hold a meeting in December and will be meeting Tuesday, January 20, 4:00-5:30pm. 		Rachael Fox
	iv. Director's report <u>Administration</u> <ul style="list-style-type: none"> The Hood River Library will be closed on Thursday, January 22, from 10am to 2pm for staff development. We will be open from 2pm to 7pm, and Cascade Locks and Parkdale locations will maintain their regular hours. This training will cover our updated emergency procedures. Library Board member Yesi Rojas and Library Director Rachael Fox will attend the Special Districts Association 		Rachael Fox

of Oregon Conference (SDAO) on Wednesday, February 4-Sunday, February 8. There will be training and educational sessions, networking opportunities, our exhibitor trade show, awards banquet, and more.

- **Open Position - Children's Services Assistant**

- The candidate we hired for the Children's Services Assistant position withdrew her acceptance after receiving another job offer in her field of study. We have reopened the position.
 - Description: Be the Essential Support to our dedicated Librarians. We are seeking someone to join our collaborative team to support engaging children's programs and services across all library branches, bookmobile, and community locations.
 - What They'll Do:
 - Support innovative programs and services for children birth through 12th grade, with primary focus on birth through 5th grade
 - Majority of focus will be working closely with the Children's Services Librarian to foster early literacy and lifelong learning while supporting the Teen and Tween Services and Bookmobile Librarians with their vital community work
 - Create promotional materials and social media content to connect with families across multiple platforms
 - Provide bilingual assistance to Spanish-speaking families
 - We're Looking For:
 - A creative, positive, and flexible team player who thrives in collaborative work environments
 - Someone passionate about serving others and making a difference
 - A supportive team member dedicated to advancing the library's mission alongside

librarians

Program and events

- **All Ages**

- **Family Movie Matinee: Minecraft,** Saturday, January 10, 2:00pm, Hood River Library Theater. Join us in the Hood River Library Theater for a family movie matinee. We'll provide popcorn and plenty of room to spread out and get cozy.

- **Adult programs**

- **Game Night: Escape Room,** Thursday, January 8th, 5:30pm-7:30pm, Hood River Library Reading Room. Recommended for ages 16+ Love mysteries and brain-bending challenges? Come play Unlock, a cooperative, escape room-inspired card game. No experience required; [HR Hobbies](#) will be on hand to support.
- **Author Talk: Heidi Venture,** Tuesday, January 13th, 6:00pm-7:00pm, Hood River Library Reading Room. Curious about psilocybin therapy in Oregon? Join local facilitator and author Heidi Venture of [Vital Reset](#) to learn more about what happens before, during and after a session. Be inspired by the outcomes of real people.
- **Family Puzzle Competition,** Saturday, January 24th, 2:00pm, Hood River Library Reading Room. Recommended for ages 8+ Put your teamwork to the test at our Family Puzzle Competition! Teams of 2–4 family members will race other teams to complete a 375-piece Ravensburger puzzle — bragging rights included. [Details and Sign Up Here!](#) Sponsor: [HR Hobbies](#)
- **How To Winter Book Club,** 1st and 3rd Tuesday, 12-1pm, December-February. Find warmth and connection this winter through shared reading and reflection. Join [Emily Martin](#) for guided meditation and discussion inspired by *How to Winter* by Kari Leibowitz.

	<ul style="list-style-type: none"> ▪ Free Adult Yoga Start the new year with yoga at the Hood River Library Free, open to adults, and all levels welcome. Please bring your own mat. <ul style="list-style-type: none"> • Saturdays, 10:30am-11:30am <ul style="list-style-type: none"> ◦ January 10: Upstairs Reading Room ◦ February 7: Downstairs Meeting Room ◦ March 7: Downstairs Meeting Room ◦ April 4: Downstairs Meeting Room ▪ Hood River Book Club meets the second Wednesday of the month at 12:30 p.m. Hood River Library Meeting Room & Zoom. ▪ Cascade Locks Book Club meets the Fourth Thursday of the month from 5:15 to 7:00 p.m. at the Cascade Locks Library. ▪ Writing Group: Every Wednesday at 3 pm in the Hood River Library Columbia Room. Creative writing together! Join with fellow writers to work on your craft through prompts and (sometimes) share the results. For more information, please contact Patty Kaplan (310.710.3822). ▪ Tween and Teen programs <ul style="list-style-type: none"> • Teen D&D Miniature Painting Wednesday, January 7th, 5-7pm, Hood River Library Meeting Room. Teen D&D players are invited for an afternoon of miniature painting! All supplies included. Bring your friends! • Teen Club Ghibli, Saturday, January 17th, 3-5 PM, Hood River Library Theater. Do you love the films of Studio Ghibli? Join us for a monthly meet-up to watch the beloved films of Hayao Miyazaki and other animators from this award-winning Japanese studio. We'll also make an easy Ghibli related craft and enjoy a themed snack. 		
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	<ul style="list-style-type: none"> • YA Book Club, Wednesday, January 21st, 4-5pm, Hood River Library Teen Area. Check out the best-selling YA novel, Warrior Girl, Unearthed by Angeline Boulley, then join us for a discussion! • Teen Escape Room Murder Mystery, Saturday, January 24th, 4-6 PM. You're invited to a party in the woods that turns out to involve -gasp- a murder! If you're up for an evening full of puzzles, riddles, and cryptic codes, this is your time to shine! Advanced sign-up is required. Teens can sign up with this link, or via the Hood River Library website. This event is recommended for High School aged teens, ages 14-18. • Teen Council and volunteer hours, 1st & 3rd Saturday of the month, 10am-12pm, Hood River Library Teen Area. Meet-up with other teen readers and our Teen Services Librarian on the last Saturday of every month to help plan library events and give input on books and materials you would like to see at the library! • Magic: the Gathering, Every Friday at 4pm in the Library Theater. Program provided by Hood River Hobbies. • Dungeons and Dragons, Wednesdays, January 14th & 28th, 5-7pm, Hood River Library Meeting Room, Hood River Library Theater. Beginner Dungeons and Dragons group for tweens and teens, led by experienced Dungeon Masters. <ul style="list-style-type: none"> ○ Children's programs <ul style="list-style-type: none"> ▪ Oregon Battle Of Book Meetings (OBOB), Fridays at 4pm, Hood River Library Teen Area. Our Children's and Teen Services Librarians are hosting drop-in OBOB practice sessions for Hood River County middle schoolers. All middle school students welcome, including homeschoolers and those without a school team. 		
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	<ul style="list-style-type: none"> ▪ DoodleClub, Fridays, starting November 7th, 3:00pm-4:00pm, Kids Library Outside Makerspace. Come join a low key art club of cool kids Every Friday afternoon 3-4 pm. We will provide drawing supplies but feel free to supplement with your own! ▪ Storytimes <ul style="list-style-type: none"> • Family Storytime – Hood River Library Thursdays at 10:30 a.m. <ul style="list-style-type: none"> ◦ The storytime is open to all ages. Storytime will feature stories, songs and fun! Literacy enrichment will be at the heart of every session. Children will learn pre-reading skills, develop an increased vocabulary, and nurture a lifelong love of reading! ◦ Bookmobile Route <ul style="list-style-type: none"> • 1st Thursday, 5:00p-6:30pm, Pine Grove, Early Intervention 2405 Eastside Rd • 2nd Thursday, HOOD RIVER <ul style="list-style-type: none"> ◦ 2:30-3:30p Pacific Ave (street parking) ◦ 3:30-4:30 Mercado Guadalajara ◦ 5:00-6:00p Wyeast Vista Apartments 1800 8th st. • 3rd Thursday, HOOD RIVER <ul style="list-style-type: none"> ◦ 2:30p-3:30p Walmart Parking Lot ◦ 3:30-4:30p Hood River Crossings Apartments 3145 Cascade Ave. ◦ 5:00p-6:00p Columbia View Apartments 1695 Oak St. • 4th Thursday, HOOD RIVER/ODELL <ul style="list-style-type: none"> ◦ 3p-4p Rockford Grange • 2nd & 4th Saturday, ODELL <ul style="list-style-type: none"> ◦ 10:30a-12:00p Mobile Home Park/AGA RD ◦ 12:30p-1:30p Community Park 3163 Tamarack Rd. 		
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- 2:30p-3:30p Mid Valley Market

- **Community Outreach**

- We also provide monthly visits for seniors at [Providence Dethman Manor](#), [Providence Down Manor](#), and [Hawk's Ridge](#), as well as for children and families at OCDC Oregon Child Development Coalition in Odell. We regularly partner with [Hood River County School District](#) for classroom visits, school visits to the library, and library card registration drives.

Statistics

Fiscal Year July 1, 2024 – June 30, 2025

- **Library cardholders: 11,791**
- **Library cardholders added: 1,743**
- **Physical items:**
 - Print items: 68,916
 - Print items added: 5,494
 - Audio items: 3,509
 - Audio items added: 159
 - Video items: 7,777
 - Video items added: 376
 - Other library materials (Library of Things): 530
 - Other library materials added (Library of Things): 76
 - Spanish language items: 5,503
- **Circulation**
 - **Print Materials**
 - **Adult materials**
 - First time circulation: 40,755
 - Renewals: 29,614
 - **Young Adult materials**
 - First time circulation: 3,153
 - Renewals: 2,401
 - **Children's materials**
 - First time circulation: 47,133
 - Renewals: 29,181
 - **Other library materials (Library of Things)**

	<ul style="list-style-type: none"> • First time circulation: 3,004 • Renewals: 2,273 • First time circulation of physical materials not separated into categories <ul style="list-style-type: none"> • First time circulation: 636 • Renewals: 594 • Total circulation physical items: 158,744 ○ Digital Materials <ul style="list-style-type: none"> • Oregon Digital Library Consortium/Library2Go <ul style="list-style-type: none"> • 14,373 (E-books) • 5,989 (E-magazines) • 20,104 (E-audio) • Kanopy (E-video) <ul style="list-style-type: none"> • 8,845 • Total circulation digital items: 40,466 • Total circulation physical and digital items: 199,210 • Meeting room Use <ul style="list-style-type: none"> ○ 513 meetings • Library Programs <ul style="list-style-type: none"> ○ Children programs ages 0-5 <ul style="list-style-type: none"> • 41 programs • 1,780 attendees ○ Children's programs ages 6-11 <ul style="list-style-type: none"> • 39 programs • 4,793 attendees ○ Young adult programs ages 12-18 <ul style="list-style-type: none"> • 40 programs • 467 attendees ○ Adult programs Age 19 or older <ul style="list-style-type: none"> • 183 programs • 2,012 attendees ○ All Ages/Outreach <ul style="list-style-type: none"> • 25 programs • 4,000 attendees ○ Total: <ul style="list-style-type: none"> • Programs: 32 • Participants: 13,052 		
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	<p>Library Visits</p> <ul style="list-style-type: none"> • Hood River 80,799 • Cascade Locks 1,264 • Parkdale 1,871 • Bookmobile 635 <p>Total: 84,569</p> <p>Our circulation for physical items increased from 158,253 to 158,744 for .3% increase from fiscal year 2023-24 to 2024-25.</p> <p>Our circulation for digital items increased from 33,509 to 40,466 for a 21% increase from fiscal year 2023-24 to 2024-25.</p> <p>Our total circulation for both physical and digital items increased from 191,762 to 199,210 for a 4% increase from fiscal year 2023-24 to 2024-25.</p> <p>Our program attendance is near equal to last year.</p> <p>Our library visits increased from 77,129 to 84,569 which is a 9.6% increase from fiscal year 2023-24 to 2024-25.</p>		
X.	Old Business		Sara Marsden
XI.	New Business		
	<p>i. Bilingualism Proficiency Pay Policy update</p> <p>Attachment:</p> <ul style="list-style-type: none"> • XI.i. Bilingualism Proficiency Pay Policy <p>We need to update our policy to align with Senate Bill 731 (SB731), which mandates that if our organization offer pay differentials for other bilingual/multilingual skills, we must provide equivalent compensation for American Sign Language (ASL) skills used in assigned duties, ensuring fair pay for ASL users.</p> <p>Our HR consulting firm, HR Answers, and our legal counsel, Ruben Cleaveland, have both reviewed the updated policy.</p>	Motion	Sara Marsden
XII.	Announcements		
	i. Comments from board members		Board members
	ii. Requests/Comments from Library Director		Rachael Fox
XIII.	<p>Agenda items for next meeting</p> <ul style="list-style-type: none"> • Budget calendar, budget officer, and budget committee 		Sara Marsden

	approval <ul style="list-style-type: none"> • Attorney contract renewal • Gardens maintenance contract renewal 		
XII.	Adjournment regular meeting		Sara Marsden

Other matters may be discussed as deemed appropriate by the Board. If necessary, Executive Session may be held in accordance with the following. Bolded topics are scheduled for the current meeting's executive session.

ORS 192.660 (1) (d) Labor Negotiations

ORS 192.660 (1) (e) Property

ORS 192.660 (1) (h) Legal Rights

ORS 192.660 (1) (i) Personnel

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Library Board of Directors
Regular Meeting Minutes

Tuesday, December 16, 2025, 7:00pm
Library Meeting Room and Zoom
502 State St, Hood River

Present: *Board President:* Sara Marsden, *Board Vice-President:* Karen Bureker, *Board members:* Megan Janik and Yesenia Rojas. Staff members: Rachael Fox.

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1-253-215-8782, <https://us02web.zoom.us/j/89745812618?wd=NFBFT0xUVjFSN0dDVGNiZTVsNDQ2dz09>, Meeting ID: 897 4581 2618

Agenda Items		Action	Responsible
I.	Call to Order Library Board President Sara Marsden called the meeting to order at 7:00pm.		Sara Marsden
II.	Roll call Fox conducted a roll call. Sara Marsden, Megan Janik, Yesi Rojas were present. Library Director Rachael Fox was present. Karen Bureker joined the meeting via Zoom at 7:23pm.		Rachael Fox
III.	Approval of the agenda (additions/corrections/deletions) Janik moved to approve the agenda. Rojas seconded the motion. The motion carried unanimously with affirmative votes from Janik, Marsden, and Rojas.	Motion	Sara Marsden
IV.	Approval of the consent agenda Sheppard moved to approve the consent agenda with the November 18, 2025 Library Board meeting minutes. Rojas seconded the motion. The motion carried unanimously with affirmative votes from Janik, Marsden, and Rojas.	Motion	Sara Marsden
V.	Actual or potential conflicts of interest None stated		Sara Marsden
VI.	Citizen comment (3 minutes each) None present		Sara Marsden
VII.	Reports		
	i. October and November 2025 Financial Statements There was nothing to add to the written report.		Rachael Fox

	ii. Friends update There was nothing to add to the written report.		Rachael Fox
	iii. Foundation update There was nothing to add to the written report.		Rachael Fox
	iv. Director's report There was nothing to add to the written report.		Rachael Fox
VIII. Old Business			Sara Marsden
IX. New Business			
	<p>i. Children's Services Assistant position discussion</p> <p>Marsden asked if the library would be overstaffed. Fox explained that the library is experiencing its highest activity levels ever, and she will present statistics at next month's meeting. The Children's Librarian and other staff need additional support. This position also manages the Makerspace and posts marketing content on social media and website calendars. Marsden asked if Assistant Director Burford handles marketing. Fox stated librarians currently create most of their own promotional materials and now post them on social media.</p> <p>Fox added that the library wants to offer bilingual storytime and expand children's services and programming, which is the highest priority area. She emphasized that the library needs additional support for children's programming assistance and preparation, as well as outreach and communication with Spanish-speaking families.</p> <p>Fox stated that increasing the position's hours could make it more attractive to candidates. The salary is competitive with other positions in the Gorge area and slightly higher than comparable roles. The position will also be advertised with bilingual differential pay, which was not included in the previous posting. Fox explained she did not recommend a larger increase in hours because the library recently added bilingual differential pay for other staff members and anticipates higher health care costs next fiscal year.</p> <p>Marsden asked whether other positions, such as the Bookmobile Librarian, had received hour increases and whether increasing hours for both positions would be sustainable. Fox clarified that the Bookmobile Librarian position increased from 34 to 40 hours to oversee outreach after the library eliminated the 40-hour Bilingual Outreach Librarian position, which would have otherwise resulted in overstaffing in that area.</p> <p>In addition, other librarians have increased their outreach</p>		Sara Marsden

	<p>involvement to support the Bookmobile Librarian. Between ordering items for the collection, managing programming, staffing the desk, and handling marketing, they also need assistance.</p> <p>Janik and Marsden asked if the library could support the increase. Fox confirmed we could. The position has been vacant for several months, and the savings can fund the increase and provide a buffer for anticipated health care cost increases in the next fiscal year.</p> <p>Rojas asked how long the position had been open. Fox replied it has been vacant since May and noted there is typically a gap between hiring a candidate and their start date to accommodate their current work situation.</p> <p>Rojas asked where the position is advertised. Fox listed social media, the library newsletter, flyers, Indeed, library websites in Oregon, and throughout the Pacific Northwest.</p>		
	<p>ii. 2026 Special Districts Insurance Services (SDIS) Property/Casualty Insurance renewal</p> <p>Janik moved to approve the agenda. Rojas seconded the motion. The motion carried unanimously with affirmative votes from Janik, Marsden, and Rojas.</p>	Motion	Sara Marsden
	<p>iii. Code of Conduct update</p> <p>Library Board member Karen Bureker joined the meeting via Zoom.</p> <p>Marsden asked whether the library has a procedure for handling items left behind. Fox explained that small items go to the lost and found, while larger items are stored outside the building temporarily to allow owners to claim them.</p> <p>The Library Board approved the recommended changes.</p> <p>Janik moved to approve the agenda. Rojas seconded the motion. The motion carried unanimously with affirmative votes from Bureker, Janik, Marsden, and Rojas.</p>	Motion	Sara Marsden
X.	Announcements		
	<p>i. Comments from board members</p> <p>None</p>		Board members
	<p>ii. Requests/Comments from Library Director</p> <p>Fox reported that she and Rojas are registered for the Special Districts Association of Oregon conference, which offers several valuable sessions.</p>		Rachael Fox

XI.	Agenda items for next meeting <ul style="list-style-type: none"> • Policy review • Audit report and presentation FY 2024-2025 • Staff presentation: Teen and Tween Services Librarian Elizabeth Backer 		Sara Marsden
XII.	Adjournment regular meeting The meeting was adjourned at 7:30pm.		Sara Marsden

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2850 SW Cedar Hills Blvd, #2074, Beaverton OR 97005 • 503-586-7170 • ClearTrailCPAS.com

October 28, 2025

To the Board of Directors
Hood River County Library District
Hood River County, Oregon

We have audited the basic financial statements of the governmental activities and each major fund of Hood River County Library District for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the basic financial statements and compliance with:

- Modified cash basis of accounting and generally accepted and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the Modified cash basis of accounting. Our audit of the basic financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the district and its environment, including internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the district or to acts by management or employees acting on behalf of the district. We also

communicated any internal control related matters that are required to be communicated under professional standards.

Results of Audit

1. Audit opinion letter - an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment.
3. Management letter – No separate management letter was issued.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2025, except for the implementation of GASB No. 101, *Compensated Absences*. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates in the financial statements are the actuarial estimate of the District’s portion of the statewide Net Pension Liability (or Asset) and Other Post Employment Benefits. Other sensitive estimate(s) affecting the basic financial statements were Management’s estimate of Capital Asset Depreciation, which is(are) based on estimated collectability of useful lives of assets. We evaluated the methods, assumptions, and data used to develop these estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, there was no misstatements detected as a result of audit procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditors’ report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Supplementary Information

We were engaged to report on the supplementary information, which accompany the basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the modified cash basis of accounting, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Information

We were not engaged to report on the other information, which accompanies the basic financial statements but is not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Matters – Future Accounting and Auditing Issues

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accountants and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

GASB 103 – FINANCIAL REPORTING MODEL IMPROVEMENTS

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues.

This Statement continues the requirement that the basic financial statements be preceded by management’s discussion and analysis (MD&A), which is presented as required supplementary information (RSI). This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or

Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that “boilerplate” discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund’s current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund’s current or future pricing policies, and (3) all other transfers.

This Statement requires governments to present each major component unit separately in the reporting entity’s statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

GASB 104 – DISCLOSURES OF CERTAIN CAPITAL ASSETS

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

State and local governments are required to provide detailed information about capital assets in notes to financial statements. Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, requires certain information regarding capital assets to be presented by major class. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with

Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

- This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

This information is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Tara M. Kamp, CPA". The signature is written in a cursive, flowing style.

Tara M. Kamp, CPA
CLEAR TRAIL CPAS

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

For the Year Ended June 30, 2025

FINANCIAL REPORT



CLEAR TRAIL CPAS
Clear Solutions, Clear Results

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

2024-25

FINANCIAL REPORT

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

2024-25

BOARD OF DIRECTORS

TERM EXPIRES

Karen Bureker, Vice President

June 30, 2028

Brian Hackett, President

June 30, 2027

Jean Sheppard

June 30, 2027

Sara Marsden

June 30, 2028

Megan Janik

June 30, 2028

All Board members receive mail at the District office address below:

REGISTERED OFFICE

Rachael Fox, Library Director
Hood River County Library District
502 State Street
Hood River, Oregon 97031

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

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October 28, 2025

To the Board of Directors
Hood River County Library District
Hood River County, Oregon

INDEPENDENT AUDITORS' REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of Hood River County Library District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Hood River County Library District, as of June 30, 2025, and the respective changes in modified cash basis financial position for the year then ended in accordance with the basis of accounting as described in Note 1.

Basis for Opinions

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 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 as described in Note 1, 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.

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the listing of board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated October 28, 2025, on our consideration of 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.

A handwritten signature in black ink that reads "Tara M. Kamp, CPA". The signature is written in a cursive, flowing style.

Tara M. Kamp, CPA
CLEAR TRAIL CPAS

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2025

As management of Hood River County Library District (the District), we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2025. The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes, and variances from the budget. We encourage readers to consider the information presented here in conjunction with the District's Financial Statements and Notes to Financial Statements, which follow this Management's Discussion and Analysis.

FINANCIAL HIGHLIGHTS

During the year, the District's net position decreased by \$6,005 from \$1,207,310 to \$1,201,305. At June 30, 2025, the District's governmental funds reported combined ending fund balances of \$1,160,606.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management has determined that the modified cash basis of accounting is appropriate for the District due to its lack of complexity and the necessity to account for, and plan for, the cash needed to operate the District.

The District's basic financial statements consist of three components:

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

This report also contains supplementary information in addition to the basic financial statements themselves.

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 a private-sector business. These statements include:

The Statement of Net Position: The statement of net position presents information on all of the assets and liabilities of the District at year-end. Net position are what remain after the liabilities have been paid or otherwise satisfied. Over time, increases or decreases in net position serve as a useful indicator of whether the financial position of the District is improving or deteriorating. It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

The Statement of Activities: The statement of activities presents information showing how the net position of the District changed over the year, tracking revenues, expenses and other transactions that increase or reduce net position. All changes in net position are reported at the timing of the cash flows.

In the government-wide financial statements the District's activities are shown in one category:

Governmental activities: The District's basic functions are shown here, such as personal services and materials & services. These activities are financed primarily through local, state, and federal grants, fees charged for services, intergovernmental agreements, and property taxes.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant funds, not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are governmental funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund Balance Sheet & Statement of Revenues and Expenditures & Changes in Fund Balance are reconciled to the government-wide Statements of Net Position & Statement of Activities.

The District maintained three individual governmental funds: General Fund, Grants Fund, Capital Equipment Reserve Fund.

Notes to the Basic Financial Statements

The notes provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the District's financial condition.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

A condensed statement of net position for 2024 and 2025 is listed below:

The revenues and expenses below explain the change in net position for the fiscal year ended June 30, 2025.

Net Position

ASSETS:	2024	2025
Cash and cash equivalents	\$1,204,626	\$1,164,817
Property Taxes Receivable	\$35,480	\$40,699
Total Assets	\$1,240,106	\$1,205,516
 LIABILITIES:		
Compensated absences	\$12,861	\$0
Payroll liabilities	\$19,935	\$4,211
	\$32,796	\$4,211
 NET POSITION:		
	\$1,207,310	\$1,201,305

Changes in Net Position

	Activities 2023-24	% of total	Activities 2024-25	% of total
Operating Revenues:				
Charges for services	\$4,221	0.3%	\$4,881	0.3%
Operating Grants and Contributions	\$135,206	9.5%	\$139,835	9.6%
Total Operating Revenues	\$139,427	9.8%	\$144,716	9.9%
General Revenues:				
Property Taxes	\$1,226,134	86.6%	\$1,259,018	86.3%
Interest on Investments	\$44,547	3.1%	\$43,032	2.9%
Other Revenues	\$5,921	0.4%	\$12,013	0.9%
Total General Revenues	\$1,276,602	90.2%	\$1,314,063	90.1%
Total Revenues	\$1,416,029		\$1,458,779	
Operating Expenditures:				
General Operations	\$1,414,051	100%	\$1,477,645	100%
Total Operating Expenditures	\$1,414,051		\$1,477,645	
Changes in Net Position	\$ 1,978		(18,866)	
Net Position, Beginning	\$1,205,332		\$1,207,310	
Prior Period Adjustment	\$0		\$12,861	
Net Position, Ending	\$1,207,310		\$1,201,305	

Revenues

During the 2024-25 fiscal year, 9.6% of the cost of the District's operations were funded by operating grants and contributions, compared to 9.5% in 2023-24. The remaining 90.4% came from property taxes, user fees, intergovernmental agreements, and other sources.

Fund Financial Analysis

The focus of the governmental funds is to provide information on inflows, outflows, and balances of spendable resources. Unreserved fund balance measures the District's net resources available to spend in the next fiscal year. These amounts are available to use, in accordance with applicable restrictions on the nature of the expenditures.

As of June 20, 2025, the District's governmental funds reported combined unassigned ending fund balance of \$827,228 a decrease of \$99,464 compared to 2024. It was \$234,937 more than the \$592,291 unappropriated ending fund balance budgeted for the 2024-25 fiscal year.

The General Fund had revenue and expenditures of \$1,302,093 and \$1,301,557 respectively. Revenues increased 2.74% and expenditures increased 3.1% over the 2023-24 fiscal year. Overall, the General Fund balance decreased from \$926,692 to \$827,228.

In addition, a transfer of \$100,000 was made to the Capital Equipment Reserve Fund.

The Grant Fund had revenues and expenditures of \$145,122 and \$142,041 respectively, leaving a fund balance of \$149,547.

The Capital Equipment Reserve Fund received a transfer from the General Fund of \$100,000. In addition, there was \$6,345 in interest revenue and expenditures were \$34,047, leaving a fund balance of \$183,831.

Requests for Information

Our financial report is designed to provide our taxpayers, Hood River County residents, investors and creditors with an overview of the District's finances and to demonstrate District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Hood River County Library District, 502 State Street Hood River, OR 97031, 541-387-7062, info@hoodriverlibrary.org.



Rachael Fox, Library Director
Hood River County Library District

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

STATEMENT OF NET POSITION – MODIFIED CASH BASIS
June 30, 2025

ASSETS:

Cash and cash equivalents	\$ 1,164,817
Property taxes receivable	<u>40,699</u>
 Total Assets	 <u>1,205,516</u>

LIABILITIES:

Payroll liabilities	<u>4,211</u>
 Total Liabilities	 <u>4,211</u>

NET POSITION:

Restricted	333,378
Unrestricted	<u>867,927</u>
 Total Net Position	 <u><u>\$ 1,201,305</u></u>

See accompanying notes to basic financial statements

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS
For the Year Ended June 30, 2025

FUNCTIONS	DISBURSEMENTS	PROGRAM RECEIPTS		NET (DISBURSEMENT) RECEIPT AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
General Operations	\$ 1,477,645	\$ 4,881	\$ 139,835	\$ (1,332,929)
Total Governmental Activities	<u>\$ 1,477,645</u>	<u>\$ 4,881</u>	<u>\$ 139,835</u>	<u>(1,332,929)</u>
General Receipts:				
Property taxes				1,259,018
Interest and investment earnings				43,032
Other receipts				9,792
Miscellaneous				<u>2,221</u>
Total General Receipts				<u>1,314,063</u>
Changes in Net Position				(18,866)
Net Position - Beginning				1,207,310
Prior Period Adjustment				<u>12,861</u>
Net Position - Ending				<u>\$ 1,201,305</u>

See accompanying notes to basic financial statements

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

BALANCE SHEET – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS
June 30, 2025

	GENERAL	GRANTS FUND	CAPITAL EQUIPMENT RESERVE FUND	TOTAL
ASSETS:				
Cash and investments	\$ 831,439	\$ 149,547	\$ 183,831	\$ 1,164,817
Property taxes receivable	40,699	-	-	40,699
Total Assets	<u>\$ 872,138</u>	<u>\$ 149,547</u>	<u>\$ 183,831</u>	<u>\$ 1,205,516</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE:				
Liabilities:				
Payroll liabilities	\$ 4,211	\$ -	\$ -	\$ 4,211
Total Liabilities	<u>4,211</u>	<u>-</u>	<u>-</u>	<u>4,211</u>
Deferred Inflows:				
Unavailable revenue	<u>40,699</u>	<u>-</u>	<u>-</u>	<u>40,699</u>
Total Deferred Inflows	<u>40,699</u>	<u>-</u>	<u>-</u>	<u>40,699</u>
Fund Balance:				
Restricted	-	149,547	183,831	333,378
Unassigned	<u>827,228</u>	<u>-</u>	<u>-</u>	<u>827,228</u>
Total Fund Balance	<u>827,228</u>	<u>149,547</u>	<u>183,831</u>	<u>1,160,606</u>
Total Liabilities, Deferred Inflows, and Fund Balance	<u>\$ 872,138</u>	<u>\$ 149,547</u>	<u>\$ 183,831</u>	<u>\$ 1,205,516</u>

See accompanying notes to basic financial statements

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2025

Total Fund Balances - Governmental Funds	\$ 1,160,606
Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's disbursements, and therefore are unavailable in the funds.	<u>40,699</u>
Net Position	<u><u>\$ 1,201,305</u></u>

See accompanying notes to basic financial statements

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES – MODIFIED CASH BASIS –
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	GENERAL	GRANTS FUND	CAPITAL EQUIPMENT RESERVE FUND	TOTAL
RECEIPTS:				
From Local Sources:				
Taxes	\$ 1,253,799	\$ -	\$ -	\$ 1,253,799
Earnings On Investments	36,687	-	6,345	43,032
Donations and Grants	-	139,835	-	139,835
Other Local Sources	9,386	5,287	-	14,673
Miscellaneous	2,221	-	-	2,221
Total Receipts	1,302,093	145,122	6,345	1,453,560
DISBURSEMENTS:				
Personal Services	889,437	2,455	-	891,892
Materials and Services	412,120	99,797	-	511,917
Capital Outlay	-	39,789	34,047	73,836
Total Disbursements	1,301,557	142,041	34,047	1,477,645
Excess of Receipts Over, (Under) Disbursements	536	3,081	(27,702)	(24,085)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	100,000	100,000
Transfers Out	(100,000)	-	-	(100,000)
Total Other Financing Sources (Uses)	(100,000)	-	100,000	-
Net Change in Fund Balance	(99,464)	3,081	72,298	(24,085)
Fund Balance, Beginning	926,692	146,466	111,533	1,184,691
Fund Balance, Ending	\$ 827,228	\$ 149,547	\$ 183,831	\$ 1,160,606

See accompanying notes to basic financial statements

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

Reconciliation of the Governmental Funds
Statement of Receipts, Disbursements and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2025

Total Net Changes in Fund Balances - Governmental Funds	\$ (24,085)
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Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's disbursements, and therefore are unavailable in the funds.

5,219

Change in Net Position of Governmental Activities

\$ (18,866)

See accompanying notes to basic financial statements

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Hood River County Library District (the District) have been prepared on the modified cash basis which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

The District is a municipal corporation established under ORS 357 and 198, and is governed by an elected five member board. Generally accepted accounting principles in the United States of America require that these basic financial statements present the District (the primary government) and all component units, if any. Component units, as established by the Government Accounting Standards Board (GASB) Statement No. 61, are separate organizations that are included in the District's reporting entity because of the significance of their operational or financial relationships with the District and a financial benefit/burden. All significant activities and organizations with which the District exercises oversight responsibility have been considered for inclusion in the basic financial statements. There are no component units.

B. BASIS OF PRESENTATION - FUND ACCOUNTING

Financial operations are accounted for in the following funds:

GENERAL FUND

This fund accounts for all financial revenues and expenditures, except those required to be accounted for in another fund. The principal revenue source is property taxes.

GRANTS FUND

This fund accounts for revenue and expenditures for specific educational projects or programs. Principal revenue sources are donations and grants.

CAPITAL EQUIPMENT RESERVE FUND

The capital projects fund accounts for all resources to be used for the construction or acquisitions of designated capital assets.

C. BASIS OF ACCOUNTING

The modified cash basis of accounting is followed. Under the modified cash basis of accounting, revenue are recorded when received and expenditures are recorded as paid in cash or by check. Modifications to the cash basis include: (1) Property taxes uncollected at year-end are shown as a receivable but are not included in revenues, and are offset by a liability entitled unavailable property taxes receivable, and (2) payroll-related items are considered to be a liability when incurred. This basis of accounting is applied to both the government-wide financial statements and the fund financial statements uniformly.

This basis of accounting is not equivalent to the generally accepted accounting principles (GAAP) basis of accounting. Under GAAP the fund financial statements require that revenues be recorded as they become susceptible to accrual (i.e. when they become measurable and available) and expenditures recorded as goods

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BASIS OF ACCOUNTING (CONTINUED)

and services received. For the government-wide statements GAAP requires that the accrual basis of accounting be applied. Under the accrual basis of accounting the cost of capital assets are capitalized and depreciated over their estimated useful lives, debt is recorded as incurred, revenues are recorded when earned irrespective of the collection of cash, and expenses, including depreciation, are recorded when incurred. Management believes the modified cash basis of accounting is preferable due to the District's small size and the necessity of assessing available cash resources. The modified cash basis of accounting is allowed under Oregon Local Budget Law (ORS 294.445).

D. GOVERNMENT-WIDE FUND FINANCIAL STATEMENTS

The government-wide statements report information irrespective of fund activity.

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

E. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Fair Value Inputs and Methodologies and Hierarchy

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

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. CASH AND CASH EQUIVALENTS (CONTINUED)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

F. BUDGET

A budget is prepared and legally adopted for each fund on the modified cash basis of accounting in the main program categories required by the Oregon Local Budget Law. The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is adopted and appropriations are made no later than June 30.

Expenditure budgets are appropriated at the following levels for each fund:

LEVEL OF CONTROL

Personal Services
Materials and Services
Capital Outlay
Operating Contingency
Transfers

Expenditures cannot legally exceed the appropriation levels. Appropriations lapse at fiscal year end. Supplemental appropriations may occur if the board approves them due to a need which was not determined at the time the budget was adopted.

Budget amounts shown in the financial statements reflect the original and final budgeted amounts. Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2025.

G. PROPERTY TAXES RECEIVABLE

Ad valorem property taxes are a lien on all taxable property as of July 1. Property taxes are payable on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent by management.

Uncollected property taxes are shown in the combined balance sheet. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. The remaining balance of taxes receivable is recorded as unavailable revenue because it is not deemed available to finance operations of the current period.

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. ACCRUED COMPENSATED ABSENCES

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

The District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

The District's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the District and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

I. UNAVAILABLE REVENUES

Property taxes receivable are recorded as assets, but are offset by a corresponding unavailable revenues liability and, accordingly, have not been recognized as revenue in the governmental funds.

J. RETIREMENT PLANS

All of the full time employees are participants in the District's 403(b) plan. Contributions to the 403(b) plan are made on a current basis as required by the plan and are charged to expenditures as funded.

K. FUND BALANCE

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form.
- Restricted fund balance 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).

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. FUND BALANCE (CONTINUED)

- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance 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 governing body or by an official to whom that authority has been given by the governing body. Authority has not been assigned.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

There were no nonspendable, restricted and committed fund balances at year end.

The following order of spending is used regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

L. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Operating interfund transactions are reported as transfers.

M. ESTIMATES

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

N. DEFERRED INFLOWS OF RESOURCES

In addition to liabilities, the governmental balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises under modified cash basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

CREDIT RISK – DEPOSITS

In the case of deposits, this is the risk that in the event of a bank failure, deposits may not be returned. As of June 30, 2025, the District had deposits of \$268,802, of which \$250,000 is insured by FDIC.

INVESTMENTS

State statutes governing cash management are followed. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Hood River County's Investment Pool.

Cash and Investments at June 30, 2025, (recorded at fair value) consisted of:

	2025
Bank Demand Deposits - Checking	\$ 258,049
Investments	906,353
Petty Cash	415
Total	<u>\$ 1,164,817</u>

<u>Investment Type</u>	<u>Investment Maturities (in months)</u>		
	<u>Fair Value</u>	<u>Less than 3</u>	<u>More than 3</u>
Hood River County's Investment Pool	<u>\$ 906,353</u>	<u>\$ 906,353</u>	<u>\$ -</u>
Total	<u><u>\$ 906,353</u></u>	<u><u>\$ 906,353</u></u>	<u><u>\$ -</u></u>

INTEREST RATE RISK

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There were no investments that have a maturity date beyond three months.

CREDIT RISK

Oregon Revised Statutes does not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE.

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

CUSTODIAL CREDIT RISK

In the case of deposits, this is the risk that in the event of bank failure, the deposits may not be returned. There is no deposit policy for custodial risk. As of June 30, 2025, none of the bank balance was exposed to custodial credit risk because it was either insured or collateralized.

INVESTMENTS

Investments in the Hood River County pooled cash and investments include the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly. Other investments held by the County include municipal bonds, high level corporate bonds and US Agency securities in line with the State and County's investment policies. These investments are reported at level one fair value.

CONCENTRATION OF CREDIT RISK

At June 30, 2025, 100% of total investments were in the Hood River County's Investment Pool. State statutes do not limit the percentage of investments in this instrument. Oregon Revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2025, there was compliance with all percentage restrictions.

3. DEFERRED COMPENSATION PLAN

Employees are offered a deferred compensation plan created in accordance with Internal Revenue Code Section 403. An employee may enter into an agreement to defer a portion of their compensation, subject to certain limitations provided by law, by means of payroll deduction.

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

3. DEFERRED COMPENSATION PLAN (CONTINUED)

Contributions to the plan and earnings thereon are deferred until the employee is separated from service. The District has no liability for losses under the plan. A third party holds the assets for the exclusive benefit of plan participants and their beneficiaries.

4. RISK MANAGEMENT

There is exposure to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. Commercial insurance is purchased to minimize exposure to these risks. Settled claims have not exceeded this commercial coverage for any of the past three years.

5. PROPERTY TAX LIMITATIONS

The State of Oregon imposes a constitutional limit on property taxes for schools and non-school government operations. The limitation provides that property taxes for non-school operations are limited to \$10.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

The State further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction was accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues.

6. POSTEMPLOYMENT LIABILITY

Management has determined that no material implicit rate subsidy exists and therefore is no OPEB obligation for implicit post-employment benefits.

7. OPERATING LEASES

The District has four operating leases – the first operating lease is with the Hood River County School District for the use of property for Library operations. The lease ends on June 30, 2025 and the monthly payment is \$1,350.

District entered into three leases with Solutions Yes for the use of a Kyocera copier machines. The lease's began May 16, 2023, September 20, 2024, and May 24, 2023 and ends June 30, 2028, December 31, 2029, and June 30, 2028 and the monthly payment is \$47, \$174, and \$54.

The total lease expense as of June 30, 2025 is \$23,646.

Future lease payments are as follows:

<u>FYE</u>	<u>Minimum Payment</u>
2025-2026	22,847
2026-2027	6,233
2027-2028	6,031
2028-2029	5,024
2029-2030	1,284
2030-2031	78
Total	<u>\$ 41,497</u>

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. INTERFUND TRANSFERS

Operating transfers between funds were made to fund various programs and activities as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 100,000
Capital Equipment Reserve Fund	<u>100,000</u>	<u>-</u>
	<u>\$ 100,000</u>	<u>\$ 100,000</u>

9. ACCRUED COMPENSATED ABSENCES

The governmental funds compensated absences balances at June 30, 2025 and 2024 are \$74,093, and \$69,116, respectively.

<u>Compensated Absences</u>	<u>Restated Beginning Balance</u>	<u>Net Change</u>	<u>Ending Balance</u>
Governmental	\$ 69,116	\$ 4,977	\$ 74,093
Total	<u>\$ 69,116</u>	<u>\$ 4,977</u>	<u>\$ 74,093</u>

10. PRIOR PERIOD ADJUSTMENT

Prior period adjustment is due to removing of accrued vacation to be reported in the notes as it is allowable under modified cash basis.

<u></u>	<u>Beginning Balance</u>	<u>PPA</u>	<u>Ending Balance</u>
Net Position	\$ 1,207,310	\$ 12,861	\$ 1,220,171
Total	<u>\$ 1,207,310</u>	<u>\$ 12,861</u>	<u>\$ 1,220,171</u>

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

SUPPLEMENTARY INFORMATION

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE –
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the Year Ended June 30, 2025

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
RECEIPTS:				
Property Taxes	\$ 1,254,834	\$ 1,254,834	\$ 1,253,799	\$ (1,035)
Interest	25,000	25,000	36,687	11,687
Intergovernmental	-	-	4,505	4,505
Fees & Fines	3,500	3,500	4,881	1,381
Miscellaneous	-	-	2,221	2,221
	<u>-</u>	<u>-</u>	<u>2,221</u>	<u>2,221</u>
Total Receipts	\$ 1,283,334	\$ 1,283,334	\$ 1,302,093	\$ 18,759

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE –
 MODIFIED CASH BASIS - ACTUAL AND BUDGET
 For the Year Ended June 30, 2025

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
DISBURSEMENTS:				
Personal Services	\$ 975,443	\$ 935,443	(1) \$ 889,437	\$ 46,006
Materials and Services	413,600	453,600	(1) 412,120	41,480
Contingency	<u>112,000</u>	<u>112,000</u>	(1) <u>-</u>	<u>112,000</u>
Total Disbursements	<u>1,501,043</u>	<u>1,501,043</u>	<u>1,301,557</u>	<u>199,486</u>
Excess of Receipts Over, (Under) Disbursements	(217,709)	(217,709)	536	218,245
OTHER FINANCING SOURCES (USES)				
Vacation reserve	-	-	-	
Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	(1) <u>(100,000)</u>	<u>-</u>
Total Other Financing Sources, (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net Change in Fund Balance	(317,709)	(317,709)	(99,464)	218,245
Fund Balance - Beginning	<u>910,000</u>	<u>910,000</u>	<u>926,692</u>	<u>16,692</u>
Fund Balance - Ending	<u>\$ 592,291</u>	<u>\$ 592,291</u>	<u>\$ 827,228</u>	<u>\$ 234,937</u>
(1) Appropriation Level				

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE –
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the Year Ended June 30, 2025

	<u>GRANTS FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
RECEIPTS:				
Donations and Grants	\$ 195,000	\$ 195,000	\$ 139,835	\$ (55,165)
Intergovernmental	<u>150,000</u>	<u>150,000</u>	<u>5,287</u>	<u>(144,713)</u>
Total Receipts	<u>345,000</u>	<u>345,000</u>	<u>145,122</u>	<u>(199,878)</u>
DISBURSEMENTS:				
Personal Services:	11,000	11,000 (1)	2,455	8,545
Materials and Services	366,000	366,000 (1)	99,797	266,203
Capital Outlay	<u>100,000</u>	<u>100,000 (1)</u>	<u>39,789</u>	<u>60,211</u>
Total Disbursements	<u>477,000</u>	<u>477,000</u>	<u>142,041</u>	<u>334,959</u>
Net Change in Fund Balance	(132,000)	(132,000)	3,081	135,081
Fund Balance - Beginning	<u>132,000</u>	<u>132,000</u>	<u>146,466</u>	<u>14,466</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,547</u>	<u>\$ 149,547</u>
(1) Appropriation Level				

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE –
 MODIFIED CASH BASIS - ACTUAL AND BUDGET
 For the Year Ended June 30, 2025

CAPITAL EQUIPMENT RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
RECEIPTS:				
Interest Earnings	\$ 3,000	\$ 3,000	\$ 6,345	\$ 3,345
Total Receipts	3,000	3,000	6,345	3,345
DISBURSEMENTS:				
Capital Outlay	75,000	75,000 (1)	34,047	40,953
Total Disbursements	75,000	75,000	34,047	40,953
Excess of Receipts Over, (Under) Disbursements	(72,000)	(72,000)	(27,702)	44,298
OTHER FINANCING SOURCES (USES)				
Transfers In	100,000	100,000	100,000	-
Total Other Financing Sources, (Uses)	100,000	100,000	100,000	-
Net Change in Fund Balance	28,000	28,000	72,298	44,298
Fund Balance - Beginning	112,000	112,000	111,533	(467)
Fund Balance - Ending	\$ 140,000	\$ 140,000	\$ 183,831	\$ 43,831

(1) Appropriation Level

HOOD RIVER COUNTY LIBRARY DISTRICT
HOOD RIVER COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS



2850 SW Cedar Hills Blvd, #2074, Beaverton OR 97005 • 503-586-7170 • ClearTrailCPAS.com

October 28, 2025

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Hood River County Library District as of and for the year ended June 30, 2025, and have issued our report thereon dated October 28, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

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

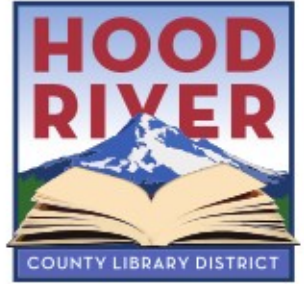
In connection with our testing nothing came to our attention that caused us to believe the Hood River County Library District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon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

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting. This report is intended solely for the information and use of the Board of Directors and management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Tara M. Kamp, CPA
CLEAR TRAIL CPAS

Bilingualism Proficiency Pay Policy



It is estimated that over 30% of the population of Hood River County speak Spanish as their primary language. Hood River County Library District ("District") recognizes the value of employees who can communicate with patrons in both Spanish and English, as well as those who can communicate in American Sign Language (ASL). Accordingly, the District would like to offer additional compensation to eligible employees who can communicate effectively in both Spanish and English, or in ASL (hereafter referred to as "bilingual") when bilingual skills are a benefit to their specific job duties.

Purpose

The objective of this policy is to establish uniform guidelines and criteria for additional compensation for employees who have bilingual skills. Such bilingual skills include the ability to communicate in writing, reading, and conversing, with full comprehension proficiency in both Spanish and English, or the ability to communicate fluently in American Sign Language (ASL).

Scope

This policy applies to all Hood River County Library District employees who meet the eligibility requirements.

Eligibility Requirements

To be eligible for bilingual pay, employees must work in a capacity where bilingual skills are:

- Necessary for the performance of their job duties, or
- Considered beneficial to Hood River County Library District's service delivery

The Library Director, or designee, will determine whether bilingual language skills are necessary for an employee's job performance or beneficial to service delivery. The job description will indicate if the position has been reviewed and approved for bilingual pay compensation. At any time, the District can discontinue offering bilingual pay when, in the discretion of the Library Director, bilingual skills are not necessary or beneficial to the duties assigned to the employee. Additionally, the District may determine whether other languages may be added for bilingual pay due to various external factors and needs of the District.

Testing Requirements

To receive bilingual pay, eligible employees must demonstrate proficiency in Spanish and English, or in American Sign Language (ASL). Proficiency will be established by achieving the required minimum score on testing administered through a vendor determined by the District.

- Employees who fail to achieve the required minimum score may retest after 60 days with Library Director or designee approval

502 State Street
Hood River - OR 97031

541 386 2535

www.hoodriverlibrary.org

- Employees may not test more than twice in a calendar year
- Employees are only eligible to receive bilingual pay for Spanish or ASL language skills, unless other languages are determined by the District to be necessary or beneficial for the employee's position

Employees who are unable or unwilling to use bilingual skills in their Hood River County Library District work may have bilingual pay revoked.

Testing Format and Compensation

Language proficiency will be assessed using the American Council on the Teaching of Foreign Languages (ACTFL) proficiency scale for Spanish. The employee will need to test at ACTFL Level Advanced Low or higher. Testing will include both a standardized written competency test and an oral examination.

ASL Language proficiency will be assessed using the Sign Language Proficiency Interview in American Sign Language (SLPI:ASL). The employee will need to test Advanced or higher. Compensation for bilingual skills is separate from base pay and cannot be paid retroactively.

Recertification and Discontinuation

To continue receiving bilingual pay, employees must recertify their proficiency every three (3) years from the date of initial certification.

Bilingual pay must be discontinued if:

- An employee's certification expires,
- The employee is reassigned to a position where bilingual skills will not be used, or
- The employee's position duties no longer meet the qualifying criteria

Compensation

Employees eligible for bilingual pay will receive additional compensation equal to five percent (5%) of their base pay rate. Nothing in this policy is intended to prohibit or discourage employees from communicating with library patrons in Spanish, ASL, or any other language, as appropriate in the discretion of the employee.

Adopted by the Board of Directors: August 19, 2025

Revised 1/13/26