



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2022

**Prepared by:
The City of The Dalles
Finance Department**

CITY OF THE DALLES, OREGON

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INTRODUCTORY SECTION



City Council and the Citizens
City of The Dalles
The Dalles, Oregon 97058

The Annual Comprehensive Financial Report (ACFR) of the City of The Dalles, Oregon, for the year ended June 30, 2022, is submitted herewith. This report presents a comprehensive and detailed picture of The Dalles' financial transactions during fiscal year 2021-2022 and the financial condition of the various funds at June 30, 2022. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the City. To the best of our knowledge and belief, the report is accurate and complete in all material respects, including all activities, funds, and financial transactions, and is presented fairly to disclose the financial position and the results of operations of the City at June 30, 2022, and for the year then ended. Further, it is our belief that all disclosures necessary to enable the reader to gain an understanding of the City's financial operations have been included. The organization and content of this report, including the financial statements, supplementary information and statistical tables, follow the standards for annual financial reporting recommended by the Governmental Accounting Standards Board.

CITY HISTORY AND GEOGRAPHICAL AREA

The City of The Dalles, Oregon, is situated in the north-central part of the state on the Columbia River, the nation's second largest river. It is the county seat and the largest community in Wasco County. The Dalles is one of Oregon's most historic cities and was known earlier in its history as the town at the end of the Oregon Trail. Archaeological evidence suggests the area has been inhabited more or less continuously for more than 10,000 years. The City was first incorporated by the Oregon Territorial Government in 1857 as "Dalles City" and was made the county seat shortly thereafter. We celebrated our Sesquicentennial in June of 2007.

Strategically located on the Columbia River and bordered by the Cascade Mountains to the West, The Dalles provides an ideal distribution or manufacturing setting with available riverside locations, as well as bulk container and international shipping options. It has historically been an economic hub of the Pacific Northwest, linking major transportation routes between Eastern and Southern Oregon and Washington State. It offers residents the pleasures of rural living while providing the advantages of access to metropolitan amenities in Portland, only 80 miles to the West.

In accordance with the City Charter of 1899, which was revised in 2017 and amended November 2020, the City of The Dalles is governed by a City Council. This Council consists of an elected mayor and five council members. The City operates under a council-manager form of government.

The City has eight departments: Administration, Finance, Legal, Police, Planning, Human Resources, Library, and Public Works, that collaborate to provide a wide range of services to our citizens. These services include general administrative services, police, code enforcement, municipal court, planning and development, water treatment and distribution, wastewater collection, transportation systems, and stormwater management. Fire services are provided by the Mid-Columbia Fire & Rescue District, and building services and inspections were provided by Wasco County.

ECONOMIC CONDITIONS

The City has a population currently estimated at 16,488, yet the City serves a trading area of about 90,000 persons in both Oregon and Washington. Principal economic activities are agriculture, high tech services, small industrial businesses, hydro and wind power generation/transmission, and tourism, along with healthcare, government, and retail services. Mid-Columbia Medical Center is the area's largest employer with approximately 897 employees in all their affiliated activities.

Major agricultural products of the City are wheat and sweet cherries, with a growing sector of grape production. The Dalles is a primary producer for both domestic and overseas cherry markets. There are in excess of 10,000 acres of sweet cherry trees around the City. Wheat has roughly 50,000 acres currently in cultivation in The Dalles area. Additional agricultural products include cattle, hay and tree fruits.

The Port of The Dalles Industrial Center encompasses the majority of the industrially zoned land within the City. This employment land is home to over 70 small to mid-sized companies employing over 2,200 people. Due to its past success, The Port of The Dalles now has a limited land supply of 10, 2 ± acre lots for businesses looking to expand or locate in The Dalles. This limited supply restricts the size of businesses that can be recruited to the area. In 2005 Google purchased 30 acres from the Port of The Dalles to build its first facility in The Dalles and has since purchased an additional 30 acres from the Port and continued to expand its footprint in the community. At this time Google has three different Enterprise Zone agreements and has completed 4 main data center facilities with substantial supporting infrastructure. The first of the 15 year Enterprise Zone agreements, signed in 2005, will be expiring this year and the abated taxes added back to the tax rolls. Small construction projects and reinvestment into the existing businesses continue to occur in the industrial area helping to foster a diverse industrial business sector. This varied mix of traded sector businesses has helped The Dalles weather several economic downturns, including COVID-19 in which the industrial area businesses were largely unaffected.

A new Strategic Investment Program (SIP) agreement has also been finalized for the construction of up to 2 additional large data center facilities on the former aluminum plant site. Similar to the Enterprise Zone program, the SIP program is different in several key ways. Most notably, the SIP agreement does levy taxes on a certain amount of the developments value, has a community service fee that will be distributed to taxing districts that levy taxes at the development site, along

with an Initial Fee and Guaranteed Annual payment. This agreement also requires Google to transfer 35 acres of land, primarily the former Rodeo Grounds and The Dalles landfill, to Wasco County.

Beginning in July 2020, Columbia Gorge Community College began construction of a student residential hall and a workforce training skills center in order to support our educational mission. These two projects, both located on The Dalles Campus, represent the most significant expansion of the college's physical space in more than a decade. Both buildings opened fall term 2021. The residential hall will provide affordable, long-term housing for students throughout our region, and the workforce skills center will support training in welding and metals fabrication, construction and other trades.

The City is a strategic home base for year-round recreation. Water sport enthusiasts will find boating, excellent fishing, and one of the finest windsurfing and kite boarding areas in the United States on the Columbia River. To the east are substantial opportunities to camp, fish, hike, and sightsee. To the west, ski enthusiasts have the opportunity to challenge the ski slopes of magnificent Mt. Hood and then relax at the numerous resorts that lie on Mt. Hood and at its base. Construction of the Columbia Gorge Discovery Center and Wasco County Historical Museum was completed in May 1997. Thousands of people visit the Center annually and it has become a center for many community festivities and events. The Center is located along the Columbia River that borders the City. Historic Downtown The Dalles has new breweries, new restaurants and retail shops, murals, St. Peters Landmark and other historical buildings, and is a strong visitor draw.

The City constructed Columbia River Marine Terminal, adjacent to the downtown area. The Marine Dock is used by one ship, American Queen Steamboat Company and four from American Cruise lines, with an occasional stop from National Geographic. While docked in The Dalles, passengers are able to book visits to various attractions, such as the Discovery Center and Fort Dalles Museum, or they can walk two blocks past the Festival Park to stroll through the downtown area.

Mid-Columbia Medical Center (MCMC) is the major hospital in the Mid-Columbia Region of Oregon and Washington. It is also the major trauma center in the region. This first-class medical facility has attracted numerous health care professionals to The Dalles area. Their Oncology Center saves the region's population from traveling to Portland to receive those services and provides a multi-state option in the Northwest. MCMC opened a wellness center called Waters Edge that offers exercise equipment, lap and therapy pools, spa services, exercise and nutrition classes, along with cardiac and pulmonary rehab, outpatient therapies, and sleep medicine and labs. However, MCMC opened the region's first immediate care center, bringing a much-needed service to the local community. This expansion of comprehensive wellness services into a convenient, community-based setting, makes it easier for residents to access the programs they need and enjoy for healthier living. Furthermore, the Columbia Gorge Regional Airport recently completed a "flex space" hangar that is home to the new Fixed Base Operator (FBO) as well as Life Flight, which bases a helicopter and Polaris aircraft in the "flex space" hangar, providing emergency transport for medical emergencies. MCMC recently announced a partnership with Adventist Hospital and has proposed a new concept hospital campus to be located on Kramer Fields. It has been proposed that Kramer Fields could be relocated to the 35 acres of land covered by the SIP agreement.

The Dalles is the site of a 151 bed Veterans' long-term nursing and care home and currently provides 167 jobs and has 96 residents. The Oregon Department of Veteran Affairs has 9,300 square foot community center and outpatient clinic next to the Veterans' home.

The Wasco County Courthouse and offices are located in the City, as are various State offices. The Dalles Dam at the eastern edge of the City is a major power generating facility. Also at the eastern edge of the City is the Celilo Converter Station, one of the world's largest electric power converter stations. Electricity is transported to and from Southern California through this station.

The Dalles is the major shopping center in the Mid-Columbia area. A 138,000 square foot regional Home Depot, Walgreen's and both the local Safeway and Fred Meyer stores completed multi-million dollar renovations. Fred Meyer expanded its retail space by 15,000 square feet, which included enclosing the existing garden area. A new Coastal Farm Supply store opened in The Dalles during the summer of 2012, and a new modern Goodwill retail and job center opened in 2014. In addition, a Holiday Inn Express was constructed and opened April 14, 2020, with 93 rooms, creating more than 30 new jobs. The Cascade Square shopping center completed a 4+ million dollar façade renovation in the fall of 2018 and is home to a new, and only, sushi restaurant in the city. These developments are balanced with the closure of JC Penney's (which has been replaced by Discounts Plus), as well as Tony's Town and Country, a clothing store located in the downtown, and the closure of K-Mart. This significantly reduces the options for clothing type items for local residents.

The Urban Renewal Agency (URA) is working to renovate the older commercial areas of the community. A ten block Downtown Renovation Project was completed during the summer of 2001. A \$7 million dollar reconnection of the Downtown to the Columbia River was completed in FY 2003-2004 using Urban Renewal dollars, and they were matched two to one with other grant funds. In October 2009, a Full Faith and Credit Obligation Bond was obtained by the City, with over \$10 million of the proceeds going as a loan to the Urban Renewal Agency to refund their current bond and provide nearly \$8 million for Urban Renewal projects. The East Gateway public infrastructure, that included a round-about to manage traffic in a problem area, was completed in June 2010. That project leveraged approximately \$25 million in private investment, including a new winery now located in a vacant flour mill that employs close to 100 people. The Marine Terminal Dock and the new Lewis & Clark Festival Area, both Downtown/Riverfront Connection projects, were completed in the summer of 2012, at a cost of \$6.6 million.

The URA decided to demolish the former Tony's Town and County Department Store building in February 2021. The intent of the demolition is to invest in the building removal now so that the Agency may offer the site for sale to private developer who will redevelop it for a future housing and retail building in this prime downtown location.

City staff has completed several required environmental assessment tasks in late 2021 and 2022 through an Environmental Protection Agency (EPA) grant program. The last step is asbestos removal and building demolition. The City is awaiting the award of up to \$400,000 toward the cost of asbestos removal, which will be required concurrent with demolition of the building. The Agency hopes to complete building demolition in late 2022 or early 2023.

The Urban Renewal Agency completed a controlled demolition on the Recreation Building roof, following its partial collapse in summer 2019. There was a negotiated settlement with CIS insurance to offset loss and demolition costs. Redevelopment of the Recreation Building site is currently underway, with two new storefronts occupied and open for business. The third

storefront will be completed in winter 2023. The 1929 Granada Theater Building, located on the same block, was sold by the Agency in 2020. The theater now holds shows each weekend, including movies and live music performers. The owner of the Granada Theater also started a monthly outdoor live music series in summer 2022 and continued it in 2023 summer in nearby Lewis and Clark Park. The amended ODOT/City agreement and project description for First Street/Riverfront Connection Project includes updated cost estimate and construction schedule. The project includes a new street, sidewalk and utility lines along First Street between Union and Laughlin Streets. The new streetscape will be inviting, bicycle-friendly, and ADA-accessible for the first time in The Dalles' history.

ECONOMIC CLIMATE AND FUTURE

State Tax limitation measures in 1990, 1996 and 1997 have limited property taxes. An upswing in the local economy up until the 2008 recession mitigated most of those impacts.

The City of the Dalles, through years of prudent management, has been able to withstand the economic impact of recent financial crises without diminishing services to our citizens. During the recession, some changes were made to reduce expenses, while continuing to maintain service levels. Currently, the community is facing challenges with school facility maintenance and construction as a result of a bonding authority that failed on the November 2018 ballot. School facility conditions have been attributed to the challenge of retaining highly qualified staff most notably for the hospital. Like many other communities in Oregon, affordable/attainable housing is an increasing challenge. During the past year, revenues from water and sewer rates were determined to be adequate to maintain operations and fund reserves without implementing previously scheduled rate increases. Overall, the financial position of the City in the past year has been improved.

The City's management conditions are strong and supported by good financial practices and policies. The City's historical maintenance of strong and stable reserves and support of balanced operations continues. The City provides for long term financial planning by maintaining annually updated five-year Capital Improvement Plans for all departments, and long-range improvement plans for City infrastructure, including water, wastewater, and transportation systems. The City maintains a 20 Year Vision Plan and has an annual goal setting process and identifies those goals that will have a financial impact on subsequent budget development.

MAJOR INITIATIVES

Water Master Plan

A Water Master Plan update was completed in 2006. A \$7.9 million water revenue bond was issued in 2007. A new reservoir and associated pipelines were constructed in fiscal year 2010-2011, utilizing about \$6 million in grant and loan funds under the American Recovery and Reinvestment Act of 2009. The City completed a review of its water rates and capital needs in 2011 and adopted a rate plan to meet those needs. Additional revenue bonds that were planned to be issued in fiscal years 2016-2017 were not needed because increases in water utility rate revenues from increased residential, commercial and industrial water usage were sufficient to fund identified system improvements. Construction of a new Port Industrial Water Main, expansion of the Lone Pine Well and repainting of Columbia View Reservoir were completed in 2018-2019 utilizing rate revenues, system development charges, and outside private funding. Sorosis Reservoir was repainted in 2019-2020. In 2020-2021, work began on the final design of the Dog River Pipeline Replacement Project. In 2021-22, the final design of the Dog River

Pipeline was mostly completed and work began on its construction; construction is scheduled to be completed in 2023-24. A total of \$9,030,000 has been secured in grants and low-interest loans to supplement City water utility rate revenues and SDC to fund the project. Also in 2021-22, an RFP was advertised for an update of the City's Water Master Plan which will be completed in 2023-24. In 2022-23, a SCADA System Upgrade Phase 1 project and repairs to the Sorosis Reservoir roof are budgeted, and funds are being accumulated for a future project to repaint the Garrison Reservoir.

Transportation System Plan

A Transportation System Plan drafted in 1999 was updated and implemented in 2006. The plan was updated again in 2017 utilizing a Transportation Growth Management grant and Transportation System Development Charges. A five-year capital improvement plan, updated annually, has been implemented for street development and to provide preventative maintenance. A Transportation System Development Charge has been implemented. In 2019-2020, the East Scenic Dr. Stabilization Phase II project and West 2nd Street/Cherry Height intersection improvements project were completed. In 2020-21, the West 15th Street reconstruction project was initiated and completed in 2021-22, and an annual ADA Sidewalk Ramp Upgrade project was completed. In 2021-22 the Scenic Drive Stabilization Phase III was initiated. Projects were also completed which focused on improving surfaces and integrity of streets. In 2022-23, funds are budgeted for an annual ADA Sidewalk Ramp Upgrade project, a 50/50 cost share Sidewalk Maintenance Program, and the West 6th Street Improvements project.

Storm Water Master Plan

Storm Water Master Plan was completed in 2007. A System Development Charge and a storm water utility charge have been implemented. In 2022-23, a project is planned to construct a new storm water collection system in East 12th Street using American Rescue Plan Act (ARPA) funds in support of a new sidewalk construction project.

Columbia Gateway Urban Renewal Agency

The Columbia Gateway Urban Renewal Agency, a component unit of the City of The Dalles, operated throughout the 2021-2022 fiscal year. The Agency consists of an Urban Renewal District, formed by the citizens, to resolve issues of blight within the boundaries of the District. Ordinance No. 09-1301 adopted an amendment to the plan on June 22, 2009. This amendment provided for a new maximum indebted amount that is expected to be reached by the year 2025, thus extending the original expiration date of 2015 for another ten years. The Agency did levy and collect tax increment proceeds during FY 21/22.

Housing Needs Analysis and Residential Buildable Land Needs Assessment

A comprehensive Housing Needs Analysis and Residential Buildable Land Needs Assessment were completed in 2016/17, this project, in compliance with Oregon Planning Rules #10, identified types of housing needs and assessed future developable land needs. The City obtained a State Transportation and Growth Management Grant to complete state required housing code amendments. The amendments were approved unanimously by the City Council in June 2021.

FINANCIAL INFORMATION

Accounting System and Budgetary Controls

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenue being recorded when available and measurable and expenditures

being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary fund type are maintained using the accrual basis of accounting.

The City's management is responsible for establishing and maintaining an internal control structure designed to protect the assets of the City from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Management recognizes the significance of internal controls, which are incorporated in the accounting system. We believe our internal accounting controls adequately safeguard the assets and provide reasonable assurance of proper recording of all financial transactions.

A budget is prepared and legally adopted by the City Council for each fund. All changes to the budget must be approved by the City Council. These budgets are all prepared on the modified accrual basis of accounting, complying with Oregon Local Budget Law. The ordinance authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. All funds, excluding the General Fund, maintain levels of budgetary control for personnel services, materials and services, capital outlay, special payments, operation contingencies, debt service and all other requirements levels. For the General Fund, appropriations are at the department level for personal services, materials and services, capital outlay and other uses.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. A supplemental budget requires hearings before the public, publications in newspapers and approval by the City Council, if the change is greater than, or equal to, 10% of the original budget. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the City Council. The City Council approved several appropriation transfer resolutions during the year ended June 30, 2022. Appropriations lapse at year-end.

The City has established a procurement policy for the purchases of goods and services. All items purchased by the City require a purchase order. Purchase orders are initiated at the department level and are reviewed at the Finance office. Purchase orders greater than \$15,000 require the approval of the City Manager and those greater than \$50,000 require City Council approval.

The City Council has a comprehensive set of Fiscal Management Policies in June 2011. These policies updated and compiled existing policies on budgeting, revenues and expenditures, public contracting, purchasing authority levels, capital asset and capital improvements, cash management and investments, debt, risk management, and accounting and financial reporting.

OTHER INFORMATION

Management Discussion and Analysis

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of

Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

Independent Audit

Chapter 297 of the Oregon Revised Statutes requires an independent audit be made of all City funds and account groups within six months following the close of a fiscal year. The independent auditors, who were selected by the City Council, have completed their audit of the City's funds and their opinion and State of Oregon required audit comments and disclosures are included in this report.

GFOA Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of The Dalles for its comprehensive annual financial report for the fiscal year ended June 30, 2021. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report on a timely basis has been accomplished through diligent efforts of the Finance Department's entire staff and staff from other departments. I should like to express my appreciation to all the members of this department for their assistance and contributions to its preparation. I also thank the mayor and members of City Council for their interest and support in planning and conducting the financial operations of the City.

Respectfully submitted,


Matthew Klebes
City Manager


Angie Wilson
Finance Director

**CITY OF THE DALLES
OFFICIALS OF THE CITY
AS OF JUNE 30, 2022**

MAYOR AND CITY COUNCIL

<u>Name and Address</u>	<u>Term Expires December 31</u>
Rich Mays, Mayor 367 Summit Ridge The Dalles, OR 97058	2022
Darcy Long-Curtiss 2409 Mount Hood St. The Dalles, OR 97058	2024
Tim McGlothlin 328 W 21 st The Dalles, OR 97058	2022
Scott Randall 721 E 18 th The Dalles, OR 97058	2022
Dan Richardson 3515 Crest Court The Dalles, OR 97058	2024
Rod Runyon 2019 W Scenic The Dalles, OR 97058	2024

City Administration

Matthew Klebes, City Manager – Budget Officer
Izetta Grossman, City Clerk
Angie Wilson, Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of The Dalles
Oregon**

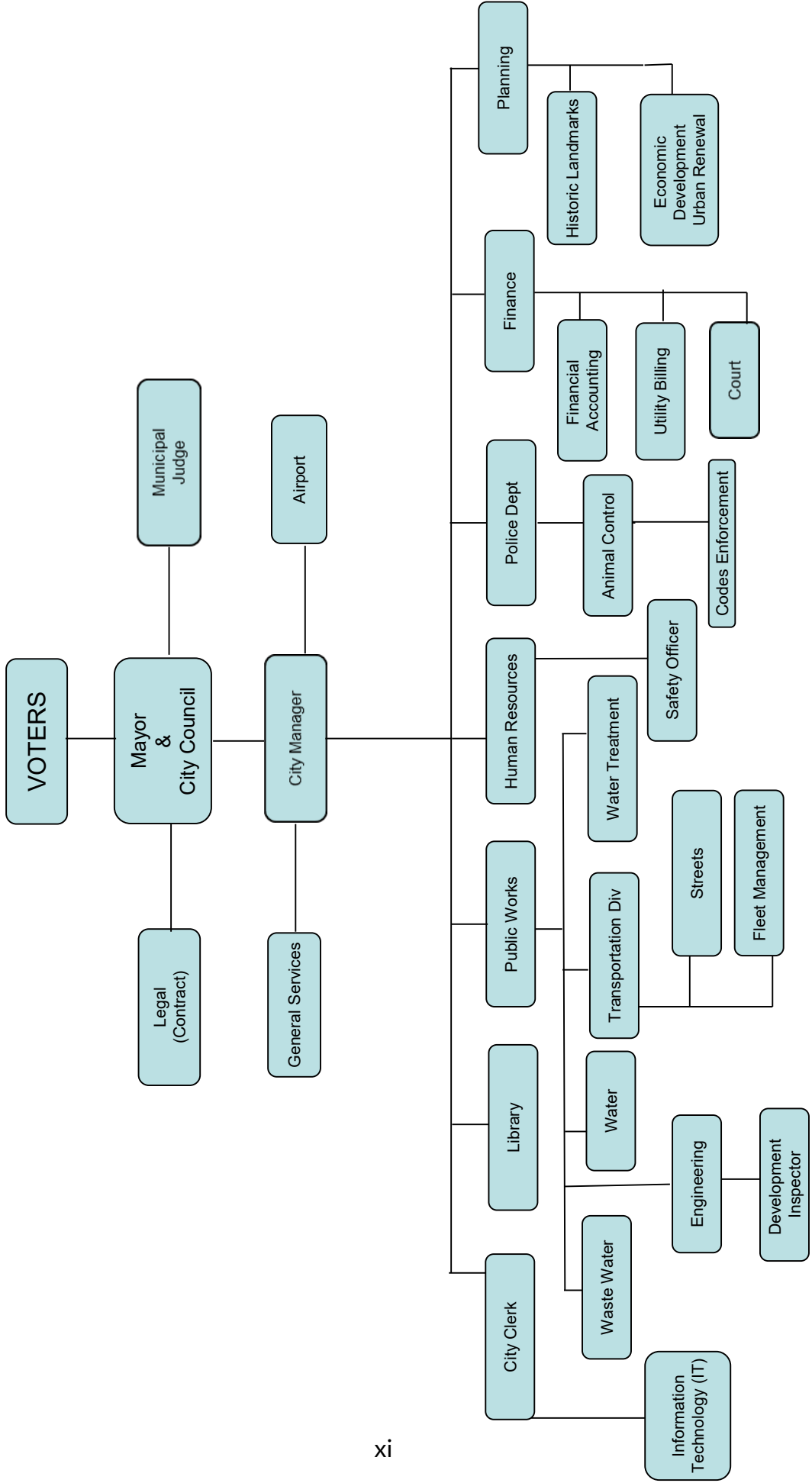
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

City of The Dalles – Organizational Flow Chart



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT



Talbot, Korvola & Warwick, LLP 14945 SW Sequoia Parkway, Suite 150 Portland, OR 97224
P 503.274.2849 F 503.274.2853 www.tkw.com

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of The Dalles
The Dalles, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison information for the General Fund and the Street Fund of the City of The Dalles, Oregon (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government 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 GAAS and *Government 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 City'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 City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Required Supplementary Information and Notes to the Required Supplementary Information, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

INDEPENDENT AUDITOR'S REPORT (Continued)

Other Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other schedules and combining statements, listed in the Table of Contents as Other Supplemental Information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Other Supplemental Information 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 Comprehensive Financial Report. The other information comprises the Introductory and Statistical Sections, as listed in the Table of Contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Other Reporting Required by Oregon Minimum Standards

In accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 19, 2022 on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



For Talbot, Korvola & Warwick, LLP
Portland, Oregon
December 19, 2022

MANGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis presents the highlights of financial activities and financial position for the City of The Dalles, Oregon. The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget, and specific issues related to funds and economic factors affecting the City.

Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. Please read it in conjunction with the Transmittal Letter (page i) and the City's financial statements.

FINANCIAL HIGHLIGHTS

The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2022 by \$130,316,440 (net position). Of this amount \$86,844,222 was invested in capital assets (net of related debt). \$18,332,300 was restricted for specific purposes, resulting in unrestricted net position of \$25,140,118. The unrestricted net position is made up of unrestricted governmental net position of \$20,976,615 and unrestricted business-type net position of \$4,163,503.

The City's net position increased by \$8,033,471 (6.57%), due primarily to increased capital grants and contributions while expenses were relatively constant.

The City's Governmental Funds had an increase in fund balances in the amount of \$3,732,771. The General Fund balance increased by \$1,180,949. The Street Fund balance increased by \$506,407. The Special Grants Fund balance increased by \$1,512,574. Nonmajor funds increased by \$532,841. The City prepares a budget for all governmental funds on an annual basis.

The City's Enterprise Funds experienced an increase in net position of \$3,062,306, a lesser amount than the prior year due primarily to a reduction in system development charges with an increase in expenses. The City prepares a budget for all enterprise funds on an annual basis.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's annual financial report consists of several sections. Taken together they provide a comprehensive financial report of the City. The components of the report include the following:

Management's Discussion and Analysis. This section of the report provides financial highlights, overview and economic factors affecting the City.

Basic Financial Statements. Includes a Statement of Net Position, a Statement of Activities, fund financial statements and the notes to the financial statements.

Statements of Net Position and Activities focus on an entity-wide presentation using the accrual basis of accounting and provide both long-term and short-term information about the City's financial status. The Governmental activities include most of the City's basic services such as police, street maintenance and improvement, community planning and governance. The Business-type activities include the operation of the City's water and sewer utilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Fund financial statements focus separately on major governmental funds and proprietary funds. Governmental fund statements follow the more traditional presentation of financial statements. The City's major governmental funds are presented in their own column and the remaining funds are combined into a column titled "Other Governmental Funds". Budgetary comparison statements are presented for the General Fund and Street Fund, which comprise the City's General and Major Special Revenue Fund.

Statements for the City's proprietary funds follow the governmental funds and include net position, revenues, expenses and changes in fund net position, and cash flows.

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

Required Supplemental Information (RSI). The RSI section includes certain schedules relating to the City's other post-employment benefits (OPEB).

Other Supplemental Information. Readers desiring additional information about other funds not represented in the Basic Financial Statements can find it in this section of the report. Included within this section are:

- Combining Schedules of other governmental funds, which are classified as non-major. These schedules include balance sheets and schedules of revenues, expenditures and changes in fund balances.
- Combining Schedule of the General Fund. These schedules include a balance sheet and schedule of revenues, expenditures and changes in fund balance. The Public Works Reserve Fund, Transportation System Reserve Fund, and Unemployment Reserve Fund are budgetary funds required by Oregon Budget Law, but do not qualify as funds based on GASB 54 therefore they are combined into the General Fund to create the General Fund.
- Budgetary Comparisons. Budgetary information for all funds, except General and Street Funds, which are presented within the Basic Financial Statements, are presented here.
- Other Financial Schedules complete the Financial Section of this report.

FINANCIAL SUMMARY AND ANALYSIS

As mentioned earlier, the City's net position as of June 30, 2022 was \$130,316,440, an increase from June 30, 2021 of \$8,033,471. By far the largest portion of the net position is comprised of the City's investment in capital assets (e.g., land, building, equipment, and public infrastructure), less any related debt outstanding that was used to acquire those assets. The City uses capital assets to provide services to citizens; therefore, these assets are not available for future spending. The resources to repay the related debt is not provided by capital assets, but will be provided from other sources.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

City of The Dalles Net Position

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
<u>Assets</u>						
Current and other assets	\$ 38,821,115	\$ 35,252,091	\$ 15,565,193	\$ 15,487,199	\$ 54,386,308	\$ 50,739,290
Capital assets	36,377,150	35,695,802	61,485,009	59,042,606	97,862,159	94,738,408
Total Assets	<u>75,198,265</u>	<u>70,947,893</u>	<u>77,050,202</u>	<u>74,529,805</u>	<u>152,248,467</u>	<u>145,477,698</u>
Deferred outflows of resources	-	-	504,003	554,404	504,003	554,404
<u>Liabilities</u>						
Long-term liabilities	6,337,054	7,515,447	11,342,292	11,166,172	17,679,346	18,681,619
Other liabilities	2,351,976	1,924,683	1,481,815	2,250,475	3,833,791	4,175,158
Total Liabilities	<u>8,689,030</u>	<u>9,440,130</u>	<u>12,824,107</u>	<u>13,416,647</u>	<u>21,513,137</u>	<u>22,856,777</u>
Deferred inflows of resources	570,769	540,462	352,124	351,894	922,893	892,356
Net investment in capital assets	30,544,869	29,105,204	56,299,353	54,696,758	86,844,222	83,801,962
Restricted	14,416,982	11,658,332	3,915,118	3,391,775	18,332,100	15,050,107
Unrestricted	20,976,615	20,203,765	4,163,503	3,227,135	25,140,118	23,430,900
Total net position	<u>\$ 65,938,466</u>	<u>\$ 60,967,301</u>	<u>\$ 64,377,974</u>	<u>\$ 61,315,668</u>	<u>\$ 130,316,440</u>	<u>\$ 122,282,969</u>

The governmental activities revenue comes primarily from property taxes, franchise fees, charges for services, and various grants and contributions. Between FY20/21 and FY21/22, the City's Taxable Assessed Value (TAV) increased by 2.3%. When compared to the prior year, City property taxes collected increased by 3.8%. When compared to the prior year, Urban Renewal District property taxes collected increased by 5.5%.

Our natural gas franchise fees increased 13.2% over the prior year. This is primarily due to increases in natural gas prices during the year. The electric franchise fees increased 14.92%, while CATV/internet franchise fees decreased 5.24%, and the garbage franchise fees increased 5.42%. The Street Fund realized a 5.46% increase in the local 3 cent per gallon gas tax. Transient Room Taxes collected increased 44.70% compared to the prior year. Total City charges for services revenue showed a 10.30% decrease.

During the year ending June 30, 2022, the City received revenue from capital grants and contributions that consist primarily of awards for specific special projects. These will not be a continuing source of revenue. Grants and contributions received during the fiscal year included \$91,313 for the CDBG Housing Grant for Integrated Planning Grant, The Brownsfield Grant in the amount of \$92,017 and \$1,750,377 in ARPA Economic Recovery Funds.

The City's governmental expenses cover a wide variety of services, with general government, public safety and streets accounting for most of these expenses. The 8.8% increase in governmental expenses was primarily due to increase in personnel services and capital outlay expenses for the Police Department and Street Department.

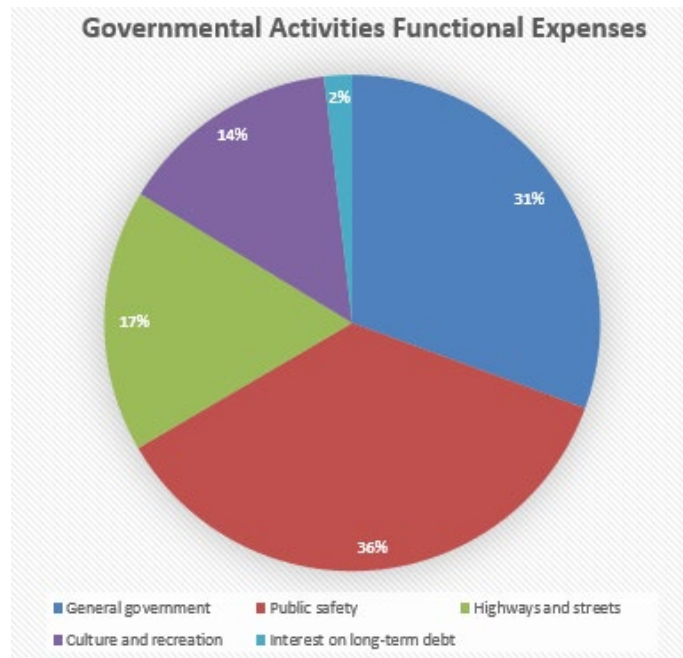
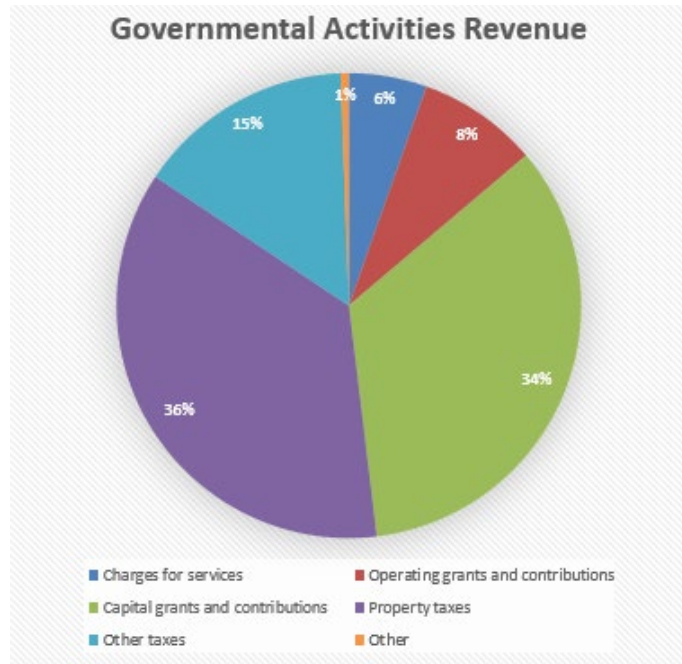
The Business Type activities revenues come mostly from charges for services and various grants for capital outlay expenses for several projects, including the I-84 Underpass Sanitary Sewer Project, Riverfront Trail repair and Maintenance, Slipline 2021 Project, Westside Interceptor Upgrade, Rehab

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

Wicks Well and the ongoing Dog River Pipeline Project, No water or wastewater rate increases were implemented during the year.

Business type activities expenses increased 11.4%, primarily due to increases in personnel services in the Water Funds and the material and services increased in the Wastewater Funds.

Property taxes are the City’s primary on-going source of revenue and comprise 39% of the City’s governmental revenue. Property taxes are derived from the permanent tax rate and taxes levied for the repayment of bonded indebtedness.



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

For the fiscal year ending June 30, 2022, net position of the Governmental activities increased by \$4,971,165, which represents a 8.15% increase. Net position of the Business-type activities increased by \$3,062,306, which represents a 5.00% increase. Key elements of these changes, when compared to the year ending June 30, 2021 are as follows:

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for services	\$ 989,403	\$ 761,702	\$ 12,254,732	\$ 14,004,098	\$ 13,244,135	\$ 14,765,800
Operating grants and contributions	1,531,413	1,147,662	-	175,000	1,531,413	1,322,662
Capital grants and contributions	6,246,040	5,579,603	811,538	11,964	7,057,578	5,591,567
General Revenues						
Property taxes	6,615,766	6,371,956	-	-	6,615,766	6,371,956
Other taxes	2,749,746	2,361,131	-	-	2,749,746	2,361,131
Other	101,961	141,450	74,557	96,840	176,518	238,290
Total revenues	18,234,329	16,363,504	13,140,827	14,287,902	31,375,156	30,651,406
Expenses						
General government	4,495,163	4,772,981	-	-	4,495,163	4,772,981
Public safety	5,294,311	4,543,577	-	-	5,294,311	4,543,577
Highways and streets	2,515,564	1,925,942	-	-	2,515,564	1,925,942
Culture and recreation	2,127,335	1,961,529	-	-	2,127,335	1,961,529
Interest on long-term debt	268,057	306,935	-	-	268,057	306,935
Water	-	-	4,464,661	3,598,702	4,464,661	3,598,702
Wastewater	-	-	3,912,610	3,861,783	3,912,610	3,861,783
2018 Utility Bond	-	-	263,984	293,864	263,984	293,864
Total expenses	14,700,430	13,510,964	8,641,255	7,754,349	23,341,685	21,265,313
Change in net position before transfers	3,533,899	2,852,540	4,499,572	6,533,553	8,033,471	9,386,093
Transfers	1,437,266	1,526,421	(1,437,266)	(1,526,421)	-	-
Change in net position	4,971,165	4,378,961	3,062,306	5,007,132	8,033,471	9,386,093
Net position - beginning	60,967,301	56,588,340	61,315,668	56,308,536	122,282,969	112,896,876
Net position - ending	\$ 65,938,466	\$ 60,967,301	\$ 64,377,974	\$ 61,315,668	\$ 130,316,440	\$ 122,282,969

Governmental Activities

A significant portion of the increase in net position is due to the City's increase in operating and capital grants, charges for services and property and other taxes. The City received an Economic Recovery Grant from ARPA and the Franchise Fees continue to increase.

Business-type Activities

The increase in net position of the business-type activities is less than the prior year due primarily due to the ongoing Dog River Pipeline Replacement Project, Sewer Slipline Contract and W 6th Street and Snipes Street Sanitary Sewer Upgrade as described previously.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL ANALYSIS OF FUNDS

As of June 30, 2022, the City's governmental funds reported a combined fund balance of \$25,181,556, which is an increase of \$3,732,771 from June 30, 2021.

The General Fund is the primary operating fund of the City. The General Fund has been combined with the Public Works Reserve Fund, the Street/Bridge Replacement Fund and the Unemployment Fund, as required by GASB 54. As of June 30, 2022, the combined General Fund balance was \$8,067,289 which is an increase of \$1,180,949 from June 30, 2021. The combined revenues were \$9,894,205 and combined expenditures were \$9,878,558, resulting in a gain of \$15,647. The combined General Fund received transfers from other funds in the amount of \$1,453,230, and transfers out to other funds in the amount of \$375,000. This, combined with lease inceptions, resulted in net "Other financing sources" totaling \$1,165,302.

The Street Fund balance as of June 30, 2022 was \$1,857,217, which is an increase of \$506,407 from June 30, 2021. Street Fund revenues were \$2,122,976, while expenditures were \$1,936,110, resulting in a gain of \$186,866. Transfers in from other funds in the amount of \$637,864 and transfers out to other funds in the amount of \$334,922. This, combined with sales of property for \$16,599, resulted in net "Other financing sources" totaling \$319,541.

The Special Grants Fund balance as of June 30, 2022 was \$4,961,351, which is an increase of \$1,512,574 from June 30, 2021. Revenues totaled \$1,956,657, while expenses were \$444,083.

The non-major governmental funds balance as of June 30, 2022 was \$10,295,699. This reflects an increase of \$532,841. The City received Enterprise Zone Revenue that did not get spent.

Proprietary funds provide the same type of information as presented in the government-wide statements of net position and activities, but in more detail. The proprietary funds net position amounted to \$64,377,974 as of June 30, 2022, reflecting a \$3,062,306 increase from net position as of June 30, 2021.

The combined Water Funds net position as of June 30, 2022 was \$30,403,665, which is an increase of \$1,677,817 over June 30, 2021. This increase is primarily due to accumulating funds in the Water Capital Reserve to implement the capital improvement plan, including the Dog River Pipeline Replacement Project.

The combined Wastewater Funds net position as of June 30, 2022 was \$40,488,668, which is an increase of \$308,043 from June 30, 2021. This increase is primarily due to accumulating funds for the construction-in-progress projects to include the Sewer Slipline contract, W 6th Street and Snipes street Sanitary Sewer Upgrade and the Trevitt Street Sanitary Sewer Phase I.

The 2018 Utility Bond Fund net position as of June 30, 2022 was (\$6,514,359), which is an increase of \$1,076,446 from June 30, 2021. This increase is primarily due to accumulating funds in the 2018 Utility Bond Fund for the debt payments.

BUDGETARY HIGHLIGHTS

The original legal appropriations for fiscal year 2021-2022 for the General Fund – Budgetary Basis totaled \$10,999,115, with contingency of \$853,406. The Unappropriated Ending Balance, which is not included in the legal appropriations, was \$3,557,317. Budget amendments during the year resulted in a total budget of 11,073,865, with a contingency of \$504,953. The changes to the budget were made to cover expenses for an unanticipated Accreditation Grant in the Police Department, a higher than

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

anticipated feasibility study in the City Council Budget and additional personnel services in the IT Department and City Clerk Department. There was additional need for the Finance Department to purchase a program to monitor the short-term rental market and additional repairs and maintenance on vehicles for the airport. Expenditures were \$6,577,118 under budget. The General Fund contains the City Administration, Legal, Finance, Planning, Police, and General Maintenance Departments, and budgets for certain anticipated levels of operations, maintenance and projects, along with a 10% Contingency. Some departments, such as Police, budget some items at a worst-case level. Department Managers are expected to work within their budgets and to try to return an average of 4 to 5% of their budgets to roll into the next year. It is also anticipated that the contingency will not be spent and will be available for the beginning fund balance in the new fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

As of June 30, 2022, the City had invested \$97,862,159 in capital assets of its governmental and business-type activities. This investment includes leases, land and land improvements, buildings, equipment, and public infrastructure of roads and bridges. The investment in governmental activities capital assets increased by \$673,811 and business-type activities capital assets increased by \$2,442,403, significant additions during the year ending June 30, 2022 were related to the ongoing Dog River Pipeline Replacement Project, rehab of Wicks Well, I-84 Underpass Sanitary Sewer, The Slipline 2021 Project, The purchase of 2021 Caterpillar 315 Excavator, The Westside Interceptor Upgrade, 10th & Walnut Storm Water Improvement, Water Meter Replacement 2022, B9S Rock Hammer, SL Rat Infosense, and Public Works Restroom Remodel.

Additional information on the City's capital assets may be found in Note III.D of the financial statements.

The total governmental long-term debt outstanding at June 30, 2022 was \$7,639,782. Business-type activities long-term debt outstanding was \$12,704,735. During the year the City added direct borrowings of \$1,204,315. A summary of the City's long-term debt outstanding is as follows:

Airport Taxable LOCAP Bond	\$ 1,480,000
Premium on Airport Taxable LOCAP Bond	11,492
2009 FFCO Bond	5,485,000
Premium on 2009 FFCO Bond	332,743
FFCO 2008 Bond	290,000
Premium on FFCO 2008 Bond	3,575
2018 Utility Revenue and Refunding Bond	7,006,140
CWSRF Loan	1,246,716
ARRA/SDWRLF Loan	2,372,819
Business Oregon Dog River	<u>1,204,315</u>
TOTAL	<u>\$ 19,432,800</u>

Although the City is fully liable for the Airport taxable LOCAP bond, it is anticipated that this bond will be repaid from Airport rental revenue and the City has recorded a receivable from the Airport for the full amount of the bond and premium.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The City operates the Mid-Columbia Regional Airport as a joint venture with Klickitat County, Washington. The City has acted as a conduit for debt for the Airport. The City has not recorded this debt as it was not anticipated that the City would be required to use its resources for repayment. The balance outstanding at June 30, 2022 includes the following:

Airport Klickitat County Loan	\$ 25,000
Airport Klickitat County CERB Loan	<u>325,000</u>
TOTAL AIRPORT	<u>\$ 350,000</u>

Compensated Absences accruals totaled \$617,432 as of June 30, 2022. Governmental accruals totaled \$398,778 but are not recorded as a liability in the Governmental Funds. Business-type compensated absences accrual totaling \$218,654 are recorded as current period liabilities as of June 30, 2022, because the oldest leave hours accrued are considered to be used first, so the balances are constantly being updated by use and new accruals. The liability for other postemployment benefits totaled \$371,626. The breakdown was \$223,977 for governmental activities and \$147,649 for business-type activities.

Additional information on the City's long-term debt may be found in Note III.F of the financial statements.

ECONOMIC FACTORS

Each year, the City of The Dalles has a variety of projects and partnership that are being explored, developed and executed, in order to tackle community challenges and embrace opportunities that will foster economic growth, sustainability, and resiliency.

To begin, investments in Public Works infrastructure are the foundation of any community and need to be prioritized to insure the supply of basic necessities such as water and resulting waste water management. To that end, the City has begun work on the Dog River Pipeline replacement project. This project will replace an over 3 mile segment of water line that is over 100 years old and carries nearly 54% of the City's water supply. This pipeline is made of wood and at peak flow would leak nearly 1 million gallons a day. An Aquifer Storage and Recovery system feasibility study has been completed with potential financing in place and the City is also moving forward with an update to the City's Water Master Plan which will incorporate new infrastructure being developed in coordination with industrial and commercial users as well as address potential impacts from climate change. Public Works investment also include repairs and improvements to our reservoirs as well as continuing to execute of ADA ramp transition plan and maintaining the Pavement Management Index.

The Urban Renewal Agency completed a controlled demolition on the Recreation Building roof, following its partial collapse in summer 2019. There was a negotiated settlement with CIS insurance to offset loss and demolition costs. The Agency will also demolish the Tony's Building once it receives final word of a grant award from the State of Oregon. Redevelopment of the Recreation Building site is currently underway, two new storefronts completed which include retail as well as a ice cream/candy shop. The third storefront is nearing complete demolition and will become an outdoor space that will compliment an adjacent restaurant. The 1929 Granada Theater Building, located on the same block, was sold by the Agency in 2020. The theater now holds shows each weekend, including movies and live music performers. The Agency is also continuing efforts to move forward with the 1st Streetscaping Project and recently returned grant funding and severed the project relationship with ODOT. This

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

decision will allow the project to move forward more quickly and at a lower cost. The project includes a new street, sidewalk and utility lines along First Street between Union and Laughlin Streets. The new streetscape will be inviting, bicycle-friendly, and ADA-accessible for the first time in The Dalles’ history. Finally, there is interest by a private developer to construct a nearly 100 unit mixed use vertical housing product in the downtown as well as a new grocery store located at the former Chronicle building.

The Enterprise Zone still has several active abatements and zone sponsors have adjusted some of the employment requirements due to the Covid-19 pandemic and labor challenges. City and County leadership also completed incentive negotiations with Google for up to 2 new data centers under the States Strategic Investment Program (SIP). SIP and EZ provide up to 15 years of tax abatement but the SIP has several distinct components where a portion of the development is taxed and there is a community service fee that will be distributed to all taxing districts that levy taxes at the development site.

The City continues to be in partnership with the Port of The Dalles and Wasco County for joint work required concerning the Columbia River Gorge Commission “Gorge 2020” Management Plan for the Columbia River gorge national Scenic Area. The City is also leading a Brownfield Coalition Assessment Grant program in partnership with the Port and Wasco County, this program seeks to mitigate environmental concerns with underutilized property and get them into more productive use.

Last year changes were also been made to the City’s code to encourage various types of housing developments. The Columbia Gorge Regional Airport successfully completed the installation of bulk Jet A tanks and are now in the planning and grant searching/submission stage (such as an OEM, BIL, and/or COAR grants) for projects such as construction of a new fuel tank and pump station in coordination with the decommissioning of the existing underground fuel system. Other upcoming projects include design and bidding for the South Apron Rehab, fuel apron design and planning, and Quonset building paint/roof repairs. There are continued inquiries about additional private hangar construction and the Airport is exploring options for how to support such construction. The North Apron Rehabilitation project has been completed and is awaiting the final FAA closeout report so the final drawn down can be completed. The Airport continues to have record fuel sales of over \$260,000 this year despite a less robust fire season as prior years. Continued growth in private jet, military, and general public aviation activity has played a strong role in these sales. The flowage fees associated with these sales is just over \$15,000.

The Dalles continues to face challenges with housing, school infrastructure, homelessness, and limited industrial and commercial land as a result of the Urban Growth Boundary. The UGB is a complicated process because the City is also located in the National Scenic Area and a process for expanding the UGB, incorporating this dynamic, has been challenging to establish.

FINANCIAL CONTACT

The City’s financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City’s finances and to demonstrate the City’s accountability. The Columbia Gateway Urban Renewal Agency has issued a separate report, which is available for those who are interested.

If you have questions about the report or need additional information, please contact the City Finance Director at 313 Court Street, The Dalles, Oregon.

BASIC FINANCIAL STATEMENTS



BASIC FINANCIAL STATEMENTS

The basic financial statements include interrelated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
 - Governmental Funds
 - Proprietary Funds

In addition, the notes to the basic financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

CITY OF THE DALLES, OREGON
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 11,955,567	\$ 10,214,353	\$ 22,169,920
Receivables:			
Accounts	1,135,306	966,460	2,101,766
Fines and forfeitures, net	478,802	-	478,802
Property taxes	226,406	-	226,406
Airport	85,884	-	85,884
Assessments	31,208	-	31,208
Prepaid items	175,113	-	175,113
Investment in joint ventures	10,254,838	-	10,254,838
Inventories	139,892	469,262	609,154
Total current assets	<u>24,483,016</u>	<u>11,650,075</u>	<u>36,133,091</u>
Noncurrent assets:			
Airport receivable	1,405,608	-	1,405,608
Restricted assets:			
Cash and cash equivalents	12,209,144	3,915,118	16,124,262
Notes receivable	429,489	-	429,489
Receivable	293,858	-	293,858
Capital assets:			
Lease assets	82,769	-	82,769
Land	705,460	4,299,879	5,005,339
Assets available for sale	1,376,233	-	1,376,233
Construction in progress	2,604,062	3,229,715	5,833,777
Depreciable assets, net of depreciation	<u>31,608,626</u>	<u>53,955,415</u>	<u>85,564,041</u>
Total noncurrent assets	<u>50,715,249</u>	<u>65,400,127</u>	<u>116,115,376</u>
Total assets	<u>75,198,265</u>	<u>77,050,202</u>	<u>152,248,467</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred charge on refunding	-	504,003	504,003
Total assets and deferred outflows of resources	<u>75,198,265</u>	<u>77,554,205</u>	<u>152,752,470</u>
LIABILITIES:			
Current liabilities:			
Accounts payable and accrued expenses	680,600	196,566	877,166
Unearned revenue	45,456	-	45,456
Accrued interest payable	22,071	69,442	91,513
Current portion of long-term obligations	<u>1,379,872</u>	<u>1,215,807</u>	<u>2,595,679</u>
Total current liabilities	<u>2,127,999</u>	<u>1,481,815</u>	<u>3,609,814</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations	6,337,054	11,194,643	17,531,697
Other postemployment benefit liability	<u>223,977</u>	<u>147,649</u>	<u>371,626</u>
Total noncurrent liabilities	<u>6,561,031</u>	<u>11,342,292</u>	<u>17,903,323</u>
Total liabilities	<u>8,689,030</u>	<u>12,824,107</u>	<u>21,513,137</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred revenue - leases	36,611	-	36,611
Deferred inflow related to OPEB	<u>534,158</u>	<u>352,124</u>	<u>886,282</u>
Total deferred inflows of resources	<u>570,769</u>	<u>352,124</u>	<u>922,893</u>
NET POSITION			
Net investment in capital assets	30,550,494	56,803,356	87,353,850
Restricted for:			
Capital projects	13,617,244	3,915,118	17,532,362
Debt service	799,738	-	799,738
Unrestricted	<u>20,970,990</u>	<u>3,659,500</u>	<u>24,630,490</u>
Total net position	<u>65,938,466</u>	<u>64,377,974</u>	<u>130,316,440</u>
Total liabilities and net position	<u>\$ 75,198,265</u>	<u>\$ 77,554,205</u>	<u>\$ 152,752,470</u>

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

CITY OF THE DALLES, OREGON
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		Net Expense Revenue and Change in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental activities:							
General government	\$ 4,495,163	\$ 795,571	\$ -	\$ 6,246,040	\$ 2,546,448	\$ -	\$ 2,546,448
Public safety	5,294,311	166,977	23,632	-	(5,103,702)	-	(5,103,702)
Culture and recreation	2,127,335	10,308	10,658	-	(2,106,369)	-	(2,106,369)
Highways and streets	2,515,564	16,547	1,497,123	-	(1,001,894)	-	(1,001,894)
Unallocated interest on long-term debt	268,057	-	-	-	(268,057)	-	(268,057)
Total governmental activities	14,700,430	989,403	1,531,413	6,246,040	(5,933,574)	-	(5,933,574)
Business type activities:							
All Water Funds	4,464,661	6,495,686	-	802,271	-	2,833,296	2,833,296
All Wastewater Funds	3,912,610	5,759,046	-	9,267	-	1,855,703	1,855,703
2018 Utility Bond Fund	263,984	-	-	-	-	(263,984)	(263,984)
Total business type activities	8,641,255	12,254,732	-	811,538	-	4,425,015	4,425,015
Total government	\$ 23,341,685	\$ 13,244,135	\$ 1,531,413	\$ 7,057,578	(5,933,574)	4,425,015	(1,508,559)
General revenues:							
Taxes:							
Property taxes levied for:							
General purposes							
					5,046,652	-	5,046,652
Urban renewal purposes							
					1,569,114	-	1,569,114
Franchise and public service taxes							
					2,749,746	-	2,749,746
Interest and investment earnings							
					101,961	74,557	176,518
Transfers in (out)							
					1,437,266	(1,437,266)	-
Total general revenues and transfers							
					10,904,739	(1,362,709)	9,542,030
Change in net position							
					4,971,165	3,062,306	8,033,471
Net position - beginning							
					60,967,301	61,315,668	122,282,969
Net position - ending							
					\$ 65,938,466	\$ 64,377,974	\$ 130,316,440

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

FUND FINANCIAL STATEMENTS

Major Governmental Funds

General Fund

The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, hotel-motel tax, and state shared revenues. Expenditures are primarily for general government operations, public safety (police), and culture and recreation.

Street Fund

The Street Fund accounts for the cost of maintaining City streets system. Principal sources of revenues are state gasoline taxes apportioned from the State of Oregon, local fuel taxes, charges for services to other funds, and transfers.

Special Grants Fund

The Special Grants Fund accounts for for various grant programs operated by the City. Revenues consist primarily of grants and interest on investments.

**CITY OF THE DALLES, OREGON
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2022**

	General Fund	Street Fund	Special Grants Fund	Other Governmental	Total Governmental
ASSETS:					
Cash and cash equivalents	\$ 7,113,180	\$ 1,797,460	\$ 4,930,515	\$ 10,323,556	\$ 24,164,711
Receivables:					
Accounts	1,095,429	181,925	59,390	92,420	1,429,164
Fines and forfeitures, net	478,802	-	-	-	478,802
Property taxes	156,283	-	-	70,123	226,406
Assessments	-	-	-	31,208	31,208
Notes	-	-	-	429,489	429,489
Prepaid items	175,113	-	-	-	175,113
Inventories	-	139,892	-	-	139,892
	<u>\$ 9,018,807</u>	<u>\$ 2,119,277</u>	<u>\$ 4,989,905</u>	<u>\$ 10,946,796</u>	<u>\$ 27,074,785</u>
LIABILITIES:					
Accounts payable and accrued expenses	\$ 348,813	\$ 262,060	\$ 508	\$ 69,219	\$ 680,600
DEFERRED INFLOWS OF RESOURCES:					
Deferred revenue - leases	36,611				36,611
Unavailable revenue	566,094	-	28,046	581,878	1,176,018
	<u>602,705</u>	<u>-</u>	<u>28,046</u>	<u>581,878</u>	<u>1,212,629</u>
FUND BALANCES:					
Nonspendable:					
Prepays	175,113	-		-	175,113
Inventory	-	139,892		-	139,892
Restricted for:					
Grant / contributor specific intent	-	-	4,961,351	6,941	4,968,292
State statute	-	1,717,325	-	799,738	2,517,063
Intergovernmental agreement	-	-	-	2,222,992	2,222,992
Committed for:					
Major capital facilities and associated debt	-	-	-	827,941	827,941
Local improvements and associated debt	-	-	-	-	-
Agreements with state agencies	-	-	-	1,729,452	1,729,452
Committed by ordinance or resolution by council	1,467,341	-	-	-	1,467,341
Unassigned	6,424,835	-	-	-	6,424,835
	<u>8,067,289</u>	<u>1,857,217</u>	<u>4,961,351</u>	<u>10,295,699</u>	<u>25,181,556</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,018,807</u>	<u>\$ 2,119,277</u>	<u>\$ 4,989,905</u>	<u>\$ 10,946,796</u>	
Amounts reported in the statement of net position are different because:					
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					36,294,381
Lease intangible right of use assets are not financial resources and, therefore, are not reported in the funds.					82,769
Investments in joint ventures are not financial resources and, therefore are not reported in the funds.					10,254,838
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.					
Airport receivable					1,491,492
Earned but unavailable revenue					1,130,562
Long-term liabilities, other postemployment benefits liability, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.					
Long-term debt					(7,639,782)
Net present value of lease liabilities					(77,144)
Interest payable					(22,071)
Other postemployment benefits					(758,135)
Net position of governmental activities					<u>\$ 65,938,466</u>

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

CITY OF THE DALLES, OREGON
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2022

	General Fund	Street Fund	Special Grants Fund	Other Governmental	Total Governmental
REVENUES:					
Property taxes	\$ 3,658,144	\$ -	\$ -	\$ 2,991,088	\$ 6,649,232
Other taxes	1,840,386	505,837	-	-	2,346,223
Franchise fees	279,292	94,540	-	29,691	403,523
Assessments	-	-	-	33,040	33,040
Licenses and fees	44,409	-	-	-	44,409
Intergovernmental	3,463,567	1,497,123	1,935,708	917,791	7,814,189
Fines and forfeitures, net	166,977	-	-	10,303	177,280
System development charges	77,564	-	-	-	77,564
Rental income	11,225	-	-	399,786	411,011
Interest on investments	36,705	8,929	-	56,327	101,961
Miscellaneous	315,936	16,547	20,949	97,607	451,039
Total revenues	<u>9,894,205</u>	<u>2,122,976</u>	<u>1,956,657</u>	<u>4,535,633</u>	<u>18,509,471</u>
EXPENDITURES:					
Current:					
General government	3,614,442	-	-	334,692	3,949,134
Public safety	4,049,857	-	-	1,206,996	5,256,853
Culture and recreation	832,221	-	-	1,212,158	2,044,379
Highways and streets	-	1,474,550	259,990	634	1,735,174
Capital outlay	1,364,343	461,560	184,093	192,837	2,202,833
Debt service:					
Principal payments on leases	17,463	-	-	-	17,463
Principal	-	-	-	791,992	791,992
Less principal paid for BTA	-	-	-	-	-
Add principal paid by airport	-	-	-	-	-
Interest	232	-	-	319,577	319,809
Total expenditures	<u>9,878,558</u>	<u>1,936,110</u>	<u>444,083</u>	<u>4,058,886</u>	<u>16,317,637</u>
Revenues over (under) expenditures	<u>15,647</u>	<u>186,866</u>	<u>1,512,574</u>	<u>476,747</u>	<u>2,191,834</u>
OTHER FINANCING SOURCES (USES):					
Proceeds from sale of property	-	16,599	-	-	16,599
Lease inception	87,072	-	-	-	87,072
Transfers in	1,453,230	637,864	-	1,219,421	3,310,515
Transfers out	(375,000)	(334,922)	-	(1,163,327)	(1,873,249)
Total other financing sources (uses)	<u>1,165,302</u>	<u>319,541</u>	<u>-</u>	<u>56,094</u>	<u>1,540,937</u>
Net changes in fund balances	1,180,949	506,407	1,512,574	532,841	3,732,771
FUND BALANCES, BEGINNING	<u>6,886,340</u>	<u>1,350,810</u>	<u>3,448,777</u>	<u>9,762,858</u>	<u>21,448,785</u>
FUND BALANCES, ENDING	<u>\$ 8,067,289</u>	<u>\$ 1,857,217</u>	<u>\$ 4,961,351</u>	<u>\$ 10,295,699</u>	<u>\$ 25,181,556</u>

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

CITY OF THE DALLES, OREGON
GOVERNMENTAL FUNDS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2022

Amounts reported in the statement of activities are different because:

Net change in fund balances \$ 3,732,771

The Statement of Revenues, Expenditures, and Changes in Fund Balances report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Current year depreciation	\$ (1,248,908)	
Capital asset additions	<u>1,874,289</u>	625,381

The City has equity interests in two joint ventures. The allocated gain from these investments in not a current financial resources and therefore is not reported in the governmental funds. (36,736)

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to decrease net position. (26,802)

Some revenue reported in the statement of activities do not provide current financial resources in the governmental funds.

Property taxes, Fines and forfeitures, and Miscellaneous revenues		(228,203)
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With the implementation of GASB 87, lease assets are recognized as an intangible right of use and amortized over their estimated useful life and lease liabilities are recognized at the net present value of all future lease payments in the Statement of Net Position. In the current year principle payments exceed amortization. 5,624

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences	\$ (1,384)	
Change in other postemployment benefits	56,770	
Change in debt premium	<u>49,094</u>	104,480

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the amount by which repayments exceeded proceeds.

Debt service principal payments	\$ 791,992	
Accrued interest expense	<u>2,658</u>	<u>794,650</u>

Change in net position of governmental activities \$ 4,971,165

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

CITY OF THE DALLES, OREGON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 3,547,468	\$ 3,547,468	\$ 3,658,144	\$ 110,676
Other taxes	1,563,547	1,563,547	1,840,386	276,839
Franchise fees	275,520	275,520	279,292	3,772
Licenses and fees	44,650	44,650	44,409	(241)
Intergovernmental	3,123,017	3,197,767	3,463,567	265,800
Fines and forfeitures, net	80,600	80,600	166,977	86,377
System development charges	45,000	45,000	77,564	32,564
Rental income	8,000	8,000	11,225	3,225
Interest on investments	63,900	63,900	36,705	(27,195)
Miscellaneous	92,000	92,000	315,936	223,936
Total revenues	<u>8,843,702</u>	<u>8,918,452</u>	<u>9,894,205</u>	<u>975,753</u>
EXPENDITURES:				
General government	4,087,186	4,293,639	3,614,442	679,197
Public safety	4,612,695	4,779,445	4,049,857	729,588
Culture and recreation	796,823	846,823	832,221	14,602
Capital outlay	1,863,126	2,473,499	1,364,343	1,109,156
Total expenditures	<u>15,770,553</u>	<u>16,455,676</u>	<u>9,878,558</u>	<u>6,577,118</u>
Revenues over (under) expenditures	<u>(6,926,851)</u>	<u>(7,537,224)</u>	<u>15,647</u>	<u>7,552,871</u>
OTHER FINANCING SOURCES (USES):				
Lease inception	-	-	87,072	87,072
Transfers in	1,463,230	1,463,230	1,453,230	(10,000)
Transfers out	(375,000)	(375,000)	(375,000)	-
Total other financing sources (uses)	<u>1,088,230</u>	<u>1,088,230</u>	<u>1,165,302</u>	<u>77,072</u>
Net changes in fund balances	(5,838,621)	(6,448,994)	1,180,949	7,629,943
FUND BALANCE, BEGINNING	<u>5,838,621</u>	<u>6,448,994</u>	<u>6,886,340</u>	<u>437,346</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,067,289</u>	<u>\$ 8,067,289</u>

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

CITY OF THE DALLES, OREGON
STREET FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Other taxes	\$ 480,000	\$ 480,000	\$ 505,837	\$ 25,837
Franchise fees	86,402	86,402	94,540	8,138
Intergovernmental	1,159,809	1,159,809	1,497,123	337,314
Interest on investments	10,000	10,000	8,929	(1,071)
Miscellaneous	550	550	16,547	15,997
Total revenues	<u>1,736,761</u>	<u>1,736,761</u>	<u>2,122,976</u>	<u>386,215</u>
EXPENDITURES:				
Highway and streets				
Personnel service	935,417	935,417	894,183	41,234
Materials and services	636,916	664,416	580,367	84,049
Capital outlay	1,493,069	1,732,462	461,560	1,270,902
Contingency	46,199	46,199	-	46,199
Total expenditures	<u>3,111,601</u>	<u>3,378,494</u>	<u>1,936,110</u>	<u>1,442,384</u>
Revenues over (under) expenditures	<u>(1,374,840)</u>	<u>(1,641,733)</u>	<u>186,866</u>	<u>1,828,599</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of property	500	500	16,599	16,099
Transfers in	637,864	637,864	637,864	-
Transfers out	(334,922)	(334,922)	(334,922)	-
Total other financing sources (uses)	<u>303,442</u>	<u>303,442</u>	<u>319,541</u>	<u>16,099</u>
Net changes in fund balances	<u>(1,071,398)</u>	<u>(1,338,291)</u>	<u>506,407</u>	<u>1,844,698</u>
FUND BALANCES, BEGINNING	<u>1,071,398</u>	<u>1,338,291</u>	<u>1,350,810</u>	<u>12,519</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,857,217</u>	<u>\$ 1,857,217</u>

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

CITY OF THE DALLES, OREGON
SPECIAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 4,386,313	\$ 4,386,313	\$ 1,935,708	\$ (2,450,605)
Interest on investments	20,000	20,000	20,949	949
Miscellaneous	50,000	50,000	-	(50,000)
Total revenues	4,456,313	4,456,313	1,956,657	(2,499,656)
EXPENDITURES:				
Materials and services	3,186,313	3,186,313	259,990	2,926,323
Capital outlay	4,765,237	4,765,237	184,093	4,581,144
Total expenditures	7,951,550	7,951,550	444,083	7,507,467
Revenues over (under) expenditures	(3,495,237)	(3,495,237)	1,512,574	5,007,811
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
Net changes in fund balance	(3,495,237)	(3,495,237)	1,512,574	5,007,811
FUND BALANCE, BEGINNING	3,495,237	3,495,237	3,448,777	(46,460)
FUND BALANCE, ENDING	\$ -	\$ -	\$ 4,961,351	\$ 4,961,351

FUND FINANCIAL STATEMENTS
Proprietary Funds
Enterprise Funds

The City of The Dalles uses three Proprietary Funds comprised entirely of Enterprise Funds.

Enterprise Funds are used to report activities for which a fee is charged to external users for goods and services and to account for the acquisition, operation, and maintenance of the water and wastewater facilities. These funds are entirely or predominately self-supported through user charges to the customer. Funds included are:

- Water
- Wastewater
- 2018 Utility Bond Fund

For budgetary purposes (see budget schedules in Supplemental Information), the above funds are accounted for in the following separate funds:

All Water Funds

Water Utility

The Water Utility Fund accounts for the acquisition, operation, and maintenance of the City's Water Treatment facilities and Water Distribution systems. Principal sources of revenues are user fees.

Water Capital Reserve

The Water Capital Reserve Fund accounts for the accumulation of resources to pay for upgrades and expansion of the water systems, and related debt service.

All Wastewater Funds

Wastewater

The Wastewater Fund accounts for the acquisition, operation, and maintenance of the City's Sanitary Sewer system and Storm Water system. Principal sources of revenues are user fees.

Wastewater Capital Reserve

The Wastewater Capital Reserve Fund accounts for the accumulation of resources to pay for upgrades and expansion of the sanitary sewer and storm water systems, and related debt service.

Sewer Plant Construction

The Sewer Plant Construction Fund accounts for the accumulation of resources to pay for upgrades and expansion of the sewage treatment plant facility and pump stations, and related debt service.

2018 Utility Bond Fund

The 2018 Utility Bond Fund accounts for the accumulation of resources for, and the repayment of, general long-term debt principal and interest relating to the Series 2018 Revenue and Refunding Bond issued to payoff previously issued Water and Wastewater Revenue Bonds and further sewer system improvements.

CITY OF THE DALLES, OREGON
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2022

	Business-Type Activities - Enterprise Funds			
	All Water Funds	All Wastewater Funds	2018 Utility Bond Fund	Total
ASSETS:				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 6,053,062	\$ 4,157,925	\$ 3,366	\$ 10,214,353
Receivables:				
Accounts, net	465,701	500,759	-	966,460
Inventory	365,176	104,086	-	469,262
Total current assets	<u>6,883,939</u>	<u>4,762,770</u>	<u>3,366</u>	<u>11,650,075</u>
NONCURRENT ASSETS:				
Restricted cash and cash equivalents	1,338,608	2,576,510	-	3,915,118
Capital assets:				
Land	2,887,016	1,412,863	-	4,299,879
Construction in progress	3,098,907	130,808	-	3,229,715
Depreciable assets, net of depreciation	20,709,272	33,246,143	-	53,955,415
Total noncurrent assets	<u>28,033,803</u>	<u>37,366,324</u>	<u>-</u>	<u>65,400,127</u>
Total assets	<u>34,917,742</u>	<u>42,129,094</u>	<u>3,366</u>	<u>77,050,202</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred charge on refunding	-	-	504,003	504,003
Total assets and deferred outflows of resources	<u>\$ 34,917,742</u>	<u>\$ 42,129,094</u>	<u>\$ 507,369</u>	<u>\$ 77,554,205</u>
LIABILITIES:				
CURRENT LIABILITIES:				
Accounts payable	\$ 168,581	\$ 27,985	\$ -	\$ 196,566
Accrued interest payable	42,510	11,343	15,589	69,442
Compensated absences payable	152,464	66,190	-	218,654
Current portion of long-term debt	249,774	126,271	621,108	997,153
Total current liabilities	<u>613,329</u>	<u>231,789</u>	<u>636,697</u>	<u>1,481,815</u>
NONCURRENT LIABILITIES:				
Bonds and notes payable	3,588,443	1,221,169	6,385,031	11,194,643
Other postemployment benefits	92,265	55,384	-	147,649
Total non current liabilities	<u>3,680,708</u>	<u>1,276,553</u>	<u>6,385,031</u>	<u>11,342,292</u>
Total liabilities	<u>4,294,037</u>	<u>1,508,342</u>	<u>7,021,728</u>	<u>12,824,107</u>
DEFERRED INFLOWS OF RESOURCES:				
Deferred inflow related to OPEB	220,040	132,084	-	352,124
Total deferred inflows of resources	<u>220,040</u>	<u>132,084</u>	<u>-</u>	<u>352,124</u>
NET POSITION:				
Net investment in capital assets	22,856,979	33,442,374	504,003	56,803,356
Restricted for:				
System development	1,338,608	2,576,510	-	3,915,118
Unrestricted (deficit)	6,208,078	4,469,784	(7,018,362)	3,659,500
Total net position (deficit)	<u>30,403,665</u>	<u>40,488,668</u>	<u>(6,514,359)</u>	<u>64,377,974</u>
Total liabilities and net position	<u>\$ 34,917,742</u>	<u>\$ 42,129,094</u>	<u>\$ 507,369</u>	<u>\$ 77,554,205</u>

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

**CITY OF THE DALLES, OREGON
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN NET POSITION
 For the Fiscal Year Ended June 30, 2022**

	Business-Type Activities - Enterprise Funds			
	All Water Funds	All Wastewater Funds	2018 Utility Bond Fund	Total
OPERATING REVENUES:				
Charges for services	\$ 6,304,604	\$ 5,554,861	\$ -	\$ 11,859,465
System development charges	134,293	140,462	-	274,755
Rental income	4,428	-	-	4,428
Miscellaneous	74,962	366,962	-	441,924
Total operating revenues	6,518,287	6,062,285	-	12,580,572
OPERATING EXPENSES:				
Personnel service	2,438,899	1,280,077	-	3,718,976
Materials and services	1,019,140	1,713,210	-	2,732,350
Depreciation and amortization	935,137	886,220	-	1,821,357
Total operating expenses	4,393,176	3,879,507	-	8,272,683
Operating income	2,125,111	2,182,778	-	4,307,889
NON-OPERATING INCOME (EXPENSE):				
Gain (loss) on disposal of capital assets	(22,601)	(303,239)	-	(325,840)
Interest on investments	37,723	36,834	-	74,557
Interest expense	(71,485)	(33,103)	(263,984)	(368,572)
Total non-operating income (expenses)	(56,363)	(299,508)	(263,984)	(619,855)
Net income (loss) before transfers and capital contributions	2,068,748	1,883,270	(263,984)	3,688,034
TRANSFERS:				
Transfers in	2,797,294	2,135,000	1,340,430	6,272,724
Transfers out	(3,990,496)	(3,719,494)	-	(7,709,990)
Total transfers	(1,193,202)	(1,584,494)	1,340,430	(1,437,266)
CAPITAL CONTRIBUTIONS:				
Intergovernmental	802,271	9,267	-	811,538
Change in net position	1,677,817	308,043	1,076,446	3,062,306
NET POSITION (DEFICIT), BEGINNING	28,725,848	40,180,625	(7,590,805)	61,315,668
NET POSITION (DEFICIT), ENDING	<u>\$ 30,403,665</u>	<u>\$ 40,488,668</u>	<u>\$ (6,514,359)</u>	<u>\$ 64,377,974</u>

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

CITY OF THE DALLES, OREGON
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds			
	All Water Funds	All Wastewater Funds	2018 Utility Bond Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 6,821,526	\$ 6,077,181	\$ -	\$ 12,898,707
Payments to suppliers	(1,053,772)	(1,871,930)	-	(2,925,702)
Payments to employees	(2,437,538)	(1,322,970)	-	(3,760,508)
Net cash provided by operating activities	<u>3,330,216</u>	<u>2,882,281</u>	<u>-</u>	<u>6,212,497</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in	2,797,294	2,135,000	1,340,430	6,272,724
Transfers (out)	(3,990,496)	(3,719,494)	-	(7,709,990)
Proceeds from intergovernmental revenue	802,271	-	-	802,271
Net cash provided by non-capital financing activities	<u>(390,931)</u>	<u>(1,584,494)</u>	<u>1,340,430</u>	<u>(634,995)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from intergovernmental revenue	-	9,267	-	9,267
Proceeds from capital debt	1,204,315	-	-	1,204,315
Proceeds from sale of capital assets	22,495	35,458	-	57,953
Acquisition of capital assets	(2,887,469)	(1,760,084)	-	(4,647,553)
Principal paid on long-term obligations	(240,328)	(122,399)	(1,123,374)	(1,486,101)
Interest paid on long-term obligations	(76,054)	(34,229)	(216,083)	(326,366)
Net cash provided by capital and related financing activities	<u>(1,977,041)</u>	<u>(1,871,987)</u>	<u>(1,339,457)</u>	<u>(5,188,485)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	37,723	36,834	-	74,557
Net change in cash and cash equivalents	999,967	(537,366)	973	463,574
CASH AND CASH EQUIVALENTS, BEGINNING				
	6,391,703	7,271,801	2,393	13,665,897
CASH AND CASH EQUIVALENTS, ENDING				
	<u>\$ 7,391,670</u>	<u>\$ 6,734,435</u>	<u>\$ 3,366</u>	<u>\$ 14,129,471</u>
COMPRISED AS FOLLOWS:				
Cash and cash equivalents	\$ 6,053,062	\$ 4,157,925	\$ 3,366	\$ 10,214,353
Restricted cash and cash equivalents	1,338,608	2,576,510	-	3,915,118
Total cash and cash equivalents	<u>\$ 7,391,670</u>	<u>\$ 6,734,435</u>	<u>\$ 3,366</u>	<u>\$ 14,129,471</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income	\$ 2,125,111	\$ 2,182,778	\$ -	\$ 4,307,889
Adjustments				
Depreciation and amortization	935,137	886,220	-	1,821,357
Decrease (increase) in:				
Receivables	303,239	14,896	-	318,135
Inventories	35,789	31,653	-	67,442
Increase (decrease) in:				
Accounts payable and accrued expenses	(70,421)	(190,373)	-	(260,794)
Other postemployment benefits payable	9,458	(16,374)	-	(6,916)
Deferred revenue	(14,667)	(9,228)	-	(23,895)
Accrued compensated absences	6,570	(17,291)	-	(10,721)
Net cash provided by operating activities	<u>\$ 3,330,216</u>	<u>\$ 2,882,281</u>	<u>\$ -</u>	<u>\$ 6,212,497</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

The City of The Dalles (the City), is organized under the general laws of the State of Oregon. The City Council, composed of the mayor and five Council members, comprises the legislative branch of the City. Individual departments are under the direction of the City Manager, who is appointed by the City Council.

The accompanying financial statements present all activities, funds and component units for which the City is considered to be financially accountable.

The governmental reporting entity consists of the City, the primary government, and its component unit. Component units are legally separate organizations for which the City is financially accountable, or other organizations whose nature and significant relationship with the City are such that the exclusion would cause the City's financial statements to be misleading or incomplete. Based upon the evaluation of this criteria, the basic financial statements include the Columbia Gateway Urban Renewal Agency. The blended component unit is considered part of the City's operations, and so financial information from this unit is combined with the information of the City.

The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government. Based upon the evaluation of this criteria, the City is a primary government with the following includable component unit.

Columbia Gateway Urban Renewal Agency

The Columbia Gateway Urban Renewal Agency (the Agency) was formed to undertake urban renewal projects and activities pursuant to the City's redevelopment plan. The Urban Renewal Board of Directors is currently a 9-member body made up of representatives from local taxing districts, the City Council, and citizens at large.

Blended component units, although legally separate entities are, in substance, part of the government's operations and data from these units are combined with data of the primary government. The Columbia Gateway Urban Renewal Agency is a blended component unit and, in substance, is part of the City's operations, although it is a legally separate entity. The City provides accounting and operational support for the Columbia Gateway Urban Renewal Agency and has a June 30 year-end. Complete financial statements for the Agency may be obtained at the City's administrative offices, 313 Court Street, The Dalles, OR 97058.

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City (the primary government) and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Government activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from the *business-types activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the functions of the City, the elimination of which would distort the direct cost and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Significant revenues, which are susceptible to accrual under the modified accrual basis of accounting, include property taxes and federal and state grants. Other revenue items are considered to be measurable and available when received by the City. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

The bases of accounting described above are in accordance with accounting principles generally accepted in the United States of America.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, hotel-motel tax, and state shared revenues. Expenditures are primarily for general government operations, public safety (police), and culture and recreation.

The *Street Fund* accounts for the cost of maintaining City streets and storm water drainage systems. Principal sources of revenues are state gasoline taxes apportioned from the State of Oregon, local fuel taxes, charges for services to other funds, and transfers.

The *Special Grants Fund* accounts for accounts for various grant programs operated by the City. Revenues consist primarily of grants and interest on investments.

The City reports the following major proprietary funds:

The *Water Funds* accounts for revenues and expenses related to the City's water utility operations.

The *Wastewater Funds* account for revenues and expenses related to the City's wastewater utility operations.

The *2018 Utility Bond Fund* accounts for the accumulation of resources for, and the repayment of, general long-term debt principal and interest relating to the Series 2018 Revenue and Refunding Bond.

The City also includes the following fund types as other governmental funds:

Special revenue funds are primarily operating funds that account for revenue derived from specific taxes or other revenue sources, which are legally restricted to finance particular functions or activities.

Capital projects funds account for expenditures on major construction projects or equipment acquisitions. The principal sources of revenues are proceeds from long-term obligations issued to finance capital acquisitions and improvements.

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Debt service funds account for the resources accumulated and payments made for principal and interest on long-term debt for governmental funds.

D. Assets, Liabilities and Fund Balance

1. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, investments in the Local Government Investment Pool, and short-term investments with original maturities of three months or less from the date of acquisition.

The City maintains merged bank accounts and investments for its funds in a central pool of cash and investments. The investment policy of the City is to invest in the Local Government Investment Pool, U.S. Government and Agency Obligations, Corporate indebtedness rated A-1 or AA or better, and interest-bearing demand deposits with local banks and to transfer resources to the general checking account as the need arises. This policy is in accordance with ORS 294.035, which specifies the types of investments authorized for municipal corporations. The City allocates earnings on investments to funds based on the average monthly balances throughout the year.

Investments in the Local Government Investment Pool are stated at amortized cost, which approximates fair value.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not available expendable financial resources.

Other receivables including accounts, entitlements, and shared revenues are reported in accordance with the policies enumerated in Section C above. An allowance for uncollectible accounts has been established for the Water and Wastewater funds and represents the portion of receivables not expected to be collected.

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

3. Inventories and Prepaid Expenses

Inventories in Street, Water and Wastewater Funds are determined by physical count and are stated at cost. Inventories in governmental funds are stated at cost. All inventories charged to expense as used (the consumption method).

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost when actual cost is not available. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is expensed.

The City implemented GASB Statement 87 *Leases* in the current year. This resulted in capitalization of intangible right-of-use for lease assets. Lease assets are amortized over the life of the lease.

Property, plant and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Year</u>
Dams	150
Bridges and Improvements	100
Building and Improvements	50
Plant in Service	45
Machinery and equipment	5-20

It is the City's policy to record no depreciation on capital assets in the year of acquisition and a full year of depreciation in the year of disposition.

5. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

financial statements, long-term debt obligations are reported as liabilities in the applicable governmental activities or business-type activities Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the lives of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

6. Compensated Absences

It is the City's policy to permit employees to accumulate earned, but unused, vacation, compensatory time, and sick pay benefits. No liability is reported for unpaid accumulated sick pay benefits. All vacation and compensatory time pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Compensated absences are normally paid from the General, Library, Street, Water, and Wastewater funds. The entire balance of compensated absences has been reported as due within one year because the oldest leave hours accrued are considered to be used first, so the balances are constantly being updated by use and new accruals.

7. Investment in Joint Ventures

Investment in joint ventures with other governments is reported at cost plus or minus the City's share of operating income or loss utilizing the equity method of accounting for investments.

8. Postemployment Benefits Other than Pensions (OPEB)

For purposes of measuring the OPEB liability and OPEB expense, the City relies on actuarial calculations.

9. Deferred Outflows/Inflows of Resources.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expenditure) until then. The City's only deferred outflow of resources is a deferred charge incurred on refunding of bonds.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City recognizes deferred inflows related to the OPEB liability and for lease revenue to be earned in future periods in the government-wide financial statements. The City has two items that qualify for reporting in this category under the modified accrual basis of accounting. The item “unavailable revenue,” is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and notes receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also records a deferred inflow of resources in the governmental funds balance sheet for lease revenue to be earned in future periods.

10. Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – non-spendable, restricted, committed, assigned and unassigned.

Non-Spendable – Includes amounts not immediately converted to cash, such as prepaid items and inventory.

Restricted – Includes amounts that are restricted by external creditors, grantors or contributors, or restricted by enabling legislation.

Committed – Includes amounts that have been committed by resolution by the City Council which is the City’s “highest level of decision-making authority.” Committed amounts may not be used for any other purpose unless the City Council removes the constraint by similar board action. Commitments of fund balance must be made prior to the end of the fiscal year.

Assigned – Includes amounts assigned for specific purposes by Council action who authorizes, by resolution, the City Manager to assign fund balance. Assigned fund balance is also established by the Council through adoption or amendment of the budget as intended for specific purpose.

Unassigned – This is the residual classification used for those balances not assigned to another category in the General Fund. Deficit fund balance in other governmental funds are also presented as unassigned.

11. Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources, as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use it is the City’s policy to use committed resources first, then assigned, and then unassigned as they are needed.

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

12. Restricted net position

Restrictions on net position that are either imposed by creditors, grantors, laws or other regulations, or by enabling legislation are reported as restricted net position.

13. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, expenditures, expenses, and other disclosures. Accordingly, actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) for all funds, except for the proprietary funds. The annual budget for proprietary funds is adopted on the modified accrual basis of accounting, which is not consistent with GAAP, in order to comply with Oregon Local Budget Law. The FFCO Bond Funds also report transfers in for reimbursement of Water and Wastewater Fund debt service. These amounts are reclassified to reimbursements of debt service expenditures for the GAAP statements. All annual appropriations lapse at fiscal yearend.

Oregon local budget law establishes standard procedures relating to the preparation, adoption, and execution of the annual budget. The City begins its budgeting process by appointing Budget Committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The City Council adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over expended, except in the case of grant receipts and bond sale proceeds which could not be reasonably estimated at the time the budget was adopted.

The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. The level of budgetary control is established at the department level for the General Fund. For all other funds, the level of budgetary control is established at the personal services, materials and services, capital outlay, operating contingency, interfund transfers, debt services, special payments, and contingencies.

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Unexpected additional resources may be added to the budget and appropriated for expenditure through the use of a supplemental budget. The supplemental budget process requires publication in the newspaper and approval by the City Council, and, if it is over 10% of the operating budget of the affected fund, a hearing before the public is also required. Oregon Local Budget Law also provides certain specific exceptions to the supplemental budget process to increase appropriations. Management must obtain City Council authorization for all appropriation transfers and supplementary budgetary appropriations.

During the year ended June 30, 2022, five appropriation increases and transfers were approved, and two supplemental budgets were adopted. Appropriations are limited to a single fiscal year; therefore, all spending authority of the City lapses as of year-end.

B. Deficit Fund Balances

At June 30, 2022, no funds had a deficit fund balance.

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Cash Equivalents

1. Deposits

Custodial Credit Risk. The Governmental Accounting Standards Board has adopted accounting principles generally accepted in the United States of America (GAAP), which includes standards to categorize deposits to give an indication of the level of custodial credit risk assumed by the City at June 30, 2022. If bank deposits at year end are not entirely insured or collateralized by the City or by its agent in the City's name, the City must disclose the custodial credit risk that exists. The City's deposits with financial institutions are comprised of bank demand deposits and certificates of deposit.

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the City's deposits up to \$250,000 for the combined total of all deposit accounts at each financial institution. The remaining deposits are covered by the Public Funds Collateralization program (PFCP) of the State of Oregon in accordance with ORS 295. Depositories qualified under this program are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank failure or loss. ORS 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. ORS 295 creates a shared liability structure for participating depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. As of June 30, 2022, the book value of the City's deposits was \$2,453,292 and the bank balance was \$2,820,811. \$2,513,232 of the City's bank balances were not exposed to custodial credit risk as they were collateralized under PFCP.

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

The City does not have a formal policy for custodial credit risk.

2. Investments

The City of The Dalles has invested funds in the State Treasurer’s Oregon Short-Term Fund Local Government Investment Pool during the year. The Oregon Short-Term Fund is the local government investment pool for local governments and was established by the State Treasurer. It was created to meet the administrative responsibilities of federal arbitrage regulations. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Local Government Investment Pool (LGIP) is an unrated external investment pool managed by the State Treasurer’s office, which allows governments within the state to pool their funds for investment purposes. The amounts invested in the pool are not classified by risk categories because they are not evidenced by securities that exist in physical or book entry form as defined by GASB Statement No. 40.

In addition, the Oregon State Treasury LGIP distributes investment income on an amortized cost basis and the participant’s equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the City’s cash position.

Credit Risk. State statutes authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers’ acceptances, certain commercial papers, and the State Treasurer’s investment pool, among others. The City has no formal investment policy that further restricts its investment choices.

Concentration of Credit Risk. The City is required to provide information about the concentration of credit risk associated with its investments in one issuer that represents 5 percent or more of the total investments, excluding investments in external investment pools or those issued and explicitly guaranteed by the U.S. Government. The City has no such investments.

Interest Rate Risk. The City has no formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

Investments held by the City at June 30, 2022, are as follows:

	Weighted Average Maturity	Fair Value
Investments in the State Treasurer's Local Government Investment Pool	0.00	\$ 35,840,890

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Cash and cash equivalents are shown in the Statement of Net Position as follows:

	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 11,955,567	\$ 10,214,353	\$ 22,169,920
Restricted cash and cash equivalents	12,209,144	3,915,118	16,124,262
Total cash and cash equivalents	<u>\$ 24,164,711</u>	<u>\$ 14,129,471</u>	<u>\$ 38,294,182</u>
Deposits			\$ 2,453,292
Investments			35,840,890
Total			<u>\$ 38,294,182</u>

Cash in the Statement of Net Position is temporarily restricted for the following purposes:

	Governmental Activities	Business-type Activities	Total
Restricted for capital projects	\$ 11,409,406	\$ 3,915,118	\$ 15,324,524
Restricted for debt service	799,738	-	799,738
Total restricted cash and cash equivalents	<u>\$ 12,209,144</u>	<u>\$ 3,915,118</u>	<u>\$ 16,124,262</u>

B. Receivables

Receivables as of fiscal-year end for the governmental activities individual major funds and non-major funds in the aggregate are as follows:

	General Fund	Street Fund	Special Grants Fund	Other Governmental	Total Governmental
Receivables:					
Accounts	\$ 1,095,429	\$ 181,925	\$ 59,390	\$ 92,420	\$ 1,429,164
Fines and forfeitures, net	478,802	-	-	-	478,802
Property taxes	156,283	-	-	70,123	226,406
Assessments	-	-	-	31,208	31,208
Notes	-	-	-	429,489	429,489
Total receivables	<u>\$ 1,730,514</u>	<u>\$ 181,925</u>	<u>\$ 59,390</u>	<u>\$ 623,240</u>	<u>\$ 2,595,069</u>

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Receivables as of year-end for the business-type activities individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

	Water	Waste Water	Total Business- Type Activity
Receivables:			
Accounts	\$ 550,059	\$ 614,682	\$ 1,164,741
Allowance for doubtful accounts	(84,358)	(113,923)	(198,281)
	\$ 465,701	\$ 500,759	\$ 966,460

Uncollected property taxes in governmental funds are shown on the Statement of Net Position as receivables. Property taxes are assessed and attach as an enforceable lien on property as of July 1. Taxes are levied on July 1 and are payable on November 15. They may be paid in installments due November 15, February 15, and May 15. Taxes unpaid as of May 16 are considered delinquent. Taxes are billed and collected by Wasco County, and remittance to the City is made at periodic intervals.

For the fiscal year 2021-2022, the City levied property taxes in the amount of \$3,749,907. After reductions for offsets and increases for additional taxes and penalties this resulted in a net levy of \$3,636,413. The tax rate for the fiscal year was \$3.0155 per \$1,000 of assessed value. The assessed valuation for the City as of January 1, 2022 was \$1,285,031,876. The Columbia Gateway Urban Renewal Agency, a blended component unit of the City, levied taxes at its maximum taxing authority of \$1,618,060. After reductions for offsets and additional taxes and penalties, this resulted in a net levy of \$1,568,933.

Following is a summary of property tax transactions for the year ended June 30, 2022:

Fiscal Year	Property Taxes Receivable June 30, 2021	Levy as Extended by Assessor	Collections	Cancellations Discounts and Adjustments	Property Taxes Receivable June 30, 2022
2021-2022	\$ -	\$ 5,367,967	\$ (5,101,859)	\$ (153,049)	\$ 113,059
2020-2021	116,630	-	(69,303)	2,198	49,525
2019-2020	69,714	-	(40,258)	4,981	34,437
2018-2019	48,530	-	(39,019)	6,816	16,327
2017-2018	14,586	-	(11,486)	2,781	5,881
2016-2017	5,576	-	(3,229)	850	3,197
2015-2016	2,563	-	(601)	172	2,134
Prior years	2,273	-	(1,459)	1,032	1,846
Totals	\$ 259,872	\$ 5,367,967	\$ (5,267,214)	\$ (134,219)	\$ 226,406

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Assessments liens receivable represent the uncollected amounts levied against benefited property for costs of local improvements. Since the assessments are liens against the benefited property, an allowance for uncollectible amounts is not necessary.

The City has notes receivable from businesses purchasing real property and improvements and from loans associated with the Community Development Block Grant program. Since the notes are liens against real property, an allowance for uncollectible amounts is not necessary.

Other accounts and intergovernmental receivables are considered to be fully collectible. Accordingly, no provision for estimated uncollectible accounts has been established.

C. Unavailable and Unearned Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. The government-wide financial statements report only unearned income. At the end of the current fiscal year, there was \$36,611 of unearned revenue reported on the Statement of Net Position. The various components of unavailable deferred revenue reported in the governmental funds was as follows:

	General Fund	Special Grants Fund	Non-Major Governmental Funds	Total Governmental
Property taxes	\$ 156,283	\$ -	\$ 70,123	\$ 226,406
Fines and forfeitures	409,811	-	-	409,811
Loans	-	-	429,489	429,489
Special assessments	-	28,046	82,266	110,312
Leases	36,611	-	-	36,611
	<u>\$ 602,705</u>	<u>\$ 28,046</u>	<u>\$ 581,878</u>	<u>\$ 1,212,629</u>

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

D. Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2022, was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, non-depreciable:					
Land	\$ 661,261	\$ 44,199	\$ -	\$ -	\$ 705,460
Construction in progress	2,532,490	1,229,855	-	(1,158,283)	2,604,062
Assets available for sale	1,376,233	-	-	-	1,376,233
Total capital assets, non-depreciable	<u>4,569,984</u>	<u>1,274,054</u>	<u>-</u>	<u>(1,158,283)</u>	<u>4,685,755</u>
Capital assets, depreciable:					
Intangible assets - leases	7,537	87,071	-	-	94,608
Land improvements	8,798,965	10,244	(6,859)	-	8,802,350
Buildings	6,842,432	106,104	-	-	6,948,536
Equipment	3,842,066	316,692	(760,644)	(57,732)	3,340,382
Infrastructure	25,311,969	150,095	-	1,108,158	26,570,222
Total capital assets, depreciable	<u>44,802,969</u>	<u>670,206</u>	<u>(767,503)</u>	<u>1,050,426</u>	<u>45,756,098</u>
Less accumulated depreciation for:					
Amortization of intangible assets	-	(11,839)	-	-	(11,839)
Land improvements	(1,498,246)	(173,158)	6,859	-	(1,664,545)
Buildings	(2,829,072)	(189,173)	-	-	(3,018,245)
Equipment	(2,696,613)	(411,630)	858,799	-	(2,249,444)
Infrastructure	(6,645,683)	(474,947)	-	-	(7,120,630)
Total accumulated depreciation	<u>(13,669,614)</u>	<u>(1,260,747)</u>	<u>865,658</u>	<u>-</u>	<u>(14,064,703)</u>
Net depreciable capital assets	<u>31,133,355</u>	<u>(590,541)</u>	<u>98,155</u>	<u>1,050,426</u>	<u>31,691,395</u>
Net capital assets	<u>\$ 35,703,339</u>	<u>\$ 683,513</u>	<u>\$ 98,155</u>	<u>\$ (107,857)</u>	<u>\$ 36,377,150</u>

Depreciation expense for governmental activities is charged to governmental functions as follows:

Governmental functions:	
General government	\$ (294,880)
Public safety	(99,789)
Highways and streets	(774,628)
Culture and recreation	(91,450)
Total depreciation expense	<u>\$ (1,260,747)</u>

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Capital asset activity for the business-type activities for the year ended June 30, 2022 was as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, non-depreciable:					
Land	\$ 4,299,879	\$ -	\$ -	\$ -	\$ 4,299,879
Construction in progress	1,316,425	4,028,567	-	(2,115,277)	3,229,715
Total capital assets, non-depreciable	<u>5,616,304</u>	<u>4,028,567</u>	<u>-</u>	<u>(2,115,277)</u>	<u>7,529,594</u>
Capital assets, depreciable:					
Land improvements	11,881,903	-	(188,597)	72,560	11,765,866
Buildings	4,368,328	8,852	(104,431)	-	4,272,749
Equipment	7,278,352	399,971	(1,551,354)	(68,650)	6,058,319
Wastewater Treatment Plant	24,329,417	7,351	-	-	24,336,768
Dams and lines	24,861,664	77,855	(18,229)	2,028,558	26,949,848
Total capital assets, depreciable	<u>72,719,664</u>	<u>494,029</u>	<u>(1,862,611)</u>	<u>2,032,468</u>	<u>73,383,550</u>
Less accumulated depreciation for:					
Land improvements	(2,327,384)	(207,914)	182,529	-	(2,352,769)
Buildings	(2,535,496)	(172,416)	74,238	-	(2,633,674)
Equipment	(4,373,258)	(378,164)	1,411,588	-	(3,339,834)
Wastewater Treatment Plant	(3,983,727)	(538,507)	-	-	(4,522,234)
Dams and lines	(6,073,497)	(524,356)	18,229	-	(6,579,624)
Total accumulated depreciation	<u>(19,293,362)</u>	<u>(1,821,357)</u>	<u>1,686,584</u>	<u>-</u>	<u>(19,428,135)</u>
Net depreciable capital assets	<u>53,426,302</u>	<u>(1,327,328)</u>	<u>(176,027)</u>	<u>2,032,468</u>	<u>53,955,415</u>
Net capital assets	<u>\$ 59,042,606</u>	<u>\$ 2,701,239</u>	<u>\$ (176,027)</u>	<u>\$ (82,809)</u>	<u>\$ 61,485,009</u>

Depreciation expense for the business-type activities was charged to functions/programs of the City as follows:

Business-type activities:	
Wastewater	\$ (886,220)
Water	(935,137)
Total depreciation expense	<u>\$ (1,821,357)</u>

E. Investment in Joint Ventures

The QualityLife Intergovernmental Agency (QLife) is jointly owned by the City of The Dalles and Wasco County, Oregon, each party owning 50 percent. QLife operates a fiber optic network to the residents of The Dalles and Wasco County and new Maupin project. The Maupin project was started in fiscal year ended June 30, 2016 and will be a separate operating network from the one that services the City and Wasco County. Revenues earned by the QLife are expended for the continued operations and maintenance of the network. Upon dissolution of QLife, the net position would be shared 50 percent each to the City and Wasco County. The QLife is governed by a five-member board comprised of two appointees from the City, two appointees from Wasco County, and the fifth member is appointed by the other four. The City's net investment and its share of the operating results of the QLife are reported in the City's governmental activities. Net position of the City's governmental fund decreased \$161,415 due to a change in the prior

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

year reported results, despite reporting income for the fiscal year ended June 30, 2022. The City's investment in QLife is \$2,434,620 and is accounted for using the equity method.

The Columbia Gorge Regional Airport (Airport) is a joint venture created to operate the Columbia Gorge Regional Airport and Business Park. The joint venture is between the City of The Dalles and Klickitat County, Washington, each party owning 50 percent. Revenues earned by the Airport are expended for the continued operations and maintenance of the Airport. Upon dissolution of the Airport, the net position would be shared 50 percent each to the City and Klickitat County. The Airport is governed by a seven-member board comprised of three appointees from the City, three appointees from Klickitat County, and the seventh member is appointed by the other six. The City develops and adopts the budget for the Airport. The City's net investment and its share of any net income of the Airport are reported in the City's governmental activities. Net position of the City's governmental fund increased \$124,678 from a net income in fiscal year ended June 30, 2022. The City's investment in Airport is \$7,820,218 and is accounted for using the equity method.

Complete financial statements for QLife can be obtained from Wasco County administrative offices, 511 Washington Street, Suite 101, The Dalles, OR 97058. The complete financial statements for the Airport can be obtained from the City of The Dalles' administrative offices, 313 Court Street, The Dalles, OR 97058.

F. Long-Term Obligations

1. Full Faith and Credit Obligation Bonds-Governmental and Business-Type Activities

The City issued full faith and credit obligation bonds in February 2008, with interest rates ranging from 4.0% to 4.2%. The bond principal is payable annually and the interest is payable semiannually, with final payments due June 1, 2023. The bonds are direct obligations and pledge the full faith and credit of the City. These bonds were issued to provide funding for the acquisition and construction of major capital facilities. A portion of the debt is reported in and will be repaid by the Water and Wastewater Funds, which also own a portion of the assets. The city pledged its general non-restricted revenues and other funds. If bond is defaulted, by failure to make required principal or interest payments or other covenants, action to enforce the financing agreement may take place for the amount of the obligation then outstanding to its satisfaction.

The City issued \$12,100,000 in 2009 Full Faith and Credit Obligations in October of 2009. \$10,205,000 of the bonds was for the benefit of the Columbia Gateway Urban Renewal Agency and will be repaid from tax increment revenues with the Urban Renewal area with interest rates ranging from 2% to 5%. The remaining \$1,895,000 of the bonds was issued to finance improvements to the Street, Water, and

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Wastewater systems and have been split between the benefitting funds. \$1,368,000 was allocated to street improvements and has been reported with the governmental activities. The bonds are backed by the full faith and credit of the City and carry interest rates ranging from 2% to 5%. The total bonds were issued to finance construction of public infrastructure improvements, Urban Renewal Projects, to refinance the Urban Renewal Bonds series 2002, to fund an Urban Renewal debt reserve, and to pay the costs of issuance. The City pledged its general non-restricted revenues and other funds, the Urban Renewal Agency has pledged its tax increment revenues and earnings for repayment of the Urban Renewal Portion of the obligation. If bond is defaulted, by failure to make required principal or interest payments or other covenants, action to enforce the financing agreement may take place for the amount of the obligation then outstanding to its satisfaction.

In 2015, the City issued \$2,000,000 of full faith and credit bonds to finance a portion of the purchase of and/or construction of two hangar buildings and a flex space building at the Airport. Although a liability of the City, the bonds are to be repaid from rental revenue from the Airport. As of June 30, 2022, the City has recorded a liability for the bonds of \$1,480,000 and an offsetting receivable from the Airport in a like amount.

The future maturities of the full faith and credit obligation bonds – governmental activities are as follows:

Fiscal Year	2008 Full Faith and Credit Bonds		2009 Full Faith and Credit Bonds Urban Renewal Portion		2015 Full Faith and Credit Airport Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 175,856	\$ 7,386	\$ 575,000	\$ 227,738	\$ 85,000	\$ 66,600
2024	-	-	600,000	200,425	90,000	62,775
2025	-	-	630,000	171,925	95,000	58,725
2026	-	-	660,000	142,000	100,000	54,450
2027	-	-	695,000	109,000	105,000	49,950
2028-2032	-	-	1,485,000	112,250	585,000	176,400
2033-2037	-	-	-	-	420,000	38,250
Total	<u>\$ 175,856</u>	<u>\$ 7,386</u>	<u>\$ 4,645,000</u>	<u>\$ 963,338</u>	<u>\$ 1,480,000</u>	<u>\$ 507,150</u>

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Fiscal Year	2009 Full Faith and Credit Bonds		Total Full Faith and Credit Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 75,810	\$ 29,728	\$ 911,666	\$ 331,452
2024	79,420	26,127	769,420	289,327
2025	83,030	22,355	808,030	253,005
2026	86,640	18,410	846,640	214,860
2027	90,250	14,078	890,250	173,028
2028-2032	191,330	14,440	2,261,330	303,090
2033-2037	-	-	420,000	38,250
Total	\$ 606,480	\$ 125,138	\$ 6,907,336	\$ 1,603,012

The premium on the full faith and credit bonds – governmental activity is as follows:

Fiscal Year	Premium on	Premium on	Premium on	Total Premium
	2008 Full Faith and Credit Bonds	2009 Full Faith and Credit Bonds	2015 Full Faith and Credit AirportBonds	on Governmental Full Faith and Credit Bonds
2023	\$ 3,575	\$ 45,516	\$ 884	\$ 49,975
2024	-	45,516	884	46,400
2025	-	45,516	884	46,400
2026	-	45,516	884	46,400
2027	-	45,516	884	46,400
2028-2032	-	91,021	4,420	95,441
2033-2037	-	-	2,652	2,652
Total	\$ 3,575	\$ 318,601	\$ 11,492	\$ 333,668

The future maturities of the full faith and credit obligation bonds – business-type activities are as follows:

Fiscal Year	2008 Full Faith and Credit Wastewater Bonds		2008 Full Faith and Credit Water Bonds		2009 Full Faith and Credit Wastewater Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 57,072	\$ 2,397	\$ 57,072	\$ 2,397	\$ 5,145	\$ 2,018
2024	-	-	-	-	5,390	1,773
2025	-	-	-	-	5,635	1,517
2026	-	-	-	-	5,880	1,250
2027	-	-	-	-	6,125	956
2028-2032	-	-	-	-	12,985	980
Total	\$ 57,072	\$ 2,397	\$ 57,072	\$ 2,397	\$ 41,160	\$ 8,494

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Fiscal Year	2009 Full Faith and Credit Water Bonds		Total Full Faith and Credit Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 24,045	\$ 9,429	\$ 143,334	\$ 16,241
2024	25,190	8,287	30,580	10,060
2025	26,335	7,091	31,970	8,608
2026	27,480	5,840	33,360	7,090
2027	28,625	4,466	34,750	5,422
2028-2032	<u>60,685</u>	<u>4,580</u>	<u>73,670</u>	<u>5,560</u>
Total	<u>\$ 192,360</u>	<u>\$ 39,693</u>	<u>\$ 347,664</u>	<u>\$ 52,981</u>

The premium on the full faith and credit bonds – business-type activity is as follows:

Fiscal Year	Premium on 2009 Full Faith and Credit Wastewater Bonds	Premium on 2009 Full Faith and Credit Water Bonds	Total Premium on Business Type Full Faith and Credit
2023	\$ 313	\$ 1,463	\$ 1,776
2024	313	1,463	1,776
2025	313	1,463	1,776
2026	313	1,463	1,776
2027	313	1,463	1,776
2028-2032	<u>927</u>	<u>4,335</u>	<u>5,262</u>
Total	<u>\$ 2,492</u>	<u>\$ 11,650</u>	<u>\$ 14,142</u>

2. Bonds Payable-Business-Type Activities (Direct Borrowings)

2018 Utility Bond Fund - The 2018 Utility Bond Fund has revenue bonds payable used to refund the Wastewater Revenue Bonds, Series 2003, Water Revenue Bonds, Series 2007, and fund additional wastewater projects. The bond principal is payable annually and the interest is payable semiannually with interest rate of 2.67%. Final payment is due June 1, 2032. The City has pledged the net revenues to the payment of principal, premium (if any) and interest on direct borrowings related to business activities of \$9,224,516. This pledge is from the time of the adoption of the master plan and shall be maintained as long as the bonds are outstanding. The bond is subject to redemption prior to maturity in whole or in part at the option of the City on any day on or after June 1, 2025, at par (100%) plus accrued interest thereon to the date of redemption. If the bonds are defaulted, by failure to make required principal or interest payments or other covenants, actions to enforce the financing agreement may take place for the amount of the obligations then outstanding to its satisfaction. However, the bonds shall not be subject to acceleration.

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Annual debt service requirements to maturity for the revenue bond is as follows:

<u>Revenue Bond</u>	<u>Revenue Stream</u>	<u>For the Year Ending June 30, of Final Payments</u>	<u>Future Pledged Revenue Debt Outstanding</u>	<u>Revenue, Net of Related Expense For the Year Ending 6/30/22</u>	<u>For the Year Ended 6/30/22 Debt Payments*</u>
Utility Revenue and Refunding Bonds * Principal and interest	Water and Wastewater net operating income	2032	\$ 7,006,140	\$ 4,492,570	\$ 1,340,430

Future maturities of the bonds payable are as follows:

Fiscal Year	Utility Revenue and Refunding	
	Principal	Interest
2023	\$ 621,108	\$ 187,064
2024	636,967	170,480
2025	652,611	153,473
2026	673,236	136,049
2027	688,571	118,073
2027-2031	<u>3,733,647</u>	<u>304,226</u>
Total	<u>\$ 7,006,140</u>	<u>\$ 1,069,365</u>

3. Advance Refunding

The revenue bonds described in Note III.F.2 were used to advance refund the Series 2003 Wastewater Revenue Bonds and the Series 2007 Water Revenue Bonds. The reacquisition price exceeded the net carrying amount of the old debt by \$705,604. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt.

4. Loan Payable-Business-Type Activities (Direct Borrowings)

Water Fund - The City received approvals of two loans from the State of Oregon through its Oregon Infrastructure Finance Authority of the Business Development Department for water system improvements. The loans consist of the ARRA F-1 Loan for up to \$1,025,149 and the SDWRLF F-2 Loan for up to \$2,553,101. The loan proceeds are disbursed on an expense reimbursement basis. Loan proceeds from the ARRA F-1 and SDWRLF F-2 loan have been accrued in the amount of \$1,025,149 and \$2,521,321, respectively, to match the budgetary revenues to the federal expenditures reported. The ARRA F-1 Loan bears interest at 3% per annum. The SDWRLF F-2 Loan originally carried interest at 3.83% but was reduced to 3% when the State received EPA approval of an amended Oregon Safe Drinking Water Intended Use Plan that allows the interest rate to be reduced. Repayment of the ARRA F-1 and SDWRLF F-2 began December 1, 2014. The principal and interest of these two loans shall be payable from the Net Revenues of the Water System and the full faith and credit of the City. To date, \$1,173,601 of these loans has been repaid. The City pledged its full faith and credit and taxing power to pay the amounts due under the loan agreement and note. If loan is defaulted, by failure to make required principal or interest payments, the State could declare all principal and interest and all

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

other amounts due immediately. It could also prevent the City from applying for future state assistance.

The City also received approval for a loan from the State of Oregon through its Department of Environmental Quality for wastewater system improvements. The loan amount for the CWSRF Loan is for up to \$2,000,000. Of this amount, \$500,000 is forgivable upon completion of the project and no defaults occurring. The loan proceeds are disbursed on an expense reimbursement basis. Loan proceeds have been accrued in the amount of \$1,929,998 to match the budgetary revenues to the federal expenditures reported. The City complied with the loan terms, completed the project as budgeted, and no defaults occurred. This resulted in \$500,000 of the loan being forgiven in FY18/19. To date, the City has repaid \$183,282 of principal. The CWSRF Loan bears interest at 2.14% per annum and repayment began September 1, 2019. The principal and interest of the loan shall be payable from the Net Revenue of the Wastewater system. If loan is defaulted, by failure to make required principal or interest payments, the State could declare all principal and interest and all other amounts due immediately.

During fiscal year 2022 the City was awarded a loan from Business Oregon as part of the Safe Drinking Water Revolving Loan Fund to assist with the Dog River pipeline replacement project. The current award of \$4,000,000 is in addition to a previous award of \$4,030,000, for a total possible borrowing of \$8,030,000, for 30 years at 1.00% interest. A portion of this loan in the amount of \$530,000 is forgivable. To date the City has drawn \$1,204,315 of the available balance. Repayment terms have not yet been established.

Future maturities of the loans payable are as follows:

Fiscal Year	ARRA Note		CWSRF Loan		Safe Drinking Water Loan		Loans Payable Business Activity Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 167,194	\$ 71,185	\$ 63,741	\$ 26,341			\$ 230,935	\$ 97,526
2024	172,210	66,169	65,113	24,969			237,323	91,138
2025	177,376	61,003	66,514	23,568			243,890	84,571
2026	182,697	55,681	67,945	22,137			250,642	77,818
2027	188,178	50,200	69,407	20,675			257,585	70,875
2028-2032	1,029,034	162,856	370,085	80,325			1,399,119	243,181
2033-2037	456,130	20,627	411,646	38,764			867,776	59,391
2038-2040	-	-	132,265	2,840			132,265	2,840
Undetermined					\$ 1,204,315	-	1,204,315	-
Total	\$ 2,372,819	\$ 487,721	\$ 1,246,716	\$ 239,619	\$ -	\$ -	\$ 4,823,850	\$ 727,340

5. Airport Debt

The City has acted as a conduit for debt issued by the Airport and payable to the Port of The Dalles for rehabilitation of a well at the Airport. The City has also acted as a conduit for a loan from Klickitat County for construction of a new maintenance hangar at the Airport. Additionally, the city has acted as a conduit for repayment of a loan received by Klickitat County to make improvements to the Airport Industrial Park. The total conduit debt outstanding is \$350,000. Conduit debt is not reflected in the statements of the City.

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

6. Changes in Long-Term Obligations

Long-term obligation activity for the year ended June 30, 2022, is as follows:

	<u>6/30/2021</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>6/30/2022</u> <u>Balance</u>	<u>Due Within One</u> <u>Year</u>
Governmental activities					
Total Full Faith and Credit Bonds	\$ 7,784,328	\$ -	\$ (876,992)	\$ 6,907,336	\$ 911,666
Total Premium on bonds	383,646	-	(49,978)	333,668	49,975
Leases	7,537	87,071	(17,464)	77,144	19,453
Compensated Absences	397,394	1,384	-	398,778	398,778
	<u>397,394</u>	<u>1,384</u>	<u>-</u>	<u>398,778</u>	<u>398,778</u>
Total governmental activity long-term obligations	<u>\$ 8,572,905</u>	<u>\$ 88,455</u>	<u>\$ (944,434)</u>	<u>\$ 7,716,926</u>	<u>\$ 1,379,872</u>
Business-type activities					
Revenue bond (direct borrowing)	\$ 8,129,512	\$ -	\$ (1,123,372)	\$ 7,006,140	\$ 621,108
Full Faith and Credit Bonds	485,672	-	(138,008)	347,664	143,334
Premium on Bonds	15,918	-	(1,776)	14,142	1,776
Loans Payable (direct borrowing)	3,844,258	1,204,315	(224,723)	4,823,850	230,935
Compensated Absences	229,375	-	(10,721)	218,654	218,654
	<u>229,375</u>	<u>-</u>	<u>(10,721)</u>	<u>218,654</u>	<u>218,654</u>
Total business-type activity long-term obligations	<u>\$ 12,704,735</u>	<u>\$ 1,204,315</u>	<u>\$ (1,498,600)</u>	<u>\$ 12,704,735</u>	<u>\$ 1,215,807</u>

If not described above, in the event of default, outstanding amounts may become immediately due unless waived by the lender.

G. Post Employment Benefits Other than Pensions

1. Plan Description

The City does not have a formal post-employment benefits plan for any employee groups. However, the City is required by Oregon revised Statutes 243.303 to provide retirees with group health insurance from the date of retirement to age 65 at the same rate provided to current employees. Although the City does not pay any portion of the retiree's health care insurance, a retired employee receives the implicit benefit of a lower healthcare premium which is subsidized among the premium cost of coverage for active employees, which is considered a single employer defined benefit plan. The general fund typically has been and will be used to liquidate this other post-employment benefit obligation. This "plan" is not a stand-alone plan and therefore does not issue its own financial statements. The City does not currently have any retirees who are participating in the plan.

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

2. Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. As of the measurement date of June 30, 2022, the following employees were covered by the benefit terms:

Subscribers by Status:	
Active	98
Retired	-
Terminated	-
Deceased	-
Total	98

3. Total OPEB Liability, OPEB Expense, and Deferred Inflows of Resources Related to OPEB

The City's OPEB liability of \$371,626 was measured as of June 30, 2022 and was determined by an actuarial valuation using the entry age normal level percentage of pay method.

For the fiscal year ended June 30, 2022, the City recognized OPEB expense from this plan of \$78,810. At June 30, 2022 the City reported deferred inflows of resources related to this OPEB plan from the following sources:

Difference between expected and actual experience	\$ 252,070
Changes in assumptions	634,213
Total	\$ 886,283

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	<u>Annual Recognitio</u>
2022	\$ (123,264)
2023	(123,264)
2024	(123,264)
2025	(123,264)
2026	(123,264)
Thereafter	(269,963)
Total	\$ (886,283)

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

4. Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2022 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Assumptions	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Assets Backing OPEB Liability	\$0
Discount Rate	3.54%
Measurement Date	June 30, 2022
Projected Salary Increases	2.90%
Amortization Period	20
Percentage Future Participation	35%
Mortality Table	RP 2014 annuitant distinct mortality table adjusted to 2006 with MP 2021 generational projection of future mortality improvement
Turnover Assumptions	Based on general service turnover rates of Oregon PERS actuarial valuation

The discount rate was based on 20-year tax exempt municipal bond yield.

5. Changes in the Total OPEB Liability

Balance as of June 30, 2020	\$ 453,133
Changes for the year:	
Service Cost	33,790
Interest	10,664
Changes of Assumptions	(43,715)
Difference between Expected and Actual Experience	(73,476)
Benefit Payments	(8,770)
Balance as of June 30, 2021	<u>\$ 371,626</u>

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

6. Sensitivity of the Total OPEB Liability

The following presents the City’s OPEB liability calculated using the discount rate of 2.21%, as well as what the City’s OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

Discount Rate	<u>1% Decrease (2.54%)</u>	<u>Current Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
OPEB Liability	\$451,882	\$415,534	\$381,591

A similar sensitivity analysis is presented for changes in the healthcare trend assumption:

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

Healthcare Cost Trend	<u>1% Decrease (4.75% decreasing to 4.0%)</u>	<u>Current Health Care Trend Rates (5.75% decreasing to 5.0%)</u>	<u>1% Increase (6.75% decreasing to 6.0%)</u>
Net OPEB Liability	\$366,192	\$415,534	\$473,288

H. Net Position

The government-wide Statement of Net Position reports \$18,332,100 of restricted net position, of which \$799,738 is restricted by enabling legislation.

I. Transfers

Net transfers between governmental activities and business-type activities in the government-wide financial statements consist of transfers to the governmental activities and from the business-type activities in the amount of \$1,437,266. A reconciliation of transfers in the fund financial statements is as follows:

	Transfers In	Transfers Out
Governmental activities:		
General fund	\$ 1,453,230	\$ 375,000
Street fund	637,864	334,922
Other governmental funds	1,219,421	1,163,327
Business-type activities:		
Water fund	2,797,294	3,990,496
Wastewater fund	2,135,000	3,719,494
2018 Utility Bond Fund	1,340,430	-
Total Transfers	<u>\$ 9,583,239</u>	<u>\$ 9,583,239</u>

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

Transfers between funds provide support for various City programs in accordance with budgetary authorizations and are utilized to provide for additional funding for reserve purposes, contribute towards the cost of capital projects, and to provide for other operational resources.

J. Tax Abatements

The City has authorized tax-exempt status for three qualified firms within the City: HIX The Dalles LLC, PowderPure, and Design, LLC. All properties are required to meet State and Federal funding requirements which include annual physical inspections and an annual audit of financial activity and programmatic compliance. The property tax exemption may be removed if the property is no longer eligible under the stated provisions of ORS 307.540 to 307.548. Section E of the renewal application requires the applicant to acknowledge compliance with the requirements annually. For fiscal year ending June 30, 2022, the foregone property tax revenue is \$7,520,404.

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; and errors and omissions for which the City carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage for the past four years.

B. Employee Retirement Plans

1. Retirement plan for non-public safety employees

The City of The Dalles Retirement Plan is a defined contribution plan established by the City to provide benefits at retirement to the non-public safety employees of the City. Standard Retirement Services, Inc., administers this retirement plan. Employees are eligible to participate after one year of employment. The City is required to contribute 6 percent of eligible compensation on behalf of employees and an additional 7.5 percent of eligible compensation as the City's contribution. In addition, employees may voluntarily contribute up to 10 percent of their eligible compensation. Plan provisions and contribution requirements are established by, and may be amended by, the City Council.

The payroll for non-public safety employees covered by the plan for the year ended June 30, 2022 was \$4,539,550. Total contributions to the plan for the year ended June 30, 2022 were \$725,617 for both the City and employee portion that is paid by the City.

2. Retirement plan for public safety employees

The City of The Dalles Public Safety Employees Retirement Plan is a defined contribution plan established by the City to provide benefits at retirement to the public safety employees of the City. Standard Retirement Services, Inc., administers this retirement plan. Employees are eligible to participate after one year of

CITY OF THE DALLES, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)
For the Fiscal Year Ended June 30, 2022

employment. The City is required to contribute 6 percent of eligible compensation on behalf of employees and an additional 16.6 percent of eligible compensation as the City's contribution. In addition, employees may voluntarily contribute up to 2.4 percent of their eligible compensation. Plan provisions and contribution requirements are established by, and may be amended by, the City Council.

The payroll for public safety employees covered by the plan for the year ended June 30, 2022 was \$1,568,929. Total contributions to the plan for the year ended June 30, 2022 were \$367,117 for both the City and employee portion that is paid by the City.

C. Commitments, Contingencies, and Subsequent Events

1. Construction in Progress

The City is committed under major architectural, engineering, and construction contracts at June 30, 2022.

The 2022 pavement preventative maintenance project has incurred costs to date of \$130,785.

The Washington Street Underpass costs incurred to date is \$1,872,846 with total estimated costs of \$8.1 million.

The 3rd Street Streetscape project costs incurred to date are \$52,668, with estimated costs of \$3 million.

The Downtown Parking Structure Project costs incurred to date are \$19,680 with estimated costs of \$3.3 million.

The Granada Block project costs incurred to date are \$284,774.

The 1st Street parking lot project has incurred \$42,866 in costs to date.

Chip Seal 2022 project costs incurred to date are \$144,708.

The Dog River Pipeline project costs incurred to date are \$3,016,087, with total estimated costs of \$7.9 million.

The Chenoweth LS Pump Upgrade project has incurred \$90,144 in costs to date.

2. Subsequent Events

Management has evaluated subsequent events through December 19, 2022 the date on which the financial statements were available to be issued and determined nothing should be recognized.

D. Related Parties

During the year the City had the following related party transactions. QLife revenues from rent revenue \$7,752 and right of way \$19,547 and expenditures of \$1,680. QLife owes the City \$1,938 for current year rent. The City pays the Airport \$65,000 per year per the intergovernmental agreement.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF THE DALLES, OREGON
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability					
Service cost	\$ 33,790	\$ 32,838	\$ 110,586	\$ 99,156	\$ 102,501
Interest	10,664	9,837	45,989	-	-
Difference between expected and actual experience	(73,476)	-	(265,631)	-	-
Changes of assumptions	(43,715)	-	(849,813)	-	-
Benefit payments	<u>(8,770)</u>	<u>(3,610)</u>	<u>-</u>	<u>(96,302)</u>	<u>(83,554)</u>
Net change in OPEB liability	(81,507)	39,065	(958,869)	2,854	18,947
Total OPEB Liability - beginning	<u>453,133</u>	<u>414,068</u>	<u>1,372,937</u>	<u>1,370,083</u>	<u>1,351,136</u>
Total OPEB Liability - ending	<u>\$ 371,626</u>	<u>\$ 453,133</u>	<u>\$ 414,068</u>	<u>\$ 1,372,937</u>	<u>\$ 1,370,083</u>
Covered employee payroll	\$ 6,556,134	\$ 6,456,317	\$ 6,274,361	\$ 5,548,044	\$ 4,823,785
Total OPEB liability as a percentage of covered-employee payroll	6%	7%	7%	25%	28%

* 10-year trend information required by GASB Statement 75 will be presented prospectively

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

NOTES TO SCHEDULE

Current Year Change in Benefit Terms

None

Current Year Change in Assumptions

None

**CITY OF THE DALLES, OREGON
SCHEDULE OF CONTRIBUTIONS OPEB
Last 10 Fiscal Years***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contributions	\$ 8,770	\$ 3,610	\$ -	\$ 96,302	\$ 83,554	\$ 143,658
Contributions in relation to the contractually required contributions	<u>(8,770)</u>	<u>(3,610)</u>	<u>-</u>	<u>(96,302)</u>	<u>(83,554)</u>	<u>(143,658)</u>
Contributions deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 6,556,134	\$ 6,456,317	\$ 6,274,361	\$ 5,548,044	\$ 4,823,785	\$ 5,340,702
Contributions as a percentage of covered employee payroll	0%	0%	0%	2%	2%	3%

* 10-year trend information required by GASB Statement 75 will be presented prospectively

NOTES TO SCHEDULE

Actuarial Assumptions and Methods Used to Actuarially Determine Contributions:

	June 30, 2022	June 30, 2020	June 30, 2018
Actuarial Valuation Effective	July 2021 - June 2022	July 2019 - June 2021	July 2017 - June 2019
Actuarial cost method:	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial valuation method:	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Actuarial assumption:			
Inflation rate	2.50%	2.50%	0.00%
Projected salary increases	2.90%	2.90%	2.90%
Investment rate of return	3.54%	2.21%	2.98%
Healthcare cost inflation	Ranging from 6.0% in 2021 to 5.0% in 2027	Ranging from 6.5% in 2019 to 5.0% in 2027	Ranging from 7.6% in 2017 to 3.0% in 2027

OTHER SUPPLEMENTAL INFORMATION

OTHER SUPPLEMENTAL INFORMATION

Other supplementary information includes financial schedules not required by the GASB, nor a part of the basic financial statements, but presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Schedules – Nonmajor Governmental Funds
- Combining Schedules – General Fund - Generally Accepted Accounting Principles
- Budgetary Comparison Schedules
- Budgetary Comparison Schedules – Enterprise Funds

COMBINING SCHEDULES

Nonmajor Governmental Funds

Special Revenue Funds

These funds account for revenue from specific sources that are legally restricted to expenditures for specified purposes. Funds included in this category are:

Library Fund

The Library Fund accounts for the operation of the City Library, which is the main branch of the County's Special Library District. Principal sources of revenues are funds from the County collected Library District taxes, state grants, library fines, and donations.

Community Benevolence Fund

The Community Benevolence Fund provides for the accumulation of financial resources to pay for expenses related to the memorials to Veterans of the community. Principal revenues are primarily from grants.

State Office Building Fund

The State Office Building Fund accounts for the operations and maintenance of a City owned building currently rented by the State of Oregon to provide services to the local community. Principal revenues are from rental income.

Special Enterprise Zone Fund

The Enterprise Zone Tax Abatement Proceeds Special Reserve fund accounts for funds associated with the Enterprise Zone Tax Abatement agreement between the City of The Dalles, Wasco County, and Design LLC dated August 17, 2015.

Debt Service Funds

These funds account for revenues and expenditures related to the repayment of general long-term indebtedness. Funds included in this category are:

FFCO 2008 Bond Fund

The FFCO 2008 Bond Fund accounts for the accumulation of resources for, and the repayment of, full faith and credit bonds relating to the relocation of the Public Works facilities and the remodel of City Hall.

2009 FFCO Bond Fund

The 2009 FFCO Bond Fund accounts for the accumulation of resources for, and the repayment of, general long-term debt principal and interest relating to the Columbia Gateway Urban Renewal District and Water and Wastewater improvements.

Urban Renewal Debt Fund

The Urban Renewal Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest relating to the Columbia Gateway Urban Renewal District.

Capital Projects Fund

These funds account for expenditures on major construction projects or equipment acquisitions. The principal sources of revenues are proceeds from long-term obligations issued to finance capital acquisitions and improvements. Funds included in this category are:

Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by the enterprise funds. Principal resources to the fund are grants, a portion of lease payments received on the State Office Building owned by the City, and interest earned on investments.

Special Assessment Fund

The special Assessments Fund accounts for the financing of public improvements or services deemed to benefit primarily the properties against which the assessments are levied. Principal sources of revenues are assessment principle and interest collected.

Urban Renewal Capital Projects Fund

The Urban Renewal Capital Projects Fund accounts for services and construction costs for the development within the Columbia Gateway Urban Renewal District. Principal sources of revenues are property taxes, grants, and interest on investments.

GENERAL FUND COMBINING

General Fund

The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, hotel-motel tax, and state shared revenues. Expenditures are primarily for general government operations, public safety (police), and culture and recreation.

Public Works Reserve Fund

The Public Works Reserve Fund provides for the accumulation of financial resources to pay for equipment, machinery and vehicles for the Public Works Departments: streets, water and sewer operations. Contributions are received from the operating funds of the Street Fund, Water Utility Fund, Wastewater Utility Fund, and the sale of Public Works' surplus property.

Transportation System Reserve Fund

The Transportation System Reserve Fund provides for the accumulation of funds to pay for upgrade and expansion of the street systems.

Unemployment Reserve Fund

The Unemployment Reserve Fund provides for the accumulation of financial resources of the City to pay claims of unemployment. Contributions are received from the operating funds of the General Fund, Library Fund, Street Fund, Water Utility Fund, and Wastewater Utility Fund.

**CITY OF THE DALLES, OREGON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2022**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Fund	Total
ASSETS:				
Cash and cash equivalents	\$ 4,010,206	\$ 799,738	\$ 5,513,612	\$ 10,323,556
Receivables:				
Accounts	-	-	92,420	92,420
Property taxes	-	-	70,123	70,123
Assessments	-	-	31,208	31,208
Notes	-	-	429,489	429,489
Total assets	<u>\$ 4,010,206</u>	<u>\$ 799,738</u>	<u>\$ 6,136,852</u>	<u>\$ 10,946,796</u>
LIABILITIES:				
Accounts payable and accrued expenses	<u>\$ 50,821</u>	<u>\$ -</u>	<u>\$ 18,398</u>	<u>\$ 69,219</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue	<u>-</u>	<u>-</u>	<u>581,878</u>	<u>581,878</u>
FUND BALANCES:				
Restricted for:				
Grant / contributor specific intent	6,941	-	-	6,941
Debt service	-	799,738	-	799,738
Capital projects	-	-	4,708,635	4,708,635
Intergovernmental agreement	2,222,992	-	-	2,222,992
Committed for:				
Major capital facilities and associated debt	-	-	827,941	827,941
Agreements with state agencies	1,729,452	-	-	1,729,452
Total fund balances	<u>3,959,385</u>	<u>799,738</u>	<u>5,536,576</u>	<u>10,295,699</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,010,206</u>	<u>\$ 799,738</u>	<u>\$ 6,136,852</u>	<u>\$ 10,946,796</u>

**CITY OF THE DALLES, OREGON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2022**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Fund	Total
REVENUES:				
Property taxes	\$ 1,409,606	\$ 789,088	\$ 792,394	\$ 2,991,088
Intergovernmental	917,791	-	-	917,791
Fines and forfeitures, net	10,303	-	-	10,303
Rental income	174,216	124,408	101,162	399,786
Interest on investments	20,959	4,500	30,868	56,327
Miscellaneous	5	-	97,602	97,607
	<u>2,532,880</u>	<u>917,996</u>	<u>1,084,757</u>	<u>4,535,633</u>
Total revenues				
	<u>2,532,880</u>	<u>917,996</u>	<u>1,084,757</u>	<u>4,535,633</u>
EXPENDITURES:				
General government	-	-	334,692	334,692
Public safety	1,206,996	-	-	1,206,996
Culture and recreation	1,212,158	-	-	1,212,158
Highways and streets	634	-	-	634
Capital outlay	17,356	-	175,481	192,837
Debt service:				
Principal	-	791,992	-	791,992
Interest	-	318,644	933	319,577
	<u>2,437,144</u>	<u>1,110,636</u>	<u>511,106</u>	<u>4,058,886</u>
Total expenditures				
	<u>2,437,144</u>	<u>1,110,636</u>	<u>511,106</u>	<u>4,058,886</u>
Revenues over (under) expenditures	<u>95,736</u>	<u>(192,640)</u>	<u>573,651</u>	<u>476,747</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	10,185	1,124,236	85,000	1,219,421
Transfers out	(110,580)	(937,746)	(115,001)	(1,163,327)
	<u>(100,395)</u>	<u>186,490</u>	<u>(30,001)</u>	<u>56,094</u>
Total other financing sources (uses)				
	<u>(100,395)</u>	<u>186,490</u>	<u>(30,001)</u>	<u>56,094</u>
Net changes in fund balances	(4,659)	(6,150)	543,650	532,841
FUND BALANCES, BEGINNING	<u>3,964,044</u>	<u>805,888</u>	<u>4,992,926</u>	<u>9,762,858</u>
FUND BALANCES, ENDING	<u>\$ 3,959,385</u>	<u>\$ 799,738</u>	<u>\$ 5,536,576</u>	<u>\$ 10,295,699</u>

CITY OF THE DALLES, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2022

	<u>Library Fund</u>	<u>Community Benevolence Fund</u>	<u>State Office Building Fund</u>	<u>Special Enterprise Zone Fund</u>	<u>Total</u>
ASSETS:					
Cash and cash equivalents	<u>\$ 2,269,865</u>	<u>\$ 6,941</u>	<u>\$ 65,834</u>	<u>\$ 1,667,566</u>	<u>\$ 4,010,206</u>
LIABILITIES:					
Accounts payable and accrued expenses	<u>\$ 46,873</u>	<u>\$ -</u>	<u>\$ 3,948</u>	<u>\$ -</u>	<u>\$ 50,821</u>
FUND BALANCES:					
Restricted for:					
Grant / contributor specific intent	-	6,941	-	-	6,941
Intergovernmental agreement	2,222,992	-	-	-	2,222,992
Committed for:					
Agreements with state agencies	<u>-</u>	<u>-</u>	<u>61,886</u>	<u>1,667,566</u>	<u>1,729,452</u>
Total fund balances	<u>2,222,992</u>	<u>6,941</u>	<u>61,886</u>	<u>1,667,566</u>	<u>3,959,385</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,269,865</u>	<u>\$ 6,941</u>	<u>\$ 65,834</u>	<u>\$ 1,667,566</u>	<u>\$ 4,010,206</u>

CITY OF THE DALLES, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2022

	Library Fund	Community Benevolence Fund	State Office Building Fund	Special Enterprise Zone Fund	Total
REVENUES:					
Property taxes	\$ 1,409,606	\$ -	\$ -	\$ -	\$ 1,409,606
Intergovernmental	10,658	-	-	907,133	917,791
Fines and forfeitures, net	10,303	-	-	-	10,303
Rental income	-	-	174,216	-	174,216
Interest on investments	11,256	39	690	8,974	20,959
Miscellaneous	5	-	-	-	5
	<u>1,441,828</u>	<u>39</u>	<u>174,906</u>	<u>916,107</u>	<u>2,532,880</u>
Total revenues					
EXPENDITURES:					
General government	-	-	-	-	-
Public safety	-	-	206,996	1,000,000	1,206,996
Culture and recreation	1,212,158	-	-	-	1,212,158
Highways and streets	-	634	-	-	634
Capital outlay	-	-	17,356	-	17,356
	<u>1,212,158</u>	<u>634</u>	<u>224,352</u>	<u>1,000,000</u>	<u>2,437,144</u>
Total expenditures					
Revenues over (under) expenditures	<u>229,670</u>	<u>(595)</u>	<u>(49,446)</u>	<u>(83,893)</u>	<u>95,736</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	10,185	-	10,185
Transfers out	(110,580)	-	-	-	(110,580)
	<u>(110,580)</u>	<u>-</u>	<u>10,185</u>	<u>-</u>	<u>(100,395)</u>
Total other financing sources (uses)					
Net changes in fund balances	119,090	(595)	(39,261)	(83,893)	(4,659)
FUND BALANCES, BEGINNING	<u>2,103,902</u>	<u>7,536</u>	<u>101,147</u>	<u>1,751,459</u>	<u>3,964,044</u>
FUND BALANCES, ENDING	<u>\$ 2,222,992</u>	<u>\$ 6,941</u>	<u>\$ 61,886</u>	<u>\$ 1,667,566</u>	<u>\$ 3,959,385</u>

**CITY OF THE DALLES, OREGON
NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
June 30, 2022**

	<u>FFCO 2008 Bond Fund</u>	<u>2009 FFCO Bond Fund</u>	<u>Urban Renewal Debt Fund</u>	<u>Total</u>
ASSETS:				
Cash and cash equivalents	\$ -	\$ -	\$ 799,738	\$ 799,738
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES:				
Restricted for:				
Debt service	\$ -	\$ -	\$ 799,738	\$ 799,738
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**CITY OF THE DALLES, OREGON
NONMAJOR DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2022**

	FFCO 2008 Bond Fund	2009 FFCO Bond Fund	Urban Renewal Debt Fund	Total
REVENUES:				
Property taxes	\$ -	\$ -	\$ 789,088	\$ 789,088
Rental income	124,408	-	-	124,408
Interest on investments	-	-	4,500	4,500
Total revenues	<u>124,408</u>	<u>-</u>	<u>793,588</u>	<u>917,996</u>
EXPENDITURES:				
Debt service:				
Principal	169,792	622,200	-	791,992
Interest	23,731	294,913	-	318,644
Total expenditures	<u>193,523</u>	<u>917,113</u>	<u>-</u>	<u>1,110,636</u>
Revenues over (under) expenditures	<u>(69,115)</u>	<u>(917,113)</u>	<u>793,588</u>	<u>(192,640)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	179,323	944,913	-	1,124,236
Transfers out	(110,208)	(27,800)	(799,738)	(937,746)
Total other financing sources (uses)	<u>69,115</u>	<u>917,113</u>	<u>(799,738)</u>	<u>186,490</u>
Net changes in fund balances	-	-	(6,150)	(6,150)
FUND BALANCES, BEGINNING	<u>-</u>	<u>-</u>	<u>805,888</u>	<u>805,888</u>
FUND BALANCES, ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 799,738</u></u>	<u><u>\$ 799,738</u></u>

**CITY OF THE DALLES, OREGON
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2022**

	<u>Capital Projects Fund</u>	<u>Special Assessment Fund</u>	<u>Urban Renewal Capital Projects Fund</u>	<u>Total</u>
ASSETS:				
Cash and cash equivalents	\$ 421,270	\$ 417,852	\$ 4,674,490	\$ 5,513,612
Receivables:				
Accounts	-	39,877	52,543	92,420
Property taxes	-	-	70,123	70,123
Notes	-	-	429,489	429,489
	<u>421,270</u>	<u>488,937</u>	<u>5,226,645</u>	<u>6,136,852</u>
Total assets	<u>\$ 421,270</u>	<u>\$ 488,937</u>	<u>\$ 5,226,645</u>	<u>\$ 6,136,852</u>
LIABILITIES:				
Accounts payable and accrued expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,398</u>	<u>\$ 18,398</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable revenue	<u>-</u>	<u>82,266</u>	<u>499,612</u>	<u>581,878</u>
FUND BALANCES:				
Restricted for:				
Capital projects	-	-	4,708,635	4,708,635
Committed for:				
Major capital facilities and associated debt	<u>421,270</u>	<u>406,671</u>	<u>-</u>	<u>827,941</u>
Total fund balances	<u>421,270</u>	<u>406,671</u>	<u>4,708,635</u>	<u>5,536,576</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 421,270</u>	<u>\$ 488,937</u>	<u>\$ 5,226,645</u>	<u>\$ 6,136,852</u>

CITY OF THE DALLES, OREGON
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2022

	Capital Projects Fund	Special Assessment Fund	Urban Renewal Capital Projects Fund	Total
REVENUES:				
Property taxes	\$ -	-	\$ 792,394	\$ 792,394
Franchise fees	-	29,691	-	\$ 29,691
Assessments	-	33,040	-	33,040
Rental income	101,162	-	-	101,162
Interest on investments	1,966	2,318	26,584	30,868
Miscellaneous	-	22,780	74,822	97,602
	<u>103,128</u>	<u>87,829</u>	<u>893,800</u>	<u>1,084,757</u>
EXPENDITURES:				
General government	89,102	-	245,590	334,692
Capital outlay	129,921	45,560	-	175,481
Debt service:				
Interest	933	-	-	933
	<u>219,956</u>	<u>45,560</u>	<u>245,590</u>	<u>511,106</u>
Total expenditures	<u>219,956</u>	<u>45,560</u>	<u>245,590</u>	<u>511,106</u>
Revenues over (under) expenditures	<u>(116,828)</u>	<u>42,269</u>	<u>648,210</u>	<u>573,651</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	85,000	-	-	85,000
Transfers out	(10,185)	(104,816)	-	(115,001)
	<u>74,815</u>	<u>(104,816)</u>	<u>-</u>	<u>(30,001)</u>
Total other financing sources (uses)	<u>74,815</u>	<u>(104,816)</u>	<u>-</u>	<u>(30,001)</u>
Net changes in fund balances	(42,013)	(62,547)	648,210	543,650
FUND BALANCES, BEGINNING	<u>463,283</u>	<u>469,218</u>	<u>4,060,425</u>	<u>4,992,926</u>
FUND BALANCES, ENDING	<u>\$ 421,270</u>	<u>\$ 406,671</u>	<u>\$ 4,708,635</u>	<u>\$ 5,536,576</u>

**CITY OF THE DALLES, OREGON
GENERAL FUND
COMBINING BALANCE SHEET
June 30, 2022**

	<u>General Fund - Budgetary Basis</u>	<u>Public Works Reserve Fund</u>	<u>Transportation System Reserve Fund</u>	<u>Unemployment Reserve Fund</u>	<u>Total General Fund</u>
ASSETS:					
Cash and cash equivalents	\$ 5,637,613	\$ 185,418	\$ 1,222,030	\$ 68,119	\$ 7,113,180
Receivables:					
Accounts	1,095,429	-	-	-	1,095,429
Fines and forfeitures, net	478,802	-	-	-	478,802
Property taxes	156,283	-	-	-	156,283
Prepaid items	175,113	-	-	-	175,113
	<u>175,113</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>175,113</u>
Total assets	<u>\$ 7,543,240</u>	<u>\$ 185,418</u>	<u>\$ 1,222,030</u>	<u>\$ 68,119</u>	<u>\$ 9,018,807</u>
LIABILITIES:					
Accounts payable and accrued expenses	\$ 340,587	\$ -	\$ -	\$ 8,226	\$ 348,813
DEFERRED INFLOWS OF RESOURCES:					
Deferred revenue leases	36,611				36,611
Unavailable revenue	566,094	-	-	-	566,094
	<u>566,094</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>566,094</u>
Total deferred inflows of resources	<u>602,705</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>602,705</u>
FUND BALANCES:					
Nonspendable:					
Prepays	175,113	-	-	-	175,113
Committed for:					
Committed by ordinance or resolution	-	185,418	1,222,030	59,893	1,467,341
Unassigned	6,424,835	-	-	-	6,424,835
	<u>6,424,835</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,424,835</u>
Total fund balances	<u>6,599,948</u>	<u>185,418</u>	<u>1,222,030</u>	<u>59,893</u>	<u>8,067,289</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,543,240</u>	<u>\$ 185,418</u>	<u>\$ 1,222,030</u>	<u>\$ 68,119</u>	<u>\$ 9,018,807</u>

CITY OF THE DALLES, OREGON
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2022

	General Fund - Budgetary Basis	Public Works Reserve Fund	Transportation System Reserve Fund	Unemployment Reserve Fund	Total General Fund
REVENUES:					
Property taxes	\$ 3,658,144	\$ -	\$ -	\$ -	\$ 3,658,144
Other taxes	1,840,386	-	-	-	1,840,386
Franchise fees	279,292	-	-	-	279,292
Licenses and fees	44,409	-	-	-	44,409
Intergovernmental	2,662,112	-	801,455	-	3,463,567
Fines and forfeitures, net	166,977	-	-	-	166,977
System development charges	-	-	77,564	-	77,564
Rental income	11,225	-	-	-	11,225
Interest on investments	30,650	1,441	4,177	437	36,705
Miscellaneous	315,936	-	-	-	315,936
Total revenues	9,009,131	1,441	883,196	437	9,894,205
EXPENDITURES:					
General government	3,590,490	-	-	23,952	3,614,442
Public safety	4,049,857	-	-	-	4,049,857
Culture and recreation	832,221	-	-	-	832,221
Capital outlay	279,091	396,796	688,456	-	1,364,343
Debt service:					
Principal	17,463	-	-	-	17,463
Interest	232	-	-	-	232
Total expenditures	8,769,354	396,796	688,456	23,952	9,878,558
Revenues over (under) expenditures	239,777	(395,355)	194,740	(23,515)	15,647
OTHER FINANCING SOURCES (USES):					
Lease inception	87,072	-	-	-	87,072
Transfers in	1,173,230	280,000	-	-	1,453,230
Transfers out	(375,000)	-	-	-	(375,000)
Total other financing sources (uses)	885,302	280,000	-	-	1,165,302
Net changes in fund balances	1,125,079	(115,355)	194,740	(23,515)	1,180,949
FUND BALANCES, BEGINNING	5,474,869	300,773	1,027,290	83,408	6,886,340
FUND BALANCES, ENDING	\$ 6,599,948	\$ 185,418	\$ 1,222,030	\$ 59,893	\$ 8,067,289

BUDGETARY COMPARISON SCHEDULES

Nonmajor Governmental Funds

Pursuant to the provisions of Oregon Revised Statute, an individual schedule of revenues, expenditures, and changes in fund balances - budget and actual be displayed for each fund where legally adopted budgets are required.

In accordance with GASB Statement #34, the City's General Fund and any major special revenue funds are presented as the basic governmental fund financial statements. All other budgetary comparisons are displayed in the following pages as supplemental information.

Governmental Budgetary Comparison schedules not included in basic financial statements include the following:

- General Fund - Budgetary Basis Schedule of Revenues, Expenditures and Changes in Fund Balance
- General Fund - Budgetary Basis Schedule of Expenditures
- Public Works Reserve Fund - Budgetary Basis Schedule of Revenues, Expenditures and Changes in Fund Balance
- Transportation System Reserve Fund - Budgetary Basis Schedule of Revenues, Expenditures and Changes in Fund Balance
- Unemployment Reserve Fund - Budgetary Basis Schedule of Revenues, Expenditures and Changes in Fund Balance

Non-major Governmental Budgetary Comparison schedules included the following:

- Special Revenue Funds
 - Library Fund
 - Community Benevolence Fund
 - State Office Building Fund
 - Special Enterprise Zone Fund
- Debt Service Fund
 - FFCO 2008 Bond Fund
 - 2009 FFCO Bond Fund
 - Urban Renewal Debt Fund
- Capital Project Fund
 - Capital Projects Fund
 - Special Assessments Fund
 - Urban Renewal Capital Projects Fund

CITY OF THE DALLES, OREGON
GENERAL FUND - BUDGETARY BASIS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative) *
	Original	Final		
REVENUES:				
Property taxes	\$ 3,547,468	\$ 3,547,468	\$ 3,658,144	\$ 110,676
Other taxes	1,563,547	1,563,547	1,840,386	276,839
Franchise fees	275,520	275,520	279,292	3,772
Licenses and fees	44,650	44,650	44,409	(241)
Intergovernmental	2,558,077	2,632,827	2,662,112	29,285
Fines and forfeitures, net	80,600	80,600	166,977	86,377
Rental income	8,000	8,000	11,225	3,225
Interest on investments	51,000	51,000	30,650	(20,350)
Miscellaneous	92,000	92,000	315,936	223,936
Total revenues	<u>8,220,862</u>	<u>8,295,612</u>	<u>9,009,131</u>	<u>713,519</u>
EXPENDITURES:				
General government	4,010,664	4,217,117	3,590,490	626,627
Public safety	4,612,695	4,779,445	4,049,857	729,588
Culture and recreation	796,823	846,823	832,221	14,602
Capital outlay	225,700	225,700	279,091	(53,391)
Debt service:		-		
Principal	-	-	17,463	(17,463)
Interest	-	-	232	(232)
Contingency	4,410,723	4,062,270	-	4,062,270
Total expenditures	<u>14,056,605</u>	<u>14,131,355</u>	<u>8,769,354</u>	<u>5,362,001</u>
Revenues over (under) expenditures	<u>(5,835,743)</u>	<u>(5,835,743)</u>	<u>239,777</u>	<u>6,075,520</u>
OTHER FINANCING SOURCES (USES):				
Lease inception	-	-	87,072	87,072
Transfers in	1,183,230	1,183,230	1,173,230	(10,000)
Transfers out	(375,000)	(375,000)	(375,000)	-
Total other financing sources (uses)	<u>808,230</u>	<u>808,230</u>	<u>885,302</u>	<u>77,072</u>
Net changes in fund balances	(5,027,513)	(5,027,513)	1,125,079	6,152,592
FUND BALANCES, BEGINNING BUDGETARY BASIS	<u>5,027,513</u>	<u>5,027,513</u>	<u>5,474,869</u>	<u>447,356</u>
FUND BALANCES, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,599,948</u>	<u>\$ 6,599,948</u>

* Appropriations are made at the departmental level. Accordingly, negative variances may not represent over expenditures.

CITY OF THE DALLES, OREGON
GENERAL FUND - BUDGETARY BASIS
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative) *
	Original	Final		
General government:				
City Council:				
Personnel services	\$ 9,043	\$ 9,043	\$ 9,043	\$ -
Materials and services	608,600	640,777	374,619	266,158
Subtotal	617,643	649,820	383,662	266,158
City Clerk:				
Personnel services	151,385	156,304	152,877	3,427
Materials and services	22,185	22,185	15,885	6,300
Subtotal	173,570	178,489	168,762	9,727
City Manager:				
Personnel services	243,499	262,999	237,000	25,999
Materials and services	19,934	19,934	7,747	12,187
Subtotal	263,433	282,933	244,747	38,186
City Attorney / Judicial:				
Personnel services	-	-	-	-
Materials and services	253,804	398,804	369,993	28,811
Subtotal	253,804	398,804	369,993	28,811
Finance / Utility Billing/Judicial				
Personnel services	635,531	635,531	577,191	58,340
Materials and services	228,024	231,724	167,129	64,595
Subtotal	863,555	867,255	744,320	122,935
Personnel:				
Personnel services	283,037	283,037	246,967	36,070
Materials and services	101,509	101,509	75,454	26,055
Subtotal	384,546	384,546	322,421	62,125
Technology:				
Personnel services	215,862	217,019	220,572	(3,553)
Materials and services	150,292	150,292	145,999	4,293
Subtotal	366,154	367,311	366,571	740

CITY OF THE DALLES, OREGON
GENERAL FUND - BUDGETARY BASIS
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative) *
	Original	Final		
Continued				
Planning:				
Personnel services	\$ 538,225	\$ 538,225	\$ 519,315	\$ 18,910
Materials and services	154,647	154,647	106,953	47,694
Subtotal	692,872	692,872	626,268	66,604
City Hall / Transportation Center:				
Personnel services	78,269	78,269	72,798	5,471
Materials and services	316,818	316,818	290,948	25,870
Subtotal	395,087	395,087	363,746	31,341
Total General government	4,010,664	4,217,117	3,590,490	626,627
Public safety:				
Police:				
Personnel services	3,631,703	3,711,703	3,139,480	572,223
Materials and services	787,989	872,739	746,848	125,891
Subtotal	4,419,692	4,584,442	3,886,328	698,114
Code Enforcement:				
Personnel services	74,721	74,721	71,899	2,822
Materials and services	36,469	36,469	21,406	15,063
Subtotal	111,190	111,190	93,305	17,885
Animal control:				
Personnel services	50,211	50,211	46,541	3,670
Materials and services	31,602	33,602	23,683	9,919
Subtotal	81,813	83,813	70,224	13,589
Total Public safety	4,612,695	4,779,445	4,049,857	729,588
Culture and recreation:				
Non-departmental:				
Materials and services	796,823	846,823	832,221	14,602
Capital outlay	225,700	225,700	279,091	(53,391)
Debt Service				
Principal	-	-	17,463	(17,463)
Interest	-	-	232	(232)
Subtotal	-	-	\$ 17,695	\$ (17,695)
Total expenditures	\$ 9,645,882	\$ 10,069,085	\$ 8,769,354	\$ 1,299,731

* Appropriations are made at the departmental level. Accordingly, negative variances may not represent over expenditures.

**CITY OF THE DALLES, OREGON
PUBLIC WORKS RESERVE FUND - BUDGETARY BASIS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest on investments	\$ 4,000	\$ 4,000	\$ 1,441	\$ (2,559)
EXPENDITURES:				
Capital outlay	602,071	602,071	396,796	205,275
Revenues over (under) expenditures	(598,071)	(598,071)	(395,355)	202,716
OTHER FINANCING SOURCES (USES):				
Transfers in	280,000	280,000	280,000	-
Net changes in fund balance	(318,071)	(318,071)	(115,355)	202,716
FUND BALANCE, BEGINNING BUDGETARY BASIS	318,071	318,071	300,773	(17,298)
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 185,418	\$ 185,418

CITY OF THE DALLES, OREGON
TRANSPORTATION SYSTEM RESERVE FUND - BUDGETARY BASIS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 564,940	\$ 564,940	801,455	\$ 236,515
System development charges	45,000	45,000	\$ 77,564	\$ 32,564
Interest on investments	8,500	8,500	4,177	(4,323)
Total revenues	618,440	618,440	883,196	264,756
EXPENDITURES:				
Capital outlay	1,035,355	1,645,728	688,456	957,272
Revenues over (under) expenditures and net changes in fund balance	(416,915)	(1,027,288)	194,740	1,222,028
FUND BALANCE, BEGINNING BUDGETARY BASIS	416,915	1,027,288	1,027,290	2
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 1,222,030	\$ 1,222,030

CITY OF THE DALLES, OREGON
UNEMPLOYMENT RESERVE FUND - BUDGETARY BASIS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest on investments	\$ 400	\$ 400	437	\$ 37
EXPENDITURES:				
Personnel service	76,522	76,522	23,952	52,570
Revenues over (under) expenditures and net changes in fund balance	(76,122)	(76,122)	(23,515)	52,607
FUND BALANCE, BEGINNING BUDGETARY BASIS	76,122	76,122	83,408	7,286
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 59,893	\$ 59,893

CITY OF THE DALLES, OREGON
LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 1,439,606	\$ 1,439,606	\$ 1,409,606	\$ (30,000)
Intergovernmental	28,634	28,634	10,658	(17,976)
Fines and forfeitures, net	2,000	2,000	10,303	8,303
Contributions	100	100	-	(100)
Interest on investments	15,100	15,100	11,256	(3,844)
Miscellaneous	200	200	5	(195)
Total revenues	<u>1,485,640</u>	<u>1,485,640</u>	<u>1,441,828</u>	<u>(43,812)</u>
EXPENDITURES:				
Personnel service	887,114	887,114	744,419	142,695
Materials and services	917,490	917,490	467,739	449,751
Capital outlay	52,100	52,100	-	52,100
Contingency	965,437	965,437	-	965,437
Total expenditures	<u>2,822,141</u>	<u>2,822,141</u>	<u>1,212,158</u>	<u>1,609,983</u>
Revenues over (under) expenditures	(1,336,501)	(1,336,501)	229,670	1,566,171
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(110,580)</u>	<u>(110,580)</u>	<u>(110,580)</u>	<u>-</u>
Net changes in fund balance	(1,447,081)	(1,447,081)	119,090	1,566,171
FUND BALANCE, BEGINNING	<u>1,447,081</u>	<u>1,447,081</u>	<u>2,103,902</u>	<u>656,821</u>
FUND BALANCE, ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,222,992</u></u>	<u><u>\$ 2,222,992</u></u>

**CITY OF THE DALLES, OREGON
COMMUNITY BENEVOLENCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest on investments	\$ 150	\$ 150	\$ 39	\$ (111)
EXPENDITURES:				
Materials and services	5,938	5,938	634	5,304
Revenues over (under) expenditures and net changes in fund balance	(5,788)	(5,788)	(595)	5,193
FUND BALANCE, BEGINNING	5,788	5,788	7,536	1,748
FUND BALANCE, ENDING	\$ -	\$ -	\$ 6,941	\$ 6,941

**CITY OF THE DALLES, OREGON
STATE OFFICE BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Rental income	\$ 376,369	\$ 376,369	\$ 174,216	\$ (202,153)
Interest on investments	1,200	1,200	690	(510)
Total revenues	<u>377,569</u>	<u>377,569</u>	<u>174,906</u>	<u>(202,663)</u>
EXPENDITURES:				
Personnel service	78,269	78,269	71,889	6,380
Materials and services	155,800	155,800	135,107	20,693
Capital outlay	173,000	173,000	17,356	155,644
Contingency	59,678	59,678	-	59,678
Total expenditures	<u>466,747</u>	<u>466,747</u>	<u>224,352</u>	<u>242,395</u>
Revenues over (under) expenditures	(89,178)	(89,178)	(49,446)	39,732
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>10,185</u>	<u>10,185</u>	<u>10,185</u>	<u>-</u>
Revenues over (under) expenditures and net changes in fund balance	(78,993)	(78,993)	(39,261)	39,732
FUND BALANCE, BEGINNING	<u>78,993</u>	<u>78,993</u>	<u>101,147</u>	<u>22,154</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,886</u>	<u>\$ 61,886</u>

**CITY OF THE DALLES, OREGON
SPECIAL ENTERPRISE ZONE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 907,133	\$ 907,133	\$ 907,133	\$ -
Interest on investments	3,500	3,500	8,974	5,474
Total revenues	910,633	910,633	916,107	5,474
EXPENDITURES:				
Materials and services	2,661,021	2,661,021	\$ 1,000,000	1,661,021
Revenues over (under) expenditures and net changes in fund balance	(1,750,388)	(1,750,388)	(83,893)	1,666,495
FUND BALANCE, BEGINNING	1,750,388	1,750,388	1,751,459	1,071
FUND BALANCE, ENDING	\$ -	\$ -	\$ 1,667,566	\$ 1,667,566

CITY OF THE DALLES, OREGON
FFCO 2008 BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Rental income	\$ 124,408	\$ 124,408	\$ 124,408	\$ -
EXPENDITURES:				
Debt service:				
Principal	280,000	280,000	280,000	-
Interest	23,731	23,731	23,731	-
Total expenditures	303,731	303,731	303,731	-
Revenues over (under) expenditures	(179,323)	(179,323)	(179,323)	-
OTHER FINANCING SOURCES (USES):				
Transfers in	179,323	179,323	179,323	-
Total other financing sources (uses)	179,323	179,323	179,323	-
Net changes in fund balance	-	-	-	-
FUND BALANCE, BEGINNING	-	-	-	-
FUND BALANCE, ENDING	\$ -	\$ -	\$ -	\$ -

CITY OF THE DALLES, OREGON
2009 FFCO BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
EXPENDITURES:				
Debt service:				
Principal	\$ 650,000	\$ 650,000	\$ 650,000	\$ -
Interest	294,915	294,915	294,913	2
	<u>944,915</u>	<u>944,915</u>	<u>944,913</u>	<u>2</u>
Total expenditures				
	<u>944,915</u>	<u>944,915</u>	<u>944,913</u>	<u>2</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>944,915</u>	<u>944,915</u>	<u>944,913</u>	<u>(2)</u>
Net changes in fund balance	-	-	-	-
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF THE DALLES, OREGON
 URBAN RENEWAL DEBT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Fiscal Year Ended June 30, 2022**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 789,088	\$ 789,088	\$ 789,088	\$ -
Interest on investments	4,500	4,500	4,500	-
Total revenues	793,588	793,588	793,588	-
EXPENDITURES:				
Contingency	799,738	799,738	-	799,738
Revenues over (under) expenditures	(6,150)	(6,150)	793,588	799,738
OTHER FINANCING SOURCES (USES):				
Transfers out	(799,738)	(799,738)	(799,738)	-
Net changes in fund balance	(805,888)	(805,888)	(6,150)	799,738
FUND BALANCE, BEGINNING	805,888	805,888	805,888	-
FUND BALANCE, ENDING	\$ -	\$ -	\$ 799,738	\$ 799,738

CITY OF THE DALLES, OREGON
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Rental income	\$ 105,072	\$ 105,072	\$ 101,162	\$ (3,910)
Interest on investments	4,200	4,200	1,966	(2,234)
Total revenues	109,272	109,272	103,128	(6,144)
EXPENDITURES:				
Materials and services	8,500	8,500	-	8,500
Capital outlay	550,720	550,720	129,921	420,799
Debt service:				
Principal	89,102	89,102	89,102	-
Interest	311	311	933	(622)
Total expenditures	648,633	648,633	219,956	428,677
Revenues over (under) expenditures	(539,361)	(539,361)	(116,828)	422,533
OTHER FINANCING SOURCES (USES):				
Transfers in	85,000	85,000	85,000	-
Transfers out	(10,185)	(10,185)	(10,185)	-
Total other financing sources (uses)	74,815	74,815	74,815	-
Net changes in fund balance	(464,546)	(464,546)	(42,013)	422,533
FUND BALANCE, BEGINNING	464,546	464,546	463,283	(1,263)
FUND BALANCE, ENDING	\$ -	\$ -	\$ 421,270	\$ 421,270

**CITY OF THE DALLES, OREGON
SPECIAL ASSESSMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Franchise fees	\$ 26,500	\$ 26,500	\$ 29,691	3,191
Assessments	22,950	22,950	33,040	10,090
Interest on investments	7,500	7,500	2,318	(5,182)
Miscellaneous	-	-	22,780	22,780
Total revenues	56,950	56,950	87,829	30,879
EXPENDITURES:				
Materials and services	28,300	28,300	-	28,300
Capital outlay	346,389	346,389	45,560	300,829
Total expenditures	374,689	374,689	45,560	329,129
Revenues over (under) expenditures	(317,739)	(317,739)	42,269	360,008
OTHER FINANCING SOURCES (USES):				
Transfers out	(114,816)	(114,816)	(104,816)	10,000
Net changes in fund balance	(432,555)	(432,555)	(62,547)	370,008
FUND BALANCE, BEGINNING	432,555	432,555	469,218	36,663
FUND BALANCE, ENDING	\$ -	\$ -	\$ 406,671	\$ 406,671

CITY OF THE DALLES, OREGON
URBAN RENEWAL CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 788,316	\$ 788,316	\$ 792,394	\$ 4,078
Interest on investments	38,000	38,000	26,584	(11,416)
Miscellaneous	36,953	36,953	74,822	37,869
Total revenues	863,269	863,269	893,800	30,531
EXPENDITURES:				
Materials and services	467,220	467,220	245,590	221,630
Capital outlay	4,171,664	4,171,664	-	4,171,664
Total expenditures	4,638,884	4,638,884	245,590	4,393,294
Revenues over (under) expenditures and net changes in fund balance	(3,775,615)	(3,775,615)	648,210	4,423,825
FUND BALANCE, BEGINNING	3,775,615	3,775,615	4,060,425	284,810
FUND BALANCE, ENDING	\$ -	\$ -	\$ 4,708,635	\$ 4,708,635

BUDGETARY COMPARISON SCHEDULES
Enterprise Funds

Pursuant to the provisions of Oregon Revised Statute, an individual schedule of revenues, expenditures, and changes in fund balances - budget and actual be displayed for each fund where legally adopted budgets are required.

Enterprise Budgetary Comparison schedules include the following:

- All Water Funds
 - Water Utility
 - Water Capital Reserve

- All Wastewater Funds
 - Wastewater
 - Wastewater Capital Reserve
 - Sewer Plant Construction

- 2018 Utility Bond Fund
 - 2018 Utility Bond Fund

CITY OF THE DALLES, OREGON
ALL WATER FUNDS COMBINED
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2022

	<u>Water Utility</u>	<u>Water Capital Reserve</u>	<u>Total All Water Funds</u>
REVENUES:			
Charges for services	\$ 6,304,604	\$ -	\$ 6,304,604
Intergovernmental	2,271	800,000	802,271
Fines and forfeitures, net	-	-	-
Contributions	-	-	-
System development charges	-	134,293	134,293
Rental income	4,428	-	4,428
Interest on investments	1,980	35,743	37,723
Miscellaneous	74,962	-	74,962
	<u>6,388,245</u>	<u>970,036</u>	<u>7,358,281</u>
EXPENDITURES:			
Personnel service	2,437,538	-	2,437,538
Materials and services	1,150,558	216	1,150,774
Capital outlay	99,422	2,656,413	2,755,835
Debt service:			
Principal	-	162,324	162,324
Interest	-	76,054	76,054
	<u>3,687,518</u>	<u>2,895,007</u>	<u>6,582,525</u>
Revenues over (under) expenditures	<u>2,700,727</u>	<u>(1,924,971)</u>	<u>775,756</u>
OTHER FINANCING SOURCES (USES):			
Proceeds from sale of property	22,495	-	22,495
Loan proceeds	-	1,204,315	1,204,315
Transfers in	-	2,797,294	2,797,294
Transfers out	(3,531,731)	(536,769)	(4,068,500)
	<u>(3,509,236)</u>	<u>3,464,840</u>	<u>(44,396)</u>
Net changes in fund balances	(808,509)	1,539,869	731,360
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>1,460,378</u>	<u>5,862,223</u>	<u>7,322,601</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ 651,869</u>	<u>\$ 7,402,092</u>	<u>\$ 8,053,961</u>
		<u>Revenues</u>	<u>Expenditures</u>
Total revenue and expenditures above		\$ 7,358,281	\$ 6,582,525
Transfers in/out		-	1,193,202
Expenditures capitalized		-	(2,887,469)
Debt service principal payments		-	(162,324)
Other post employment benefits		-	(5,209)
Depreciation		-	935,137
Premium amortization and accrued interest		-	(4,569)
Loss on disposal of capital assets		-	22,601
Compensated absences		-	6,570
		<u>\$ 7,358,281</u>	<u>5,680,464</u>
Total revenues and expenses - generally accepted accounting principles		<u>\$ 7,358,281</u>	<u>5,680,464</u>
Change in net position			<u>\$ 1,677,817</u>

CITY OF THE DALLES, OREGON
WATER UTILITY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 6,049,523	\$ 6,049,523	\$ 6,304,604	\$ 255,081
Intergovernmental	4,000	4,000	2,271	(1,729)
Rental income	4,428	4,428	4,428	-
Interest on investments	2,850	2,850	1,980	(870)
Miscellaneous	93,452	93,452	74,962	(18,490)
Total revenues	6,154,253	6,154,253	6,388,245	233,992
EXPENDITURES:				
Personnel service	2,533,177	2,533,177	2,437,538	95,639
Materials and services	1,141,298	1,141,298	1,150,558	(9,260)
Capital outlay	292,450	298,650	99,422	199,228
Contingency	32,961	32,961	-	32,961
Total expenditures	3,999,886	4,006,086	3,687,518	318,568
Revenues over (under) expenditures	2,154,367	2,148,167	2,700,727	552,560
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of property	250	250	22,495	22,245
Transfers out	(3,114,437)	(3,531,731)	(3,531,731)	-
Total other financing sources (uses)	(3,114,187)	(3,531,481)	(3,509,236)	22,245
Net changes in fund balance	(959,820)	(1,383,314)	(808,509)	574,805
FUND BALANCE, BEGINNING BUDGETARY BASIS	959,820	1,383,314	1,460,378	77,064
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 651,869	\$ 651,869

**CITY OF THE DALLES, OREGON
WATER CAPITAL RESERVE
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 5,000,000	\$ 5,000,000	\$ 800,000	\$ (4,200,000)
System development charges	69,510	69,510	134,293	64,783
Interest on investments	45,000	45,000	35,743	(9,257)
Total revenues	5,114,510	5,114,510	970,036	(4,144,474)
EXPENDITURES:				
Materials and services	490,000	490,000	216	489,784
Capital outlay	11,807,132	12,508,878	2,656,413	9,852,465
Debt service:				
Principal	162,325	162,325	162,324	1
Interest	76,055	76,055	76,054	1
Total expenditures	12,535,512	13,237,258	2,895,007	10,342,251
Revenues over (under) expenditures	(7,421,002)	(8,122,748)	(1,924,971)	6,197,777
OTHER FINANCING SOURCES (USES):				
Loan proceeds	-	-	1,204,315	1,204,315
Transfers in	2,380,000	2,797,294	2,797,294	-
Transfers out	(536,769)	(536,769)	(536,769)	-
Total other financing sources (uses)	1,843,231	2,260,525	3,464,840	1,204,315
Net changes in fund balance	(5,577,771)	(5,862,223)	1,539,869	7,402,092
FUND BALANCE, BEGINNING BUDGETARY BASIS	5,577,771	5,862,223	5,862,223	-
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 7,402,092	\$ 7,402,092

CITY OF THE DALLES, OREGON
ALL WASTEWATER FUNDS COMBINED
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2022

	Wastewater	Wastewater Capital Reserve	Sewer Plant Construction	Total All Wastewater Funds
REVENUES:				
Charges for services	\$ 5,554,861	\$ -	\$ -	\$ 5,554,861
Intergovernmental	9,267	-	-	9,267
System development charges	-	140,462	-	140,462
Interest on investments	1,173	24,393	11,268	36,834
Miscellaneous	366,962	-	-	366,962
Total revenues	5,932,263	164,855	11,268	6,108,386
EXPENDITURES:				
Personnel service	1,322,968	-	-	1,322,968
Materials and services	2,050,541	-	-	2,050,541
Capital outlay	113,307	1,303,422	6,024	1,422,753
Debt service:				
Principal	-	-	62,399	62,399
Interest	-	-	34,229	34,229
Total expenditures	3,486,816	1,303,422	102,652	4,892,890
Revenues over (under) expenditures	2,445,447	(1,138,567)	(91,384)	1,215,496
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of property	35,458	-	-	35,458
Transfers in	-	245,000	1,890,000	2,135,000
Transfers out	(2,235,478)	(707,114)	(836,906)	(3,779,498)
Total other financing sources (uses)	(2,200,020)	(462,114)	1,053,094	(1,609,040)
Net changes in fund balances	245,427	(1,600,681)	961,710	(393,544)
FUND BALANCE, BEGINNING BUDGETARY BASIS	697,571	5,532,952	1,474,338	7,704,861
FUND BALANCE, ENDING BUDGETARY BASIS	\$ 942,998	\$ 3,932,271	\$ 2,436,048	\$ 7,311,317

	Revenues	Expenditures
Total revenue and expenditures above	\$ 6,108,386	\$ 4,892,890
Transfers in/out	-	1,584,494
Expenditures capitalized	-	(1,760,084)
Debt service principal payments	-	(62,399)
Other post employment benefits	-	(25,601)
Depreciation	-	886,220
Premium amortization and accrued interest	-	(1,126)
Loss on disposal of capital assets	-	303,239
Compensated absences	-	(17,290)
Total revenues and expenses - generally accepted accounting principles	\$ 6,108,386	5,800,343
Change in net position		\$ 308,043

CITY OF THE DALLES, OREGON
WASTEWATER
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 5,428,604	\$ 5,428,604	\$ 5,554,861	\$ 126,257
Intergovernmental	5,000	5,000	9,267	4,267
Interest on investments	50	50	1,173	1,123
Miscellaneous	337,736	337,736	366,962	29,226
Total revenues	5,771,390	5,771,390	5,932,263	160,873
EXPENDITURES:				
Personnel service	1,500,924	1,500,924	1,322,968	177,956
Materials and services	2,026,632	2,131,632	2,050,541	81,091
Capital outlay	384,500	513,768	113,307	400,461
Contingency	59,144	59,144	-	59,144
Total expenditures	3,971,200	4,205,468	3,486,816	718,652
Revenues over (under) expenditures	1,800,190	1,565,922	2,445,447	879,525
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of property	500	500	35,458	34,958
Transfers out	(2,235,478)	(2,235,478)	(2,235,478)	-
Total other financing sources (uses)	(2,234,978)	(2,234,978)	(2,200,020)	34,958
Net changes in fund balance	(434,788)	(669,056)	245,427	914,483
FUND BALANCE, BEGINNING BUDGETARY BASIS	434,788	669,056	697,571	28,515
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 942,998	\$ 942,998

**CITY OF THE DALLES, OREGON
WASTEWATER CAPITAL RESERVE
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
System development charges	\$ 63,930	\$ 63,930	\$ 140,462	\$ 76,532
Interest on investments	45,000	45,000	24,393	(20,607)
Total revenues	108,930	108,930	164,855	55,925
EXPENDITURES:				
Capital outlay	1,626,285	5,179,767	1,303,422	3,876,345
Revenues over (under) expenditures	(1,517,355)	(5,070,837)	(1,138,567)	3,932,270
OTHER FINANCING SOURCES (USES):				
Transfers in	245,000	245,000	245,000	-
Transfers out	(707,114)	(707,114)	(707,114)	-
Total other financing sources (uses)	(462,114)	(462,114)	(462,114)	-
Net changes in fund balance	(1,979,469)	(5,532,951)	(1,600,681)	3,932,270
FUND BALANCE, BEGINNING BUDGETARY BASIS	1,979,469	5,532,951	5,532,952	1
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 3,932,271	\$ 3,932,271

**CITY OF THE DALLES, OREGON
SEWER PLANT CONSTRUCTION
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Interest on investments	\$ 4,500	\$ 4,500	\$ 11,268	\$ 6,768
EXPENDITURES:				
Capital outlay	2,437,956	2,437,956	6,024	2,431,932
Debt service:				
Principal	62,399	62,399	62,399	-
Interest	34,229	34,229	34,229	-
Total expenditures	2,534,584	2,534,584	102,652	2,431,932
Revenues over (under) expenditures	(2,530,084)	(2,530,084)	(91,384)	2,438,700
OTHER FINANCING SOURCES (USES):				
Transfers in	1,890,000	1,890,000	1,890,000	-
Transfers out	(836,906)	(836,906)	(836,906)	-
Total other financing sources (uses)	1,053,094	1,053,094	1,053,094	-
Net changes in fund balance	(1,476,990)	(1,476,990)	961,710	2,438,700
FUND BALANCE, BEGINNING BUDGETARY BASIS	1,476,990	1,476,990	1,474,338	(2,652)
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 2,436,048	\$ 2,436,048

CITY OF THE DALLES, OREGON
2018 UTILITY BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
EXPENDITURES:				
Debt service:				
Principal	\$ 1,123,372	\$ 1,123,372	\$ 1,123,374	\$ (2)
Interest	217,058	217,058	216,083	975
Contingency	1,996	1,996	-	1,996
Total expenditures	<u>1,342,426</u>	<u>1,342,426</u>	<u>1,339,457</u>	<u>2,969</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>1,340,430</u>	<u>1,340,430</u>	<u>1,340,430</u>	<u>-</u>
Net changes in fund balance	(1,996)	(1,996)	973	2,969
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>1,996</u>	<u>1,996</u>	<u>2,392</u>	<u>396</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,365</u>	<u>\$ 3,365</u>

	Revenues	Expenditures
Total revenue and expenditures above	\$ -	\$ 1,339,457
Transfers in/out	1,340,430	-
Debt service principal payments	-	(1,123,374)
Deferred charge on refunding and accrued interest	-	47,901
Total revenues and expenses - generally accepted accounting principles	<u>\$ 1,340,430</u>	<u>263,984</u>
Change in net position		<u>\$ 1,076,446</u>



STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of The Dalles' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents Page:

Financial Trends 80 - 85

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity 86 - 90

These schedules contain information to help the reader assess the City's most significant local revenue source, the property taxes.

Debt Capacity 91 - 98

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information 99 - 103

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Sources: Unless otherwise noted the information in these schedules is derived from the City's annual comprehensive financial reports for the relevant year.



CITY OF THE DALLES, OREGON
Net Position By Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net investment in capital assets	\$ 30,544,869	\$ 29,105,204	\$ 28,892,637	\$ 27,758,527	\$ 27,204,175	\$ 26,770,740	\$ 25,619,762	\$ 23,781,454	\$ 23,394,331	\$ 22,459,249
Restricted	14,416,982	11,658,332	10,893,307	9,270,588	8,309,364	7,364,590	6,606,540	6,591,609	6,221,686	6,204,535
Unrestricted	20,976,615	20,203,765	16,802,396	15,268,799	14,499,406	13,033,689	11,480,666	4,480,644	4,055,637	2,869,259
Total governmental activities net position	\$ 65,938,466	\$ 60,967,301	\$ 56,588,340	\$ 52,297,914	\$ 50,012,945	\$ 47,169,019	\$ 43,706,968	\$ 34,853,707	\$ 33,671,654	\$ 31,633,043
Business-Type Activities:										
Net investment in capital assets	\$ 56,299,353	\$ 54,696,758	\$ 54,091,260	\$ 52,230,058	\$ 48,435,897	\$ 27,336,873	\$ 23,686,429	\$ 31,902,082	\$ 31,669,652	\$ 25,695,435
Restricted	3,915,118	3,391,775	1,825,510	1,170,201	4,996,649	15,889,368	12,505,094	10,418,116	8,506,649	6,817,577
Unrestricted	4,163,503	3,227,135	391,766	(1,153,633)	(5,535,813)	(1,051,770)	645,798	2,373,161	942,037	1,301,239
Total business-type activities net position	\$ 64,377,974	\$ 61,315,668	\$ 56,308,536	\$ 52,246,626	\$ 47,896,733	\$ 42,174,471	\$ 36,837,321	\$ 44,693,359	\$ 41,118,338	\$ 33,814,251
Primary Government:										
Net investment in capital assets	\$ 86,844,222	\$ 83,801,962	\$ 82,983,897	\$ 79,988,585	\$ 75,640,072	\$ 54,107,613	\$ 49,306,191	\$ 55,683,536	\$ 55,063,983	\$ 48,154,684
Restricted	18,332,100	15,050,107	12,718,817	10,440,789	13,306,013	23,253,958	19,111,634	17,009,725	14,728,335	13,022,112
Unrestricted	25,140,118	23,430,900	17,194,162	14,115,166	8,963,593	11,981,919	12,126,464	6,853,805	4,997,674	4,270,498
Total primary government net position	\$ 130,316,440	\$ 122,282,969	\$ 112,896,876	\$ 104,544,540	\$ 97,909,678	\$ 89,343,490	\$ 80,544,289	\$ 79,547,066	\$ 74,789,992	\$ 65,447,294

CITY OF THE DALLES, OREGON
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Program Revenues										
Governmental activities:										
Charges for services, fees and fines										
General government	\$ 795,571	\$ 639,682	\$ 1,869,609	\$ 945,631	\$ 662,698	\$ 1,207,216	\$ 1,111,793	\$ 895,831	\$ 1,741,823	\$ 958,415
Public safety	166,977	109,656	201,241	223,699	241,242	243,128	235,252	222,985	229,428	194,454
Highways and streets	16,547	6,579	16,346	19,731	12,928	28,342	33,944	12,424	10,573	16,525
Culture and recreation	10,308	5,785	4,528	4,588	18,346	21,681	20,605	18,740	12,401	11,548
Operating grants and contributions	1,531,413	1,147,662	1,114,743	1,098,952	960,217	2,169,009	2,790,732	1,988,624	1,920,600	1,815,072
Capital grants and contributions	6,246,040	5,579,603	3,192,842	2,680,626	2,077,651	2,739,012	1,970,505	2,318,755	1,286,046	2,144,707
Total governmental activities program revenues	8,766,856	7,488,967	6,399,309	4,973,227	3,973,062	6,408,388	6,162,831	5,456,959	5,200,871	5,140,721
Business-type activities:										
Charges for services:										
Water	6,495,686	6,362,649	5,937,310	5,911,987	5,890,309	5,719,228	5,820,678	5,707,603	5,161,655	4,530,792
Wastewater	5,759,046	7,641,449	7,130,096	6,024,501	5,862,797	6,137,909	5,733,933	5,533,259	5,697,344	5,316,269
Airport	-	-	-	-	-	-	-	199,548	273,657	219,036
Operating grants	-	175,000	-	-	-	-	-	65,000	65,000	65,000
Capital grants	811,538	11,964	3,696	515,897	1,061,609	1,174,329	-	406,533	4,970,071	3,871,454
Total business-type activities program revenues	13,066,270	14,191,062	13,071,102	12,452,385	12,814,715	13,031,466	11,554,611	11,911,943	16,167,727	14,002,551
Total primary government program revenues	21,833,126	21,680,029	19,470,411	17,425,612	16,787,797	19,439,854	17,717,442	17,368,902	21,368,598	19,143,272
Expenses										
Governmental activities:										
General government	4,495,163	4,772,981	4,163,662	4,539,162	3,763,261	3,661,829	4,043,194	4,643,056	3,528,182	3,620,305
Public safety and justice	5,294,311	4,543,577	4,362,967	4,218,386	3,951,495	3,841,288	3,764,858	3,599,408	3,502,386	3,534,026
Highways and streets	2,515,564	1,961,529	1,909,414	1,987,711	1,803,579	1,765,029	1,614,145	1,505,435	1,292,997	1,559,911
Culture and recreation	2,127,335	1,925,942	1,984,052	1,861,808	1,690,671	1,716,486	1,579,320	1,451,383	1,409,998	1,272,743
Interest on long term obligations	268,057	306,935	341,850	360,417	412,621	443,633	453,321	517,776	528,148	559,591
Total governmental activities expenses	14,700,430	13,510,964	12,761,945	12,987,484	11,621,627	11,428,265	11,454,838	11,717,058	10,261,711	10,546,576
Business-type activities:										
Water	4,464,661	3,598,702	3,753,063	3,503,705	3,655,523	3,714,854	3,778,964	3,659,726	3,713,333	3,315,325
Wastewater	3,912,610	3,861,783	3,704,777	3,083,208	3,293,026	2,806,274	3,139,369	2,993,590	3,147,900	3,068,188
2018 Utility Bond	263,984	293,864	321,923	349,447	211,414	-	-	260,659	-	-
Airport	-	-	-	-	-	-	-	-	286,049	313,045
Total business-type activities expenses	8,641,255	7,754,349	7,779,763	6,936,360	7,159,963	6,521,128	6,918,333	6,913,975	7,147,282	6,696,558
Total primary government expenses	23,341,685	21,265,313	20,541,708	19,923,844	18,781,590	17,949,393	18,373,171	18,631,033	17,408,993	17,243,134
Net Expense										
Governmental activities	(5,933,574)	(6,021,997)	(6,362,636)	(8,014,257)	(7,648,545)	(5,019,877)	(5,292,007)	(6,260,099)	(5,060,840)	(5,405,855)
Business-type activities	4,425,015	6,436,713	5,291,339	5,516,025	5,654,752	6,510,338	4,636,278	4,997,968	9,020,445	7,305,993
Total primary government net expense	\$ (1,508,559)	\$ 414,716	\$ (1,071,297)	\$ (2,498,232)	\$ (1,993,793)	\$ 1,490,461	\$ (655,729)	\$ (1,262,131)	\$ 3,959,605	\$ 1,900,138

CITY OF THE DALLES, OREGON
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues and Other Changes in Net Position										
General revenues:										
Property taxes levied for:										
General purposes	\$ 5,046,652	\$ 4,884,325	\$ 4,722,441	\$ 4,511,219	\$ 4,311,291	\$ 2,950,205	\$ 2,714,277	\$ 2,753,785	\$ 2,657,460	\$ 2,591,274
Urban renewal purposes	1,569,114	1,487,631	1,663,728	1,645,481	1,525,864	1,485,852	1,378,487	1,407,564	1,327,601	1,353,346
Franchise and public service taxes	2,749,746	2,361,131	2,458,295	2,413,484	2,366,189	2,132,956	2,101,776	1,757,480	1,728,579	1,632,053
Interest and investment earnings	101,961	141,450	356,466	326,932	206,646	111,660	54,106	49,936	43,572	46,153
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Gain (loss) on sale of property	1,437,266	1,526,421	1,452,132	1,402,100	1,300,966	1,334,452	1,295,746	1,473,387	1,507,292	1,431,259
Transfers	10,904,739	10,400,958	10,653,062	10,299,226	9,710,976	8,015,125	7,548,392	7,442,152	7,264,504	7,054,085
Total governmental activities	74,557	96,840	222,703	235,968	202,863	161,264	73,317	50,440	42,092	38,307
Business-type activities:										
Interest and investment earnings	-	-	-	-	-	-	-	-	-	-
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Miscellaneous	(1,437,266)	(1,526,421)	(1,452,132)	(1,402,100)	(1,300,966)	(1,334,452)	(1,295,746)	(1,473,387)	(1,507,292)	(1,431,259)
Transfers	(1,362,709)	(1,429,581)	(1,229,429)	(1,166,132)	(992,519)	(1,173,188)	(1,226,429)	(1,422,947)	(1,502,352)	(1,392,952)
Total business-type activities	9,542,030	8,971,377	9,423,633	9,133,094	9,318,457	6,841,937	6,321,963	6,019,205	5,762,152	5,661,133
Total primary government	4,971,165	4,378,961	4,290,426	2,284,969	2,062,431	2,995,248	2,256,385	1,182,053	2,203,661	1,648,230
Change in Net Position										
Governmental activities	4,971,165	4,378,961	4,290,426	2,284,969	2,062,431	2,995,248	2,256,385	1,182,053	2,203,661	1,648,230
Prior Period Adjustments **	-	-	-	-	781,495	-	6,596,876	-	(165,050)	-
Governmental Activities, as adjusted	4,971,165	4,378,961	4,290,426	2,284,969	2,843,926	2,995,248	8,853,261	1,182,053	2,038,611	1,648,230
Business-type activities	3,062,306	5,007,132	4,061,910	4,349,893	5,262,233	5,337,150	3,409,849	3,575,021	(1,502,352)	5,913,041
Prior Period Adjustments	-	-	-	-	460,029	-	(11,265,887)	-	(214,006)	-
Business-type Activities, as adjusted	3,062,306	5,007,132	4,061,910	4,349,893	5,722,262	5,337,150	(7,856,038)	3,575,021	(1,716,358)	5,913,041
Total primary government change in net position	8,033,471	9,386,093	8,352,336	6,634,862	8,566,188	8,332,398	997,223	4,757,074	322,253	7,561,271
Net Position Beginning										
Governmental activities	60,967,301	56,588,340	52,297,914	50,012,945	47,169,019	44,173,771	34,853,707	33,671,654	31,467,993	29,984,813
Business-type activities	61,315,668	56,308,536	52,246,626	47,896,733	42,174,471	36,837,321	44,693,359	41,118,338	33,600,245	27,901,210
Total primary government net position-beginning	122,282,969	112,896,876	104,544,540	97,909,678	89,343,490	81,011,092	79,547,066	74,789,992	65,068,238	57,886,023
Net Position Ending										
Governmental activities	65,938,466	60,967,301	56,588,340	52,297,914	50,012,945	47,169,019	43,706,968	34,853,707	33,671,654	31,633,043
Business-type activities	64,377,974	61,315,668	56,308,536	52,246,626	47,896,733	42,174,471	36,837,321	44,693,359	41,118,338	33,814,251
Total Primary Government Net Position	\$ 130,316,440	\$ 122,282,969	\$ 112,896,876	\$ 104,544,540	\$ 97,909,678	\$ 89,343,490	\$ 80,544,289	\$ 79,547,066	\$ 74,789,992	\$ 65,447,294

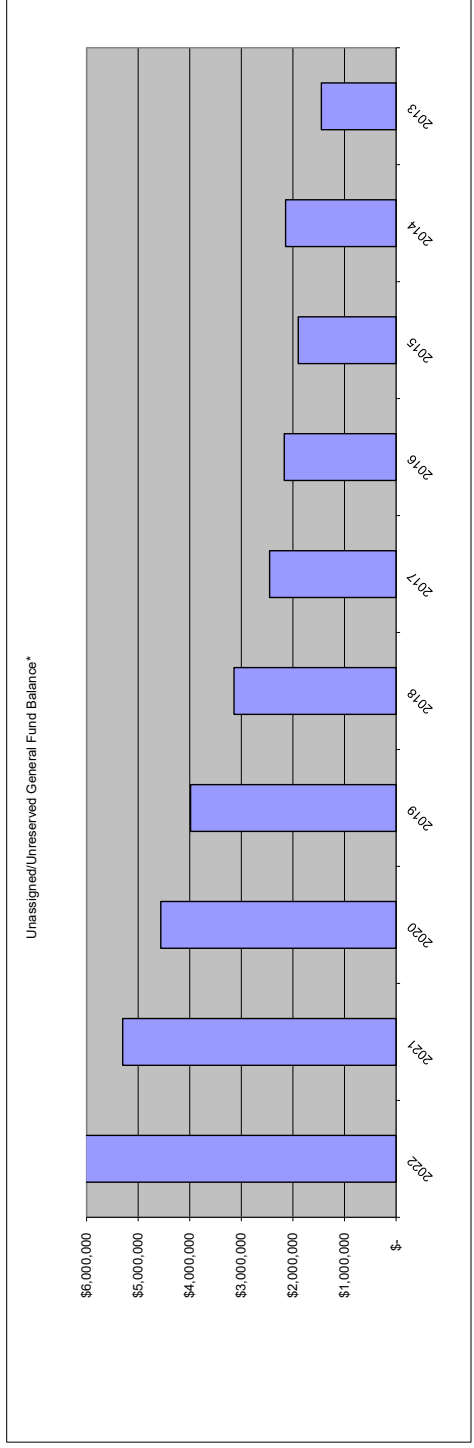
* 2014 net position-beginning are net of prior period adjustments of \$(165,050) governmental and \$(241,006) business-type activities.

** 2016 prior period adjustments are due to the Airport being reclassified as a joint venture, and being separated from the City as a business activity, and one half of the Airport assets being added to the governmental activities.

CITY OF THE DALLES, OREGON
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable:										
Prepays	\$ 175,113	\$ 174,542	\$ 168,235	\$ 163,833	\$ 159,388	\$ 146,177	\$ 144,028	\$ 132,551	\$ 130,172	\$ 123,820
Committed:										
Committed by ordinance or resolution	1,467,341	1,411,470	1,490,141	1,438,545	1,352,126	1,369,385	1,107,207	1,169,225	1,256,941	816,807
Unassigned	6,424,835	5,300,328	4,562,820	3,982,784	3,143,704	2,451,502	2,169,062	1,898,698	2,143,561	1,449,360
Total general fund	8,067,289	6,886,340	6,221,196	5,585,162	4,655,218	3,967,064	3,420,297	3,200,474	3,530,674	2,389,987
All Other Governmental Funds										
Nonspendable:										
Inventory	139,892	119,006	106,913	165,400	159,269	154,151	140,366	177,245	148,191	138,798
Restricted:										
Grant / contributor specific intent	4,968,292	3,456,315	3,483,429	3,464,591	3,400,816	3,365,712	3,411,321	3,508,535	3,458,663	3,584,049
State statute	7,225,698	6,096,116	5,492,459	4,072,925	3,298,134	2,510,012	1,847,330	1,831,201	894,793	845,812
Full faith and credit debt	2,222,992	-	-	14,370	14,370	-	-	-	-	3
Intergovernmental agreement	-	2,103,901	1,917,329	1,718,702	1,596,044	1,488,866	1,347,889	1,251,473	1,865,231	1,774,671
Committed:										
Major capital facilities and associated debt	827,941	463,283	391,520	302,474	299,191	242,548	163,729	219,734	276,844	303,799
Local improvements and associated debt	-	469,219	521,904	574,631	535,675	565,598	458,063	107,657	18,401	18,401
Agreements with state agencies	1,729,452	1,852,606	652,118	91,412	110,105	82,867	37,689	43,449	(2,166)	36,992
Total all other governmental funds	17,114,267	14,562,446	12,565,672	10,404,505	9,413,604	8,409,754	7,406,387	7,139,694	6,662,956	6,702,525
Total governmental funds	\$ 25,181,556	\$ 21,448,786	\$ 18,786,868	\$ 15,989,667	\$ 14,068,822	\$ 12,376,818	\$ 10,826,684	\$ 10,340,168	\$ 10,193,630	\$ 9,092,512

*In 2011 the City implemented GASB 54, which changed the fund balance categories. The City did not restate amount in prior years.



CITY OF THE DALLES, OREGON
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues											
Taxes	\$ 8,995,455	\$ 8,414,578	\$ 8,451,478	\$ 8,179,210	\$ 7,825,266	\$ 6,308,619	\$ 6,025,127	\$ 5,661,611	\$ 5,359,205	\$ 5,219,096	\$ 4,888,001
Inter-governmental	7,814,189	5,527,689	3,905,841	3,105,605	2,722,194	3,899,215	3,848,504	4,235,990	3,161,324	3,954,537	7,577,757
Rents and interest	512,972	557,003	807,320	753,549	477,694	544,083	502,604	485,684	431,657	472,656	398,415
Franchise Fees	403,523	394,694	383,959	378,063	371,027	258,417	227,827	266,968	331,184	328,287	308,704
Fines and forfeitures	177,280	113,110	215,730	242,550	257,822	258,049	249,906	234,947	241,481	205,803	235,699
Charges for services	-	-	-	67,227	45,992	66,595	49,250	40,507	27,673	33,165	28,774
System Development Charges	77,564	95,504	79,764	261,020	72,261	239,963	84,850	35,334	95,479	276,341	168,629
Special assessments	33,040	31,151	117,138	111,132	50,493	191,204	469,501	82,657	580,919	28,521	51,641
Other Revenues	495,448	175,912	1,315,761	456,517	586,857	447,791	922,148	502,387	273,589	251,617	264,486
Total revenues	18,509,471	15,309,641	15,276,891	13,554,873	12,409,606	12,213,936	12,379,717	11,546,085	10,502,511	10,770,023	13,922,106
Expenditures											
Current:											
General Government	3,949,134	4,027,857	3,566,200	3,372,562	3,256,199	3,260,351	3,237,110	3,363,935	2,910,006	2,847,792	2,861,157
Public safety	5,256,853	4,397,450	4,279,586	4,150,222	3,894,806	3,738,742	3,685,123	3,526,407	3,337,983	3,365,059	3,206,256
Highways and streets	1,735,174	1,927,801	1,388,614	1,396,492	1,218,883	1,179,016	1,082,520	1,021,840	985,621	1,089,640	1,343,365
Culture and recreation	2,044,379	1,325,371	1,860,359	1,811,394	1,646,012	1,680,709	1,543,977	1,414,754	1,231,796	1,234,310	1,009,676
Capital outlay	2,202,833	1,377,988	1,711,648	1,186,912	916,391	1,013,464	2,516,214	2,413,193	1,205,442	3,265,453	7,077,246
Debt service:											
Principal	809,455	767,318	732,644	697,970	671,906	642,232	617,558	596,494	760,077	617,719	595,874
Interest	319,809	358,565	393,387	432,293	464,393	495,557	524,654	548,296	579,587	606,264	629,844
Total expenditures	16,317,637	14,182,350	13,932,438	13,049,845	12,058,590	12,010,071	13,207,156	12,884,919	11,010,514	13,026,237	16,723,418
Revenues over (under) expenditures	2,191,834	1,127,291	1,344,453	505,028	351,016	203,865	(827,439)	(1,338,834)	(508,003)	(2,256,214)	(2,801,312)
Other Financing Sources (Uses)											
Proceeds of financing agreement	87,072	-	-	-	-	-	-	-	101,829	-	-
Lease inception	16,599	8,116	606	13,717	40,002	11,817	6,719	11,985	-	-	-
Sale of fixed capital assets	3,310,515	3,394,762	3,287,752	2,830,004	2,874,161	2,885,047	3,193,664	3,504,190	3,237,423	2,220	2,703,091
Transfers in	(1,873,249)	(1,868,341)	(1,835,620)	(1,427,904)	(1,573,175)	(1,550,595)	(1,893,918)	(2,030,803)	(1,730,131)	(2,263,130)	(1,405,812)
Transfers out	1,540,937	1,534,537	1,452,738	1,415,817	1,340,988	1,346,269	1,306,465	1,485,372	1,609,121	1,433,479	1,297,279
Total other financing sources (uses)	\$ 3,732,771	\$ 2,661,828	\$ 2,797,291	\$ 1,920,845	\$ 1,692,004	\$ 1,550,134	\$ 479,026	\$ 146,538	\$ 1,101,118	\$ (822,735)	\$ (1,504,033)
Net change in fund balances	8.0%	8.5%	9.0%	9.1%	10.0%	10.2%	10.2%	10.1%	13.5%	11.9%	12.6%
Debt service as a percentage of noncapital expenditures											

CITY OF THE DALLES, OREGON
Program Revenues by Function/Program
Last Ten Fiscal Years
(accrual basis of accounting)

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
General government	\$ 7,041,611	\$ 6,219,285	\$ 5,062,451	\$ 3,626,257	\$ 2,740,349	\$ 3,946,228	\$ 3,082,298	\$ 3,214,586	\$ 3,027,869	\$ 3,103,122
Public safety	190,609	113,914	213,002	223,699	241,242	243,128	235,252	222,585	229,428	194,454
Highways and streets	20,966	9,419	1,026,143	1,096,920	969,448	900,410	891,733	854,032	835,673	807,308
Culture and recreation	1,513,670	1,146,349	97,713	26,351	22,043	1,318,622	1,953,548	1,165,756	1,107,901	1,035,837
Total governmental activities	8,766,856	7,488,967	6,399,309	4,973,227	3,973,082	6,408,388	6,162,831	5,456,959	5,200,871	5,140,721
Business-type activities										
Water	7,297,957	6,362,649	5,937,448	5,915,183	6,938,940	6,893,557	5,820,678	5,730,696	8,162,335	4,531,595
Waste water	5,768,313	7,828,413	7,133,654	6,537,202	5,875,775	6,137,909	5,733,933	5,533,259	5,697,344	5,317,072
Airport *	-	-	-	-	-	-	-	647,988	2,308,048	4,153,884
Total business-type activities	13,066,270	14,191,062	13,071,102	12,452,385	12,814,715	13,031,466	11,554,611	11,911,943	16,167,727	14,002,551
Total Primary government	\$ 21,833,126	\$ 21,680,029	\$ 19,470,411	\$ 17,425,612	\$ 16,787,797	\$ 19,439,854	\$ 17,717,442	\$ 17,368,902	\$ 21,368,598	\$ 19,143,272

* The Airport has been reclassified as a "joint venture" and so has been removed from the City's business activities as of 2016.

CITY OF THE DALLES, OREGON
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Year	Property Taxes	Transient Room Taxes	City Gasoline Taxes
2013	\$ 3,742,555	\$ 526,815	\$ 442,468
2014	3,812,124	589,919	449,660
2015	3,965,710	699,538	476,807
2016	3,914,828	774,459	485,409
2017	4,253,171	794,439	501,456
2018	4,359,755	807,020	518,183
2019	4,680,759	824,988	507,552
2020	4,856,548	673,223	475,432
2021	5,003,897	689,146	479,619
2022	5,085,775	997,209	505,837

CITY OF THE DALLES, OREGON
Assessed Valuation and Actual Values of Taxable Property
Last Ten Fiscal Years

Year	Real Property Assessed Value	Personal Property Assessed Value	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Real Market Value
2013	\$ 946,101,192	\$ 38,753,997	\$ 984,855,189	\$ 3.0155	\$ 1,418,883,503
2014	973,218,575	39,433,682	1,012,652,257	3.0155	1,608,434,442
2015	949,356,866	99,175,645	1,048,532,511	3.0155	1,298,752,196
2016	976,761,450	102,771,898	1,079,533,348	3.0155	1,625,848,326
2017	1,021,779,141	106,663,306	1,128,442,447	3.0155	1,795,227,733
2018	1,061,276,720	110,567,256	1,171,843,976	3.0155	1,933,064,130
2019	1,123,378,702	121,282,394	1,244,661,096	3.0155	2,411,848,062
2020	1,167,757,354	117,462,023	1,285,219,377	3.0155	2,426,595,157
2021	1,227,829,800	121,443,646	1,349,273,446	3.0155	2,884,325,345
2022	1,255,787,540	125,449,933	1,381,237,473	3.0155	2,741,337,003

CITY OF THE DALLES, OREGON
Property Tax Rates - Direct And Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Fiscal Years

Year	District Adjusted Tax Rate	Urban Renewal Tax Rate	City of The Dalles Direct Rate	Wasco County	Wasco County VA Bonds	Port of The Dalles	Mid-Columbia Fire and Rescue	Northern Wasco County Parks and Recreation District	Northern Wasco Co Parks and Recreation District Bond	Wasco County Library District	School District No. 12	School District No. 21	Overlapping Governments			Total Direct and Overlapping Rates
													Columbia Gorge Educational Service District	Columbia Gorge Community College	Norcor	
2013	2.7945	0.221	3.0155	4.2523	0.2536	0.2007	2.2533	0.6799	0	0.6800	1.8104	5.2399	0.4678	0.2703	0.2510	19.37
2014	2.7945	0.221	3.0155	4.2523	0	0.2007	2.2528	0.6799	0	0.6800	1.7765	5.2399	0.4678	0.2703	0.2564	19.09
2015	2.7945	0.221	3.0155	4.2523	0	0.2007	2.2449	0.6799	0.3228	0.6800	1.7588	5.2399	0.4678	0.2703	0.2450	19.38
2016	2.7961	0.2194	3.0155	4.2523	0	0.2007	2.2656	0.6799	0.2953	0.6800	1.7052	5.2399	0.4678	0.2703	0.2487	19.32
2017	2.7952	0.2203	3.0155	4.2523	0	0.2007	2.2588	0.6799	0.2824	0.6800	1.6991	5.2399	0.4678	0.2703	0.0196	19.07
2018	2.797	0.2185	3.0155	4.2523	0	0.2007	2.1841	0.6799	0.2954	0.6800	1.6485	5.2390	0.4678	0.2703	0.0000	18.93
2019	2.7909	0.2246	3.0155	4.2523	0	0.2007	2.2687	0.6799	0.288	0.6800	1.6268	5.2399	0.4678	0.2703	0.0000	18.99
2020	2.7988	0.2167	3.0155	4.2523	0	0.2007	2.2734	0.6799	0.3227	0.6800	1.5589	5.2399	0.4678	0.2703	0.0000	18.96
2021	2.8069	0.2086	3.0155	4.2523	0	0.2007	2.1004	0.6799	0.3067	0.6800	1.5589	5.2399	0.4678	0.2703	0.0000	18.77
2022	2.8055	0.2100	3.0155	4.2523	0	0.2007	2.1004	0.6799	0	0.6800	1.5589	5.2399	0.4678	0.2703	0.0000	18.47

CITY OF THE DALLES, OREGON
Property Tax Levies and Collections
Last Ten Fiscal Years
(modified accrual basis of accounting)
Collected within the
Fiscal Year of the Levy

Fiscal Year Ended June 30,	Tax Levy for the Fiscal Year	Collections in		Percentage	
		Amount	Percentage of Levy	Subsequent Years	of Levy
2013	4,054,361	3,766,990	92.91%	177,849	97.30%
2014	4,109,378	3,957,676	96.31%	159,205	100.18%
2015	4,236,498	3,914,828	92.41%	139,069	95.69%
2016	4,162,816	3,965,710	95.27%	100,490	97.68%
2017	4,533,590	4,253,171	93.81%	68,096	95.32%
2018	4,679,644	4,359,755	93.16%	140,498	96.17%
2019	5,006,827	3,879,906	77.49%	157,243	80.63%
2020	5,158,457	4,856,548	94.15%	212,171	98.26%
2021	5,258,745	5,003,897	95.15%	40,708	95.93%
2022	5,371,349	5,085,775	94.68%	136,416	97.22%

Source: Current and prior years' financial statements
Wasco County Finance Office

CITY OF THE DALLES, OREGON
Principal Taxpayers
December 31, 2021 and December 31, 2012

December 31, 2021

Taxpayer	Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Design LLC	\$ 932,851,590	1	69.14%
Union Pacific Railroad Co.	50,364,219	2	3.73%
BNSF Railway Co	49,048,000	3	3.64%
Northern Wasco PUD	48,339,910	4	3.58%
Lumen Technologies Inc	29,639,000	5	2.20%
Gas Transmission NW Corp	26,970,000	6	2.00%
FM Dalles F LLC	15,030,260	7	1.11%
Orchard View Farms Inc	13,623,665	8	1.01%
Northwest Natural Gas Co	13,550,400	9	1.00%
Cascade Square LLC	11,787,512	10	0.87%
Total Principal Taxpayers	1,191,204,556.00		88.28%
Total Assessed Valuation	\$ 1,349,273,446		

December 31, 2011

Taxpayer	Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Northern Wasco PUD	\$ 12,805,800	1	1.34%
Oregon Cherry Growers, Inc.	11,669,171	2	1.22%
Metropolian Life Insurance Co.	11,336,105	3	1.18%
Home Depot USA, Inc.	10,823,036	4	1.13%
Centurylink	8,088,100	5	0.84%
Union Pacific Railroad Co.	7,160,423	6	0.75%
Safeway Inc.	6,828,366	7	0.71%
SHNW Properties, LLC	6,665,414	8	0.70%
Wasco Assisted Living, LLC	6,436,089	9	0.67%
Cascade Square LLC	6,339,485	10	0.66%
Total Principal Taxpayers	88,151,989		9.21%
Total Assessed Valuation	\$ 957,528,056		

Source: Wasco County Department of Assessment and Taxation

CITY OF THE DALLES, OREGON
Ratios of Outstanding Debt By Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities						Total Primary Government	Percentage of Personal Income *	Per Capita	Percentage of Actual Taxable Value of Property
	General Obligation Bonds	Limited Tax Increment Bonds	Revenue Bonds	FFCO Bonds	Loans Payable	Revenue Bonds	FFCO Bonds	Loan Payable **						
2013	-	-	-	\$ 12,287,934	\$ 231,604	\$ 11,356,637	\$ 1,441,215	\$ 6,963,339	\$	32,280,729	N/A	\$ 2,236	3.28%	
2014	-	-	-	11,660,378	100,655	10,704,972	1,337,901	3,936,540		27,740,446	N/A	1,921	2.74%	
2015	-	-	-	11,014,790	50,890	10,033,307	3,250,301	4,266,008		28,615,296	N/A	1,976	2.73%	
2016	-	-	-	10,348,138	25,846	9,331,642	3,090,198	4,065,974		26,861,798	N/A	1,851	2.49%	
2017	-	-	-	9,656,812	-	8,604,977	1,008,856	3,138,518		22,409,163	N/A	1,439	1.99%	
2018	-	-	-	8,935,812	-	11,329,860	888,986	4,428,222		25,582,880	N/A	1,635	2.18%	
2019	-	-	-	8,188,748	-	10,289,977	765,181	4,275,743		23,519,649	N/A	1,512	1.89%	
2020	-	-	-	7,407,010	-	9,224,516	636,048	4,062,939		21,330,513	N/A	1,309	1.66%	
2021	-	-	-	6,590,598	-	8,129,511	501,590	3,845,545		19,067,244	N/A	1,189	1.41%	
2022	-	-	-	6,907,336	-	7,006,140	347,664	4,823,850		19,084,990	N/A	1,158	1.38%	

Note: Presented net of original issuance discounts and premiums.

* N/A information is not available below County level.

** Amount includes proceeds for the ARRA Forgivable Loan (\$2,988,773) that were accrued on a reimbursement basis in 2012 and 2013. This loan was forgiven in 2014.

CITY OF THE DALLES, OREGON
Ratios of General Obligation Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Total Taxable Assessed Value	Percentage of Actual Taxable Value of Property	Per Capita
2013	-	\$ 984,855,189	0.00%	-
2014	-	1,012,652,257	0.00%	-
2015	-	1,048,532,511	0.00%	-
2016	-	1,079,533,348	0.00%	-
2017	-	1,128,442,447	0.00%	-
2018	-	1,179,634,596	0.00%	-
2019	-	1,240,914,769	0.00%	-
2020	-	1,285,219,377	0.00%	-
2021	-	1,349,273,446	0.00%	-
2022	-	1,381,237,473	0.00%	-

Source: Current and prior years' financial statements, Wasco County Department of Assessment and Taxation, Center for Population Research and Census at Portland State University

CITY OF THE DALLES, OREGON
Direct and Overlapping Governmental Activities Debt
June 30, 2018

<u>Governmental Unit</u>	<u>Gross Property-tax Backed Debt (a)</u>	<u>Percentage Applicable to City of The Dalles</u>	<u>Amount Applicable to City of The Dalles</u>
Debt Repaid with Property Taxes			
Columbia Gorge Comm. Coll (Treaty-Oak AED)	\$ 16,194,834	20.7912%	\$ 3,367,104
Mid-Columbia Fire and Rescue	470,000	76.5104%	359,599
Northern OR Regional Corrections	1,330,000	0.0000%	-
Northern Wasco Co. Parks & Rec District	3,660,108	7.1193%	260,574
Port of The Dalles	2,137,500	66.3953%	1,419,200
Wasco CTY SD 12 (The Dalles) Bonds	17,160,513	84.0903%	14,430,327
Wasco CTY SD 21 (The Dalles/Watonka)	4,590,000	69.6591%	3,197,353
Wasco CTY SD 29	1,138,664	0.8376%	<u>9,537</u>
Subtotal, overlapping debt			23,043,694 (b)
City Direct Debt			<u>6,907,336 (c)</u>
Total Direct and Overlapping Debt			<u><u>\$ 29,951,030</u></u>

NOTE:

- a) "Gross Property-tax Backed Debt" includes all General Obligation (GO) bonds and Full Faith & Credit Bonds, but excludes self-supporting Bancroft bonds and self-supporting revenue bonds.
- b) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlap is determined by how much of the real market value is shared by each entity with the City of The Dalles. This information is provided by the Oregon Department of Revenue and used by the Oregon State Treasury Department to develop the Overlapping Debt Reports for the City.
- c) City Direct Debt includes property-tax backed debt for the Full Faith & Credit Bonds, but excludes self-supporting revenue bonds.

Source: State of Oregon - Office of the Treasurer, Debt Management Information System, Debt and COPS Obligation Summary - report available online at <http://www.ost.state.or.us/divisions/DMD/Report/emailform.asp>

CITY OF THE DALLES, OREGON
Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)

Fiscal Year Ended June 30	Real Market Value	Debt Limit Rate	Debt Limit	Less General Bonded Debt June 30	Legal Debt Margin	Total Net Bonded Debt Applicable to the Limit as a Percentage of Debt Limit
2013	\$ 1,418,883,503	3%	\$ 42,566,505	-	\$ 42,566,505	0.00%
2014	1,608,434,442	3%	48,253,033	-	48,253,033	0.00%
2015	1,298,752,196	3%	38,962,566	-	38,962,566	0.00%
2016	1,625,848,326	3%	48,775,450	-	48,775,450	0.00%
2017	1,795,227,733	3%	53,856,832	-	53,856,832	0.00%
2018	1,933,064,130	3%	57,991,924	-	57,991,924	0.00%
2019	2,411,848,062	3%	72,355,442	-	72,355,442	0.00%
2020	2,426,595,157	3%	72,797,855	-	72,797,855	0.00%
2021	2,884,325,345	3%	86,529,760	-	86,529,760	0.00%
2022	2,741,337,003	3%	82,240,110	-	82,240,110	0.00%

Note: The City has not had any general obligation bonds subsequent to 2000.

CITY OF THE DALLES, OREGON
Demographic and Economic Statistics
Last Ten Years

Year	Population	Personal Income	Per Capita Income	Unemployment Rate
2013	14,440	N/A	N/A	7.71%
2014	14,440	N/A	N/A	6.40%
2015	14,480	N/A	N/A	4.30%
2016	14,515	NA	NA	4.00%
2017	15,572	NA	NA	4.30%
2018	15,646	NA	NA	3.70%
2019	15,554	N/A	N/A	3.40%
2020	16,290	N/A	N/A	9.30%
2021	16,031	N/A	N/A	4.20%
2022	16,488	N/A	N/A	3.30%

N/A Information at City level not available.

Note: The only personal income information available for the City is based on tax returns filed with the State of Oregon.

CITY OF THE DALLES, OREGON
Principal Employers
Current Year and Ten Years Ago

2021-22			
	Employees	Rank	Percent of Total Employment
Mid Columbia Medical Center	897	1	11.36%
School District #21	377	2	4.78%
Fred Meyer	260	3	3.29%
State of Oregon	237	4	3.00%
Google	200	5	2.53%
Columbia Gorge Community College	175	6	2.22%
Oregon Veterans Home	167	7	2.12%
Pacific Coast Producers	147	8	1.86%
Wasco County	139	9	1.76%
U.S. Army Corps of Engineers	119	10	1.51%
	2,718		34.43%
Total employment	7,894		

* Counts are FTE equivalents and do not include short-term seasonal positions

2012-13			
	Employees	Rank	Percent of Total Employment
Mid Columbia Medical Center	730	1	8.96%
Oregon Cherry Growers	339	2	4.16%
School District #21	327	3	4.01%
State of Oregon	200	4	2.45%
Oregon Veterans Home	195	5	2.39%
Wasco County	126	6	1.55%
City of The Dalles	99	7	1.22%
Columbia Gorge Community College	86	8	1.06%
Sunshine Mill	86	9	1.06%
Safeway Food and Drug	78	10	0.96%
	2,266		27.81%
Total employment	8,147		

Source: Oregon Department of Employment and City of The Dalles staff

CITY OF THE DALLES, OREGON
Full Time Equivalent City Employees
by Function/Program and Bargaining Unit
Last Ten Fiscal Years

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities:										
General government	13.80	13.80	13.80	16.00	15.00	15.00	14.00	19.00	19.00	18.00
Public safety and justice	27.25	28.25	26.25	26.25	26.25	25.25	27.25	28.50	27.50	25.50
Community services	4.00	5.00	5.00	5.00	3.00	4.50	4.00	4.50	4.50	4.50
Streets and highways	9.00	8.00	9.00	11.00	10.00	7.00	9.00	8.50	10.50	11.00
Library	11.40	10.90	10.90	9.90	10.00	10.90	11.40	9.50	9.50	9.00
Total governmental activities	65.45	65.95	64.95	68.15	64.25	62.65	65.65	70.00	71.00	68.00
Business-type activities:										
Water	22.50	22.50	22.50	22.50	20.50	18.00	21.00	22.00	22.00	22.00
Wastewater	13.50	13.50	13.50	14.50	13.50	12.00	13.00	12.00	12.00	9.00
Airport						-		-	-	-
Total business-type activities	36.00	36.00	36.00	37.00	34.00	30.00	34.00	34.00	34.00	31.00
Total primary government budgeted FTE	101.45	101.95	100.95	105.15	98.25	92.65	99.65	104.00	105.00	99.00
City of The Dalles Employees										
Management and exempt	39.45	39.95	39.95	37.9	34.75	34.65	33.65	37.00	37.00	34.00
Bargaining units										
SEIU (Local 503)	44.00	44.00	44.00	45.75	45.50	43.00	44.00	44.00	46.00	45.00
Police Association	18.00	18.00	17.00	17.00	17.00	14.00	19.00	19.00	18.00	18.00
Total bargaining units	62.00	62.00	61.00	62.75	62.50	57.00	63.00	63.00	64.00	63.00
Temporary City employees			-	4.50	1.00	1.00	1.00	4.00	4.00	2.00
Total actual City employees	101.45	101.95	100.95	105.15	98.25	92.65	97.65	104.00	105.00	99.00

CITY OF THE DALLES, OREGON
Operating Indicators by Function/Program
Last Ten Fiscal Years

FUNCTION/PROGRAM	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Public Safety and Justice										
Police (1)										
Calls for service	17,720	16,787	16,648	15,756	13,375	12,218	N/A*	11,166	11,187	11,447
Crime reports	2,495	2,583	2,621	2,559	2,060	2,220	N/A*	2,600	2,423	2,504
Number of arrests	823	922	1,125	919	837	1,793	N/A*	1,371	1,233	1,062
Municipal Court										
Traffic cases	545	940	1,544	1,692	1,374	1,720	1,467	1,504	1,357	1,180
Criminal cases	0	6	0	235	372	279	429	364	511	445
Ordinance violations	12	22	1	9	1	30	19	40	65	78
Parking violations	1	17	3	109	81	47	99	57	44	44
Code enforcement cases	0	0	0	0	5	6	4	9	6	13
Library										
Number of registered borrowers	9,680	10,563	15,411	15,665	15,562	15,651	14,538	13,534	12,056	11,950
Total circulation	137,234	74,924	182,523	236,571	219,628	197,620	190,785	164,106	157,475	160,295
Public programs	349	299	670	784	362	340	472	264	418	462
Program attendance	4,118	23,620	10,168	14,023	4,194	3,617	5,759	4,706	6,978	7,864
Books added	4,821	5,695	6,632	6,113	6,315	5,425	6,563	8,995	4,688	4,005
Business-type Activities:										
Water										
Average active metered connections	5,023	4,864	4,640	4,773	4,443	4,825	4,617	4,590	4,591	4,604
Average daily water consumption	3,295,441	3,221,860	2,983,584	3,005,304	2,994,521	3,121,860	2,969,589	3,475,890	2,711,309	2,574,885
Average number of assistance accounts	190	218	196	159	139	134	183	149	187	166
Average daily water production	3,677,962	4,294,605	3,370,000	3,456,900	3,341,700	3,300,000	3,360,415	3,303,658	3,301,370	3,196,986

(1) Police statistics are for the calendar year.
 * N/A: Data was not available for this year.

CITY OF THE DALLES, OREGON
Capital Asset and Infrastructure Statistics by Function/Program
 Last Ten Fiscal Years

FUNCTION/PROGRAM	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities										
General Government										
Buildings owned	13	13	13	13	13	13	13	13	13	13
Vehicles (excluding automobiles)	44	44	44	45	41	41	41	41	41	40
Heavy Equipment	20	20	19	19	18	18	18	18	17	16
Public Safety and Justice										
Police										
Police vehicles	20	20	19	19	18	18	17	17	17	17
Number of employees	27.25	25	26	26	26.25	21	25.75	25.5	25.5	25.5
Streets and Highways										
Miles of streets maintained by City:										
Paved	81.19	81.19	85.4	85.1	87.5	85.1	69.2	69.2	69.1	69.1
Unpaved	8.3	8.3	16.24	13.2	10.8	13.2	16.4	16.4	16.4	16.4
Bridges and underpasses	6	6	6	6	6	6	6	6	5	5
Business-type Activities										
Water										
Miles of water lines (estimated)	104.89	104.89	104.79	104.75	104	101.3	101.3	101.3	100.7 *	100.7
Reservoirs	5	5	5	5	5	5	5	5	5	5
Water treatment plant	1	1	1	1	1	1	1	1	1	1
Wells	3	3	3	3	3	3	3	3	3	3
Wastewater										
Treatment plant	1	1	1	1	1	1	1	1	1	1
Miles of sewer lines (estimated)	101	100.6	100.4	100	100	100	98.8	95.7	95.3	95.3
Lift stations	8	8	8	9	9	9	9	9	8	8
Airport										
Terminal	1	1	1	1	1	1	1	1	1	1
Maintenance and T-hangers	42	42	42	42	42	42	42 *	42 *	33 *	32
Other buildings	4	4	4	4	4 *	2	2	2 *	2	3

* 2013 Added in out of City limits Transmission Pipelines from Treatment Plant to town.
 * 2013 Built new Maintenance Hanger and private hanger with 8 T-hangers reverted to Airport ownership.
 * 2014 Now includes Life Flight Hanger and eliminated Electrical Bldg, which is now part of New Maint Hanger
 * 2015 Purchased "D" Hanger with 9 T-Hangers.

AUDIT COMMENTS AND DISCLOSURES



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Mayor and City Council
City of The Dalles
The Dalles, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of The Dalles, Oregon (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 19, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in a separate communication we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (Continued)**

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Talbot, Kowala & Warwick LLP

Portland, Oregon
December 19, 2022



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH OREGON STATE REGULATIONS**

Mayor and City Council
City of The Dalles
The Dalles, Oregon

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of City of The Dalles, Oregon (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 19, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

In connection with our testing, nothing came to our attention that caused us to believe the City 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 162-10-330 of the *Minimum Standards for Audits of Oregon Municipal Corporation*, except as follows:

- The Capital Projects Fund had an over expenditure of \$622 for debt service.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH OREGON STATE REGULATIONS (Continued)**

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in a separate communication we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Purpose of This Report

This report is intended solely for the information and use of the City Council, Audit Committee, Oregon Secretary of State Audits Division, and management and is not intended to be and should not be used by anyone other than these specified parties.



Portland, Oregon
December 19, 2022