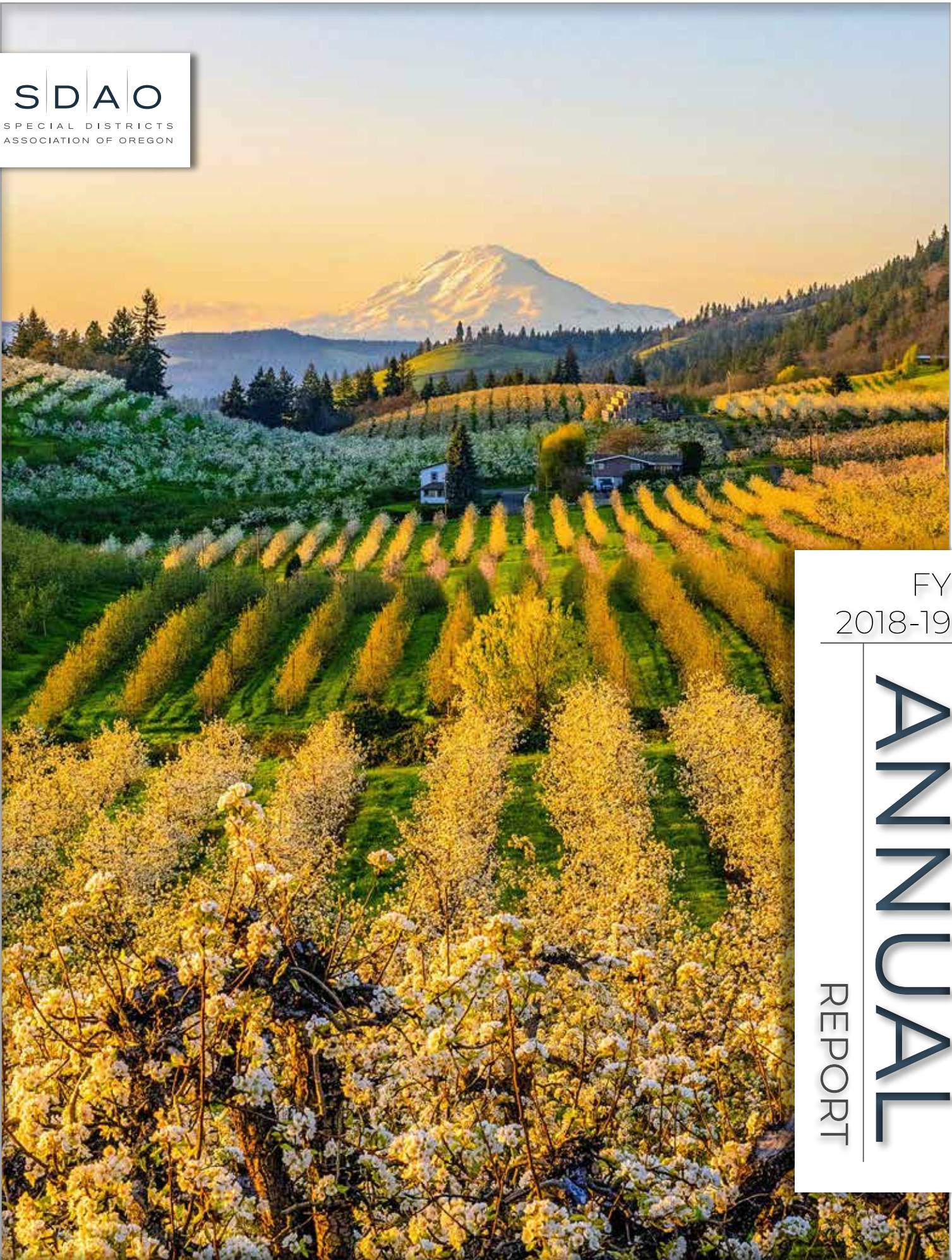


SDAO

SPECIAL DISTRICTS
ASSOCIATION OF OREGON



FY
2018-19

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REPORT



2018-19 Board of Directors

*Back Row: Ben Stange, Keith Hobson, Doug Waugh, and Clark Balfour.
Front Row: Adam Denlinger, Kathy Kleczek, Carl Tappert, Michele Bradley,
and Reed Wagner (resigned 11/2019). Not Pictured: Todd Heidgerken and Steve Schelb.*

SDAO History

SDAO was formed in 1979 to give special districts a stronger and united voice at the Oregon Legislature. As with similar associations that support cities, counties, schools, and local governments, the Association provides advocacy with state administrative agencies and other units of government, training, information resources, and other support programs. SDAO has grown to over 900 members and has become an important support organization for their individual efforts.

SDAO Member Benefits & Services

SDAO members are encouraged to take advantage of the many programs and services available including legislative advocacy, research and technical assistance, education and training, and financing and investing services (offered through SDAO Advisory Services). In addition, one of the most popular member benefits is the opportunity to participate in the Special Districts Insurance Services (SDIS) insurance programs. SDIS insurance programs are available exclusively to SDAO members and participation brings additional benefits. These benefits include access to the pre-loss legal program, human resources support, management consulting services, online risk management training, background check and drug-free workplace program, and risk management services.

SDAO has become increasingly important as the membership has grown and the operations of special districts have become more complex. It has become an effective lobbying and educational organization that strives to serve the needs of its members.

Reporting Authorities

SDAO has a twelve-member board that is elected by the membership. Six of the board members include a representative from each of the following district types: port, sanitary, water, park & recreation, fire, and irrigation. Five board members fill the at-large positions, three of which are true at-large. The final board position is the past-president of SDAO.

SDAO Financial Highlights

SDAO collected membership dues of \$754,000 and Oregon Public Port Association (OPPA) dues of \$95,000 for a total of \$849,000. Other administrative income includes a Special District Insurance Services (SDIS) Trust sponsorship agreement, miscellaneous contractual income, and interest income. Total revenue was \$1.4 million, or 106% of budget. The investment portfolio performed very well contributing \$202,000 to revenue.

The administrative expense line item includes the administration of SDAO and OPPA, as well as special projects. Total expenses were \$1.04 million resulting in a net income of \$388,000.

The 2019 SDAO Annual Conference was held in Sunriver, Oregon. Conference registrations were \$108,000 with an additional \$58,000 in sponsorship and exhibitor fees. Net income from the conference was \$12,000.

SDAO maintains an administrative services contract with both SDIS and the Property and Casualty Coverage for Education Trust (PACE). Revenue and expenses for these two contracts matched and came in slightly below budget at \$6.37 million.

SDAO Advisory Services, the wholly owned subsidiary of SDAO created on July 1, 2015, provides assistance to members for financial transactions, usually for the purchase of equipment or issuing of bonds. This program brought in revenue of \$207,000 with net income of \$28,000.

Figure 1

Special Districts Association of Oregon

Statement of Net Position

For the Fiscal Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current Assets		
Cash and cash equivalents	485,011	1,204,321
Accounts receivable	280,488	106,558
Prepaid expenses	19,884	26,791
Investments - current portion	1,409,784	1,380,094
Total Current Assets	<u>2,195,167</u>	<u>2,717,764</u>
Non-Current Assets		
Investments	1,677,633	1,513,436
Capital assets (net)	998,893	1,056,193
Total Non-Current Assets	<u>2,676,525</u>	<u>2,569,629</u>
Total Assets	<u><u>\$ 4,871,692</u></u>	<u><u>\$ 5,287,393</u></u>
DEFERRED OUTFLOWS		
Deferred outflows on OPEB	<u>4,870</u>	<u>6,143</u>
LIABILITIES		
Current Liabilities		
Accounts payable	551,135	1,119,998
Total Current Liabilities	<u>551,135</u>	<u>1,119,998</u>
Non-Current Liabilities		
OPEB Liability	241,920	526,572
Other Non-Current Liabilities	507,205	482,147
Total Non-Current Liabilities	<u>749,125</u>	<u>1,008,719</u>
Total Liabilities	1,300,260	2,128,717
DEFERRED INFLOWS		
	<u>17,540</u>	<u>28,022</u>
Net invested in capital assets	998,893	1,056,193
Unrestricted	<u>2,559,870</u>	<u>2,080,604</u>
Total Net Position	<u><u>\$ 3,558,762</u></u>	<u><u>\$ 3,136,797</u></u>

Figure 2

Special Districts Association of Oregon
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended June 30, 2019 and 2018

	2019	2018
Operating Revenues:		
Membership dues	849,984	870,124
Conference and seminars	179,821	203,062
SDIS Trust Sponsorship	306,402	275,000
Pool Administration Income	6,584,797	6,471,206
SDAO Advisory Services	257,170	252,430
Miscellaneous income	60,892	78,142
Total Operating Revenues	8,239,066	8,149,964
Operating Expenses:		
Administrative expense	847,614	915,287
Legislative expense	182,117	171,317
Conference and training	166,913	115,638
Pool Administration Expenses	6,594,011	6,461,212
SDAO Advisory Services	229,003	208,520
Total Operating Expenses	8,019,658	7,871,974
Operating Income (Loss)	219,408	277,990
Non-Operating Revenues (Expenses)		
Investment income	202,557	165,097
Total Non-Operating Income (Loss)	202,557	165,097
Change in Net Position	421,965	443,087
Net Position, Beginning	3,136,797	2,693,710
Net Position, Ending	\$ 3,558,762	\$ 3,136,797



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