



# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Fiscal Year Ended June 30, 2015**

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

# **CITY OF THE DALLES, OREGON**

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Finance Department**



**CITY OF THE DALLES, OREGON**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For the Fiscal Year Ended June 30, 2015**

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## **INTRODUCTORY SECTION**

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## **CITY of THE DALLES**

313 COURT STREET  
THE DALLES, OREGON 97058

(541) 296-5481

City Council  
City of The Dalles  
The Dalles, Oregon 97058

November 12, 2015

The Comprehensive Annual Financial Report (CAFR) of the City of The Dalles, Oregon, for the year ended June 30, 2015, is submitted herewith. This report presents a comprehensive and detailed picture of The Dalles' financial transactions during fiscal year 2014-2015 and the financial condition of the various funds at June 30, 2015. 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, 2015, 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, revised in 1998, 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.

## ECONOMIC CONDITIONS

The City has a population currently estimated at 14,480, 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 800 employees in all their affiliated activities.

The major agricultural product of the City is sweet cherries. The Dalles is a primary producer for both domestic and overseas markets. There are in excess of 6,000 acres of sweet cherry trees around the City. Wheat is another important agricultural product with 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 is the location of most local manufacturing, where there are 40 companies, employing over 550 people. The old Aluminum Smelter was torn down for salvage in 2008. This freed up over 300 acres of industrial land. Internet giant Google is located in the Port Industrial Park and employs over 150 employees, including contract employees. Google has recently completed construction that will double their investment at The Dalles facility and should add 50 employees to it's the Dalles operations. One of the newest addition to the Port Industrial Park is Columbia PhytoTechnology, a company that specializes in powder production through its patented Radiant Zone Drying (RZD) technology, particularly of fruits and vegetables, for the food, beverage, nutritional, nutraceutical and pharmaceutical industries. Columbia PhytoTechnology relocated from Washington to The Dalles in late 2011, bringing approximately 36 jobs to the area, with plans to expand to 100 employees within the next few years. During FY14/15 two new businesses located in the Port Industrial Area: NuCulture Foods and Integrated 3-D, LLC. Also, the Port completed a new 50 acre, 25 lot Industrial Subdivision, called the Columbia Gorge Industrial Center.

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 there are 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 bordering the City. Historic Downtown The Dalles, with its talking murals, St. Peters Landmark and other historical buildings, and antique shops is a strong visitor draw. In 2012 the City completed the construction of a Columbia River Marine Terminal, adjacent to the downtown area. The Marine Dock is used by four cruise lines with five ships, including the 300 foot long Queen of the West. Over 100 cruise ship stops have been booked for 2015.

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 new wellness center called Waters Edge in 2010 that offers exercise equipment, lap and therapy pools, spa services, exercise

and nutrition classes, and a bistro, along with cardiac and pulmonary rehab, outpatient therapies, and sleep medicine and labs. 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. During the summer of 2013, the new Fresenius Center opened for business, providing dialysis treatments on Mondays, Wednesdays and Fridays.

The Dalles is the site of a 151 bed Veterans' long-term nursing and care home that opened in November 1997. It currently provides 175 jobs and has 145 residents. In 2011 the Oregon Department of Veteran Affairs added a new 9,300 square foot community center and out patient 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. During the past ten years, several retail developments have been completed in the community. A 138,000 square foot regional Home Depot store opened in October 2004. This was followed by Walgreen's in 2005. Both the local Safeway and Fred Meyer stores completed multi-million dollar renovations in 2006. 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 Fairfield in was constructed and opened June 30, 2014, with 80 rooms, creating 28 new jobs. A new 150,000 square foot super Wal-Mart store is planned for 2016 that will employ around four hundred people.

An Urban Renewal District that 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. Urban Renewal also caused the renovation of two major downtown structures that had been vacant for years. 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 new 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.

An \$8 million dollar Washington Street Railroad undercrossing and plaza is scheduled to be completed in 2016. A renovation of the Granada Block is also scheduled for 2016 that will include a new \$23 million dollar hotel/conference center and a \$5 million dollar, 320 stall public parking structure.

Renovation of the Elks Building is scheduled to be completed in 2016. This will house a world class neon sign museum that is expected to draw more visitors to increase our tourism economy.

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. Although the economic situation the past few years has been bleak, the City has been experiencing signs of economic recovery and, through prudent budgeting, is operating on a fiscally sound basis.

## **MAJOR INITIATIVES**

### **Wastewater Master Plan**

The City updated its wastewater master plan for the treatment plant site and collection system in 2002 and again in 2013. A 5-year wastewater capital improvement plan, updated annually is being utilized. Phase I design and construction for the wastewater plant and collection system improvements were completed in 2006. Phase II improvements are scheduled to take place in the fiscal years 2015-2016 and 2016-2017.

### **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 are planned to be issued in fiscal years 2016-2017 and 2019-2020 to fund identified system improvements.

### **Transportation System Plan**

A Transportation System Plan drafted in 1999 was updated and implemented in 2006. 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. An update to the Transportation System Plan is scheduled for 2015-2016 and will be funded using a Transportation Growth Management grant and Transportation System Development Charges.

### **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.

### **Regional Airport Authority**

Klickitat County and the City of The Dalles formed a Regional Airport Authority in 2001 that now operates the Airport. A new set of aircraft hangars was constructed in 2004. A second set of hangars was completed in 2009 through a partnership with local investors. A new Maintenance Hanger was completed in 2013. The \$5.5 million runway rehabilitation project begun in fiscal year 2011-2012, was completed in fiscal year 2013-2014. This project was funded by a \$3.5 million State of Oregon grant, packaged with a \$2 million FAA grant. Taxiway work was completed in fiscal year 2014-2015. This \$2.2 million project was funded 90% by the FAA and 10% by the Airport sponsors. Another major fiscal year 2014-2015 project was construction of a 17 lot industrial park development, including roads and utilities. In FY14/15 the Airport purchased a 16 space T-Hanger for \$714,000. A flex space building, to be built in FY15/16, will be the anchor building in the new industrial park.

### **Columbia Gateway Urban Renewal Agency**

The Columbia Gateway Urban Renewal Agency, a component unit of the City of the Dalles, operated throughout the 2014-2015 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 FY14/15.

## **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 assets and liabilities of the agency funds are accounted for using the modified 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 except the General Fund establish the levels of budgetary control at the 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, 2015. 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 adopted 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.

The new policies also addressed intangible capital assets as required by GASB 51, and the new fund balance structures as required by GASB 54. These policies, in particular the new fund balance structure, were initially applied in the preparation of the Comprehensive Annual Financial Report for the fiscal year ending June 30, 2011.

## **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**

Oregon Revised Statutes Chapter 297 requires that 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 account groups; 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, 2014. 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 the 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,



Julie Krueger  
City Manager



Kate Mast  
Finance Director

**CITY OF THE DALLES  
OFFICIALS OF THE CITY  
AS OF JUNE 30, 2015**

**MAYOR AND CITY COUNCIL**

<b><u>Name and Address</u></b>	<b><u>Term Expires December 31</u></b>
Stephen Lawrence, Mayor 222 West 12 <sup>th</sup> Street The Dalles OR 97058	2016
Dan Spatz 2506 Jordan Street The Dalles OR 97058	2016
Linda Miller 1534 East 9 <sup>th</sup> Street The Dalles OR 97058	2016
Tim McGlothlin 328 West 21 <sup>st</sup> Place The Dalles OR 97058	2018
Russ Brown 903 East 14 <sup>th</sup> Street The Dalles OR 97058	2018
Taner Elliot 397 Summit Ridge Drive The Dalles OR 97058	2016

**City Administration**

Julie Krueger, Interim City Manager – Budget Officer  
Julie Krueger, City Clerk  
Gene Parker, City Attorney  
Kate Mast, Finance Director





Government Finance Officers Association

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Achievement  
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Presented to

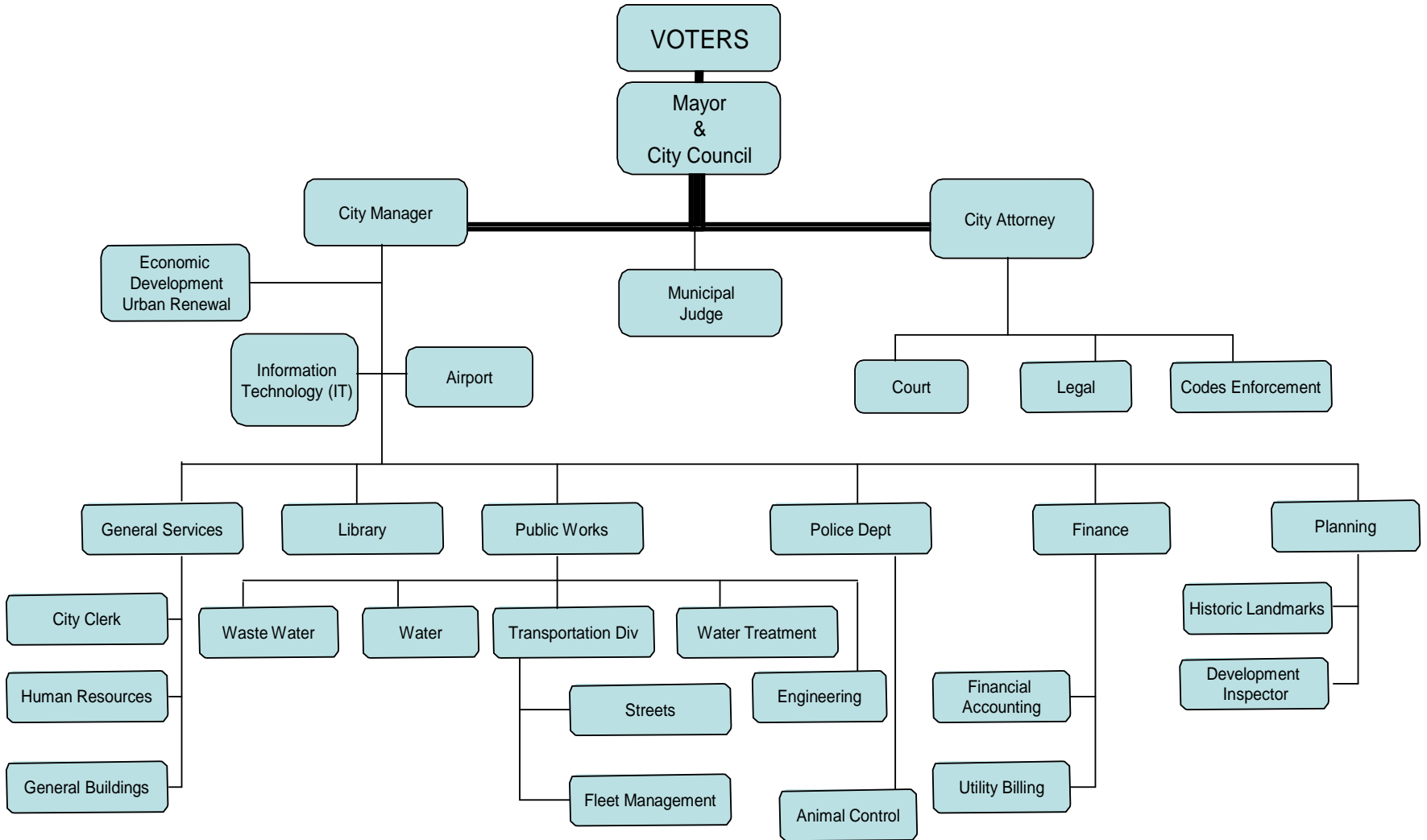
**City of The Dalles  
Oregon**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

**City of The Dalles  
FY14/15**



## **INDEPENDENT AUDITOR'S REPORT**

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**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Financial Statements**

We have audited the accompanying 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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness

of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the 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, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison statements for the General Fund, Street Fund, Library Fund, and Special Grants Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 management's discussion and analysis and the other post employment benefits schedule of funding progress, as listed in the table of contents under required supplementary information, in accordance with auditing standards generally accepted in the United States of America, 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.

### *Other 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 introductory section, other supplemental information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental information, as listed in the table of contents, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

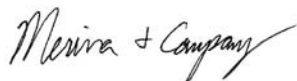
### **Reports on Other Legal and Regulatory Requirements**

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2015 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 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 internal control over financial reporting or on compliance. That report is issued separately and 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 November 12, 2015, 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.



Merina & Company, LLP  
West Linn, Oregon  
November 12, 2015



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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## 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 exceeded its liability at June 30, 2015 by \$79,547,066 (net position). Of this amount \$55,683,536 was invested in capital assets (net of related debt). \$17,009,725 was restricted for specific purposes, resulting in unrestricted net position of \$6,853,805. The unrestricted net position is made up of unrestricted governmental net position of \$4,480,644 and unrestricted business-type net position of \$2,373,161.

The City's net position increased by \$4,757,074 (6.36%), due in part to the Airport Runway Rehabilitation and Taxiway Rehabilitation projects funded by FAA. In addition, the City issued \$2,017,682 full faith and credit obligation bonds in February 2015 for the Airport to purchase an existing hanger and fund the construction of two new hanger buildings.

The City's Governmental Funds had an increase in fund balances in the amount of \$146,538. The Urban Renewal Fund balance increased approximately \$51,165.

The City's Enterprise Funds experienced an increase in net position of \$3,575,021, due mostly to the ongoing runway rehabilitation and taxiway rehabilitation projects, and completion and capitalization of the Dewatering Well #6 Rehab project and the Sorosis Pump Surge Tank project.

### 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, and the City owned airport.

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 title "Other Governmental Funds". Budgetary comparison statements are presented for the General Fund – General Accepted Accounting Principles, Street Fund, Library Fund, and Special Grants Fund, which comprise the City's General and Major Special Revenue Funds.

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.

**Supplemental Information.** Readers desiring additional information about other major funds not represented in the Basic Financial Statements and on non-major funds 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 – Generally Accepted Accounting Principles. 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 – Generally Accepted Accounting Principles.
- Budgetary Comparisons. Budgetary information for all funds, except General – Generally Accepted Accounting Principles, Street, Library, and Special Grants 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, 2015 was \$79,547,066, an increase from June 30, 2014 of \$4,757,074. 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.

## City of The Dalles Net Position

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Totals</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Assets</b>						
Current and other assets	\$ 13,553,427	\$ 12,203,040	\$ 14,408,587	\$ 10,793,235	\$ 27,962,014	\$ 22,996,275
Capital assets	34,847,134	35,155,364	49,451,698	47,649,065	84,298,832	82,804,429
<b>Total Assets</b>	<b>48,400,561</b>	<b>47,358,404</b>	<b>63,860,285</b>	<b>58,442,300</b>	<b>112,260,846</b>	<b>105,800,704</b>
<b>Liabilities</b>						
Long-Term liabilities	11,842,523	12,441,918	17,338,487	15,839,132	29,181,010	28,281,050
Other liabilities	1,704,331	1,244,832	1,216,683	1,484,830	2,921,014	2,729,662
<b>Total liabilities</b>	<b>13,546,854</b>	<b>13,686,750</b>	<b>18,555,170</b>	<b>17,323,962</b>	<b>32,102,024</b>	<b>31,010,712</b>
<b>Net investment in capital assets</b>						
Restricted	23,781,454	23,394,331	31,902,082	31,669,652	55,683,536	55,063,983
Unrestricted	6,591,609	6,221,686	10,418,116	8,506,649	17,009,725	14,728,335
<b>Total net position</b>	<b>\$ 34,853,707</b>	<b>\$ 33,671,654</b>	<b>\$ 44,693,359</b>	<b>\$ 41,118,338</b>	<b>\$ 79,547,066</b>	<b>\$ 74,789,992</b>

The governmental activities revenue comes primarily from property taxes, franchise fees, charges for services, and various grants and contributions, including \$1,076,632 from a Library Special District formed in 2006. Between FY12/13 and FY13/14, the City's Taxable Assessed Value (TAV) increased by 2.86%. Between FY13/14 and FY14/15, the City's TAV increased by 3.35%. When compared to the prior year, City property taxes collected increased by 4.64%, but taken as an average of the past two years, collections have only increased by an average of 3.54%. When compared to the prior year, Urban Renewal District property taxes collected increased by 6.90%. This increase was mostly due to a combination of changes in recent prior years. Due to construction in FY12/13, taxes on heavy equipment located in the Urban Renewal Area inflated the assessments, and then the absence of those taxes the following year, after the construction projects were completed, deflated the assessments. The current year's increase is based on the comparison with last year's deflated collections.

Our natural gas franchise fees decreased 4.37% over the prior year, primarily due to a milder winter. The electric franchise fees increased 2.38%, while CATV/internet franchise fees increased 7.81%, and the garbage franchise fees increased 2.63%. The Street Fund realized a 6.04% increase in the local 3 cent per gallon gas tax. Transient Room Taxes collected increased 28.46% compared to the prior year, due in part to the opening of a new Fairfield Inn, increased construction activity in the area that resulted in increased business stays, and better weather than the past year that lengthened the tourism season. Total City charges for services revenue showed a 4.0% decrease, due a decrease in planning, licensing and permit fees. Total new revenues in the General Fund increased by 6.1%, due in part to

the increases in the franchise fees and Transient Room Taxes as shown above, and a change in distribution from the County of Enterprise Zone payments.

During the year ending June 30, 2015, the City received a significant amount of revenue from capital grants and contributions that consist primarily of awards for specific special projects. These will not be a continuing source of revenue. Significant grants and contributions received during the fiscal year included \$383,440 received from the Federal Aviation Administration for the Airport Runway Rehabilitation and Taxiway Rehabilitation projects, \$71,389 was received to purchase the design for a new expansion of the library, and a private contribution of \$97,910 was received to fund Phase 5 of the WiFi project.

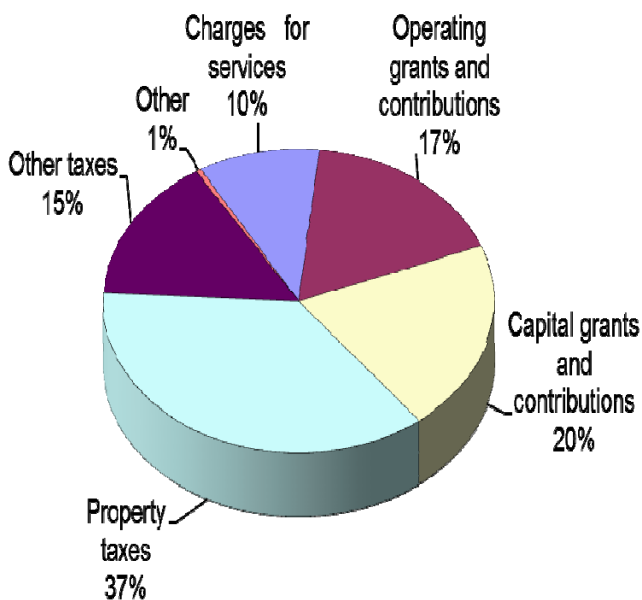
The City’s governmental expenses cover a wide variety of services, with general government, public safety and streets accounting for most of these expenses. The 14.2% increase in governmental expenses was primarily due to capital outlay expenses for several projects, including the Library Design project, East Scenic Drive Stabilization project, and the West 7<sup>th</sup> Street Survey project.

The Business Type activities revenues come mostly from charges for services and various grants for capital projects. A 5% water rate increase was implemented during the fiscal year, with further annual increases scheduled, after an analysis of the operational and capital improvement plan needs of the water system. A 3.44% wastewater rate increase was also implemented, with further annual increases scheduled.

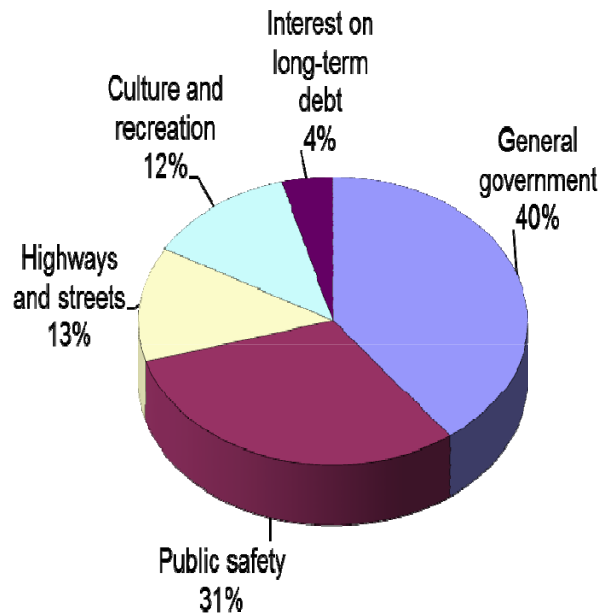
The most significant changes to Business Type expenses during the year are related to the costs of the 2015 Sewer Slipline project, the Scenic Drive Stabilization project, and the continuation of the Airport Runway and Taxiway Rehabilitation projects.

Property taxes are the City’s primary on-going source of revenue and comprise 37% of the City’s governmental revenue. Property taxes are derived from the permanent tax rate and taxes levied for the repayment of bonded indebtedness.

**Governmental Activities Revenue**



**Governmental Activities Functional Expenses**



For the fiscal year ending June 30, 2015, net position of the Governmental activities increased by \$1,182,053, which represents a 3.5% increase. Net position of the Business-type activities increased by \$3,575,021, or 8.7%. Key elements of these changes, when compared to the year ending June 30, 2014 are as follows:

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b><u>Revenues</u></b>						
Program Revenues						
Charges for services	\$ 1,149,580	\$ 1,994,225	\$ 11,440,410	\$ 11,132,656	\$ 12,589,990	\$ 13,126,881
Operating grants and contributions	1,988,624	1,920,600	65,000	65,000	2,053,624	1,985,600
Capital grants and contributions	2,318,755	1,286,046	406,533	4,970,071	2,725,288	6,256,117
General Revenues						
Property taxes	4,161,349	3,985,061	-	-	4,161,349	3,985,061
Other taxes	1,757,480	1,728,579	-	-	1,757,480	1,728,579
Other	49,936	43,569	50,440	4,940	100,376	48,509
<b>Total revenues</b>	<b>11,425,724</b>	<b>10,958,080</b>	<b>11,962,383</b>	<b>16,172,667</b>	<b>23,388,107</b>	<b>27,130,747</b>
<b><u>Expenses</u></b>						
General government	4,643,056	3,528,182	-	-	4,643,056	3,528,182
Public safety	3,599,408	3,502,386	-	-	3,599,408	3,502,386
Highways and streets	1,505,435	1,409,998	-	-	1,505,435	1,409,998
Culture and recreation	1,451,383	1,292,997	-	-	1,451,383	1,292,997
Interest on long-term debt	517,776	528,148	-	-	517,776	528,148
Water	-	-	3,659,726	3,713,333	3,659,726	3,713,333
Waste water	-	-	2,993,590	3,147,900	2,993,590	3,147,900
Airport	-	-	260,659	286,049	260,659	286,049
<b>Total Expenses</b>	<b>11,717,058</b>	<b>10,261,711</b>	<b>6,913,975</b>	<b>7,147,282</b>	<b>18,631,033</b>	<b>17,408,993</b>
Change net position before transfers	(291,334)	696,369	5,048,408	9,025,385	4,757,074	9,721,754
Transfers	1,473,387	1,507,292	(1,473,387)	(1,507,292)	-	-
Change in net position	1,182,053	2,203,661	3,575,021	7,518,093	4,757,074	9,721,754
Net position-beginning	33,671,654	31,633,043	41,118,338	33,814,251	74,789,992	65,447,294
Prior Period Adjustment	-	(165,050)	-	(214,006)	-	(379,056)
Net position-beginning, as adjusted	33,671,654	31,467,993	41,118,338	33,600,245	74,789,992	65,068,238
<b>Total net position</b>	<b>\$ 34,853,707</b>	<b>\$ 33,671,654</b>	<b>\$ 44,693,359</b>	<b>\$ 41,118,338</b>	<b>\$ 79,547,066</b>	<b>\$ 74,789,992</b>

### **Governmental Activities**

A significant portion of the increase in net position is due to the East Scenic Drive Stabilization project, which is split between the Governmental and Enterprise funds, and the continuing Granada Block, Washington Street Underpass and Four Mill projects. Other construction-in-progress projects include the Library Expansion project, the West 7th Street Survey project, the WiFi expansion phases, and The Dales Dam Tour/Shuttle project.

### **Business-type Activities**

The increase in net position of the Business-type activities is due primarily to the capitalization of the Airport Runway Rehab Design project and the Sorosis Pump Surge Tank project. Other construction in progress projects include the Airport Taxiway Rehab and two Hanger projects, the 2015 Slipline project, the East Scenic Drive Stabilization project, the Lone Pine Well expansion project, and to rate increases for water services (5%) and sewer services (3.44%).

### **FINANCIAL ANALYSIS OF FUNDS**

As of June 30, 2015 the City's governmental funds reported a combined fund balance of \$10,340,168, which is an increase of \$146,538 from June 30, 2014.

The General Fund is the primary operating fund of the City. Beginning June 30, 2011, 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, 2015, the combined General Fund – Generally Accepted Accounting Principles balance was \$3,200,474 which is an increase of \$142,718 from June 30, 2014. The combined revenues were \$6,294,351 and combined expenditures were \$7,751,601, resulting in a loss of \$1,457,250. However, the combined General Fund received transfers from other funds in the amount of \$1,712,468, and sent transfers out to other funds in the amount of \$115,000. This resulted in net "Other financing sources" totaling \$1,599,968.

The Street Fund balance as of June 30, 2015 was \$555,593, which is an increase of \$116,667 from June 30, 2014. Street Fund revenues were \$1,413,037, while expenditures were \$1,176,443, resulting in a gain of \$236,594. Transfers in from other funds in the amount of \$308,970, and transfers out to other funds in the amount of \$428,897, resulted in net "Other financing sources" totaling a negative \$119,927.

As of June 30, 2015, the Library Fund balance was \$1,251,473, reflecting an increase of \$182,481 from June 30, 2014. The City's Library Fund provides for the operations of the Library per a contract with the County since the formation of the new County Library District which was approved in November of 2006. The County contributes a share of the property taxes collected, which includes funds for an Unappropriated Fund Balance so the City's other resources do not need to support the Library Fund cash flow until current year property taxes are collected.

The Special Grants Fund balance as of June 30, 2015 was \$3,496,322, which is an increase of \$50,575 from June 30, 2014. This increase was due to the delay of projects accounted for within that fund.

The Urban Renewal Capital Projects Fund balance as of June 30, 2015 was \$655,223, which is an increase of \$51,165 from June 30, 2014. This increase is primarily due to the delay of the Granada Block project.

The non-major governmental funds balance as of June 30, 2015 was \$1,181,083. This reflects a decrease of \$397,068, primarily due to transfers made to the Capital Projects Fund for the 7<sup>th</sup> Street LID project.

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 \$44,693,359 as of June 30, 2015, reflecting a \$3,575,021 increase over net position as of June 30, 2014.

The combined Water Funds net position as of June 30, 2015 was \$13,309,683, which is an increase of \$1,345,003 over June 30, 2014. This increase is primarily due to additional revenues from a 5% rate increase and accumulating funds to implement the capital improvement plan, including the Dog River Pipeline Replacement Project.

The combined Wastewater Funds net position as of June 30, 2015 was \$20,117,789, which is an increase of \$1,764,850 from June 30, 2014. This increase is primarily due to the construction-in-progress projects, including the Scenic Drive Stabilization, as well as building reserves for Phase II of the treatment plant improvements.

The combined Airport Funds net position as of June 30, 2015 was \$11,265,887 which is an increase of \$468,168 from June 30, 2014. This increase is due primarily to the completion and capitalization of the Airport Runway Rehab Design project, and the issue of the LOCAP Taxable Bonds in FY14/15.

## **BUDGETARY HIGHLIGHTS**

The original legal appropriations for fiscal year 2014-2015 for the General Fund – Budgetary Basis totaled \$7,516,495, with contingency of \$590,492. The Unappropriated Ending Balance, which is not included in the legal appropriations, was \$773,883. Budget amendments during the year resulted in a total budget of \$7,516,495, with a contingency of \$417,338. The changes to the budget were made to allocate for business recruitment services, a special payment to Mid-Columbia Fire & Rescue for expansion of Fire Station #2, and to reallocate funds between categories. Expenditures were \$852,817 under budget.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

As of June 30, 2015, the City had invested \$84,298,832 in capital assets of its governmental and business-type activities. This investment includes land and land improvements, buildings, equipment, and public infrastructure of roads and bridges. The investment in governmental activities capital assets decreased by \$308,230 and business-type activities capital assets increased by \$1,802,633. Significant additions during the year ending June 30, 2015 were related to the completion and capitalization of the Airport Runway Rehab Design project.

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

The total governmental long-term debt outstanding at June 30, 2015 was \$11,065,680. Business-type activities long-term debt outstanding was \$17,549,616. During the year the City added \$2,517,682 in long-term debt, and retired a total of \$1,642,831 in principle long-term debt. The only retirement was of the debt for the Oklahoma State Bank loan for the Asphalt Zipper.

A summary of the City’s long-term debt outstanding is as follows:

2009 FFCO Bond	9,515,000
Premium on 2009 FFCO Bond	663,788
FFCO 2008 Bond	2,040,000
Premium on FFCO 2008 Bond	28,621
Airport Klickitat County Loan	200,000

Airport Klickitat County CERB Loan	500,000
Airport Taxable LOCAP Bond	2,000,000
Premium on Airport Taxable LOCAP Bo	17,682
Airport Loan from Port	151,523
2003 Wastewater Revenue Bond	3,310,000
2007 Water Revenue Bond	6,695,000
Premium on Water Revenue Bond	28,307
Peterson Cat Lease - Skid Steer	50,890
SDWRLF Loan	2,427,488
ARRA Note	986,997
<b>TOTAL</b>	<b>\$ 28,615,296</b>

In addition to the above, the City has acted as a conduit for debt for the QualityLife Intergovernmental Agency (QLife). The City obtained a Full Faith and Credit Loan from the Columbia River Bank in May of 2008 in the amount of \$1,079,978, which was used to pay off a prior QLife FFCO loan and two State Special Public Works loans. QLife pledged to provide the full repayment of the loan and, accordingly, 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, 2014 of \$128,958 was paid in full in July 2015.

Compensated Absences accruals totaled \$458,529 as of June 30, 2015. Governmental accruals totaled \$303,648, but are not recorded as a liability in the Governmental Funds. Business-type compensated absences accrual totaling \$154,881 are recorded as current period liabilities as of June 30, 2015, because the oldest leave hours accrued are considered to be used first, so the balances are constantly being updated by use and new accruals. Other postemployment benefits totaled \$1,468,539 for governmental activities and \$850,673 for business-type activities.

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

## **ECONOMIC FACTORS**

The QLife local area fiber optic loop project enables any current business and any future business that needs high speed access to the Internet a reason to remain or move into our area. Google, the search engine, has operated a facility here in The Dalles for the past nine years, and is currently expanding their facilities, with a completion expected near the end of 2015. Home Depot, a Fortune 500 company, operates a retail and commercial outlet here. A new Good-Will facility and a new four-story motel have recently opened for business. Wal-Mart is pursuing construction of a "super store" in the west end of the City. The foregoing will impact housing and the amount being spent by the local community in our local stores. These activities and the growing number of windfarms to the east of the community are also providing local jobs.

## **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.



## **FINANCIAL SECTION**

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## **BASIC FINANCIAL STATEMENTS**

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## **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, 2015**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 3,990,849	\$ 1,700,863	\$ 5,691,712
Receivables:			
Accounts	1,116,665	1,093,185	2,209,850
Intergovernmental	36,261	-	36,261
Fines and forfeitures, net	564,523	-	564,523
Property taxes	363,496	-	363,496
Assessments	543,363	-	543,363
Prepaid items	132,551	-	132,551
Inventories	177,245	334,716	511,961
Total current assets	<u>6,924,953</u>	<u>3,128,764</u>	<u>10,053,717</u>
Noncurrent assets:			
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	5,251,924	10,752,482	16,004,406
Receivable	1,376,550	527,341	1,903,891
Capital assets:			
Land	661,261	5,794,715	6,455,976
Assets available for sale	1,319,394	-	1,319,394
Construction in progress	3,736,328	3,807,950	7,544,278
Depreciable assets, net of depreciation	29,130,151	39,849,033	68,979,184
Total noncurrent assets	<u>41,475,608</u>	<u>60,731,521</u>	<u>102,207,129</u>
Total assets	<u>\$ 48,400,561</u>	<u>\$ 63,860,285</u>	<u>\$ 112,260,846</u>
<b>LIABILITIES:</b>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 577,406	\$ 437,269	\$ 1,014,675
Unearned revenue	52,947	-	52,947
Accrued interest payable	60,237	138,347	198,584
Retainage payable	18,397	36,140	54,537
Long-term obligations due within one year	995,344	1,216,683	2,212,027
Total current liabilities	<u>1,704,331</u>	<u>1,828,439</u>	<u>3,532,770</u>
Noncurrent liabilities:			
Long-term obligations:			
Due in more than one year	11,842,523	17,338,487	29,181,010
Total noncurrent liabilities	<u>11,842,523</u>	<u>17,338,487</u>	<u>29,181,010</u>
Total liabilities	<u>13,546,854</u>	<u>19,166,926</u>	<u>32,713,780</u>
<b>NET POSITION</b>			
Net investment in capital assets	23,781,454	31,902,082	55,683,536
Restricted for:			
Capital projects	5,793,979	9,637,261	15,431,240
Debt service	797,630	780,855	1,578,485
Unrestricted	4,480,644	2,373,161	6,853,805
Total net position	<u>34,853,707</u>	<u>44,693,359</u>	<u>79,547,066</u>
Total liabilities and net position	<u>\$ 48,400,561</u>	<u>\$ 63,860,285</u>	<u>\$ 112,260,846</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, 2015**

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
<b>Governmental activities:</b>							
General government	\$ 4,643,056	\$ 895,831	\$ -	\$ 2,318,755	\$ (1,428,470)	\$ -	\$ (1,428,470)
Public safety	3,599,408	222,585	-	-	(3,376,823)	-	(3,376,823)
Culture and recreation	1,451,383	12,424	1,153,332	-	(285,627)	-	(285,627)
Highways and streets	1,505,435	18,740	835,292	-	(651,403)	-	(651,403)
Unallocated interest on long-term debt	517,776	-	-	-	(517,776)	-	(517,776)
<b>Total governmental activities</b>	<b>11,717,058</b>	<b>1,149,580</b>	<b>1,988,624</b>	<b>2,318,755</b>	<b>(6,260,099)</b>	<b>-</b>	<b>(6,260,099)</b>
<b>Business type activities:</b>							
All Water Funds	3,659,726	5,707,603	-	23,093	-	2,070,970	2,070,970
All Wastewater Funds	2,993,590	5,533,259	-	-	-	2,539,669	2,539,669
All Airport Funds	260,659	199,548	65,000	383,440	-	387,329	387,329
<b>Total business type activities</b>	<b>6,913,975</b>	<b>11,440,410</b>	<b>65,000</b>	<b>406,533</b>	<b>-</b>	<b>4,997,968</b>	<b>4,997,968</b>
<b>Total government</b>	<b>\$ 18,631,033</b>	<b>\$ 12,589,990</b>	<b>\$ 2,053,624</b>	<b>\$ 2,725,288</b>	<b>(6,260,099)</b>	<b>4,997,968</b>	<b>(1,262,131)</b>
<b>General revenues:</b>							
Taxes:							
Property taxes levied for:							
General purposes							
					2,753,785	-	2,753,785
Urban renewal purposes							
					1,407,564	-	1,407,564
Franchise and public service taxes							
					1,757,480	-	1,757,480
Interest and investment earnings							
					49,936	50,440	100,376
Transfers in (out)							
					1,473,387	(1,473,387)	-
<b>Total general revenues and transfers</b>							
					7,442,152	(1,422,947)	6,019,205
<b>Change in net position</b>							
					1,182,053	3,575,021	4,757,074
<b>Net position - beginning</b>							
					33,671,654	41,118,338	74,789,992
<b>Net position - ending</b>							
					<u>\$ 34,853,707</u>	<u>\$ 44,693,359</u>	<u>\$ 79,547,066</u>

*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.

**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.

**Special Grants Fund**

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

**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.

**CITY OF THE DALLES, OREGON**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**June 30, 2015**

	General Fund Generally Accepted Accounting Principles	Street Fund	Library Fund	Special Grants Fund	Urban Renewal Capital Projects Fund	Other Governmental	Total Governmental
<b>ASSETS:</b>							
Cash and cash equivalents	\$ 2,556,762	\$ 283,945	\$ 992,959	\$ 3,496,778	\$ 660,958	\$ 1,251,371	\$ 9,242,773
Receivables:							
Accounts	973,019	138,222	-	49,289	1,710	6,217	1,168,457
Intergovernmental	26,779	-	269,158	-	-	-	295,937
Fines and forfeitures, net	564,523	-	-	-	-	-	564,523
Property taxes	241,249	-	-	-	122,247	-	363,496
Assessments	-	-	-	22,936	-	543,363	566,299
Notes	-	-	-	-	1,042,146	-	1,042,146
Prepaid items	132,551	-	-	-	-	-	132,551
Inventories	-	177,245	-	-	-	-	177,245
Total assets	<u>\$ 4,494,883</u>	<u>\$ 599,412</u>	<u>\$ 1,262,117</u>	<u>\$ 3,569,003</u>	<u>\$ 1,827,061</u>	<u>\$ 1,800,951</u>	<u>\$ 13,553,427</u>
<b>LIABILITIES:</b>							
Accounts payable and accrued expenses	\$ 488,637	\$ 43,819	\$ 10,644	\$ 21,274	\$ 7,445	\$ 5,587	\$ 577,406
Retainage payable	-	-	-	426	-	17,971	18,397
Total liabilities	<u>488,637</u>	<u>43,819</u>	<u>10,644</u>	<u>21,700</u>	<u>7,445</u>	<u>23,558</u>	<u>595,803</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>							
Unavailable revenue	805,772	-	-	50,981	1,164,393	596,310	2,617,456
Total deferred inflows of resources	<u>805,772</u>	<u>-</u>	<u>-</u>	<u>50,981</u>	<u>1,164,393</u>	<u>596,310</u>	<u>2,617,456</u>
<b>FUND BALANCES:</b>							
Nonspendable:							
Prepays	132,551	-	-	-	-	-	132,551
Inventory	-	177,245	-	-	-	-	177,245
Restricted for:							
Grant / contributor specific intent	-	-	-	3,496,322	-	12,613	3,508,935
State statute	-	378,348	-	-	655,223	797,630	1,831,201
Intergovernmental agreement	-	-	1,251,473	-	-	-	1,251,473
Committed for:							
Major capital facilities and associated debt	-	-	-	-	-	219,734	219,734
Local improvements and associated debt	-	-	-	-	-	107,657	107,657
Agreements with state agencies	-	-	-	-	-	43,449	43,449
Committed by ordinance or resolution	1,169,225	-	-	-	-	-	1,169,225
Unassigned	1,898,698	-	-	-	-	-	1,898,698
Total fund balances	<u>3,200,474</u>	<u>555,593</u>	<u>1,251,473</u>	<u>3,496,322</u>	<u>655,223</u>	<u>1,181,083</u>	<u>10,340,168</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,494,883</u>	<u>\$ 599,412</u>	<u>\$ 1,262,117</u>	<u>\$ 3,569,003</u>	<u>\$ 1,827,061</u>	<u>\$ 1,800,951</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.	34,847,134
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Earned but unavailable revenue	2,564,509
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Long-term debt	(12,837,867)
Interest payable	(60,237)
Net position of governmental activities	<u>\$ 34,853,707</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, 2015**

	Generally Accepted Accounting Principles	Street Fund	Library Fund	Special Grants Fund	Urban Renewal Capital Projects Fund	Other Governmental	Total Governmental
<b>REVENUES:</b>							
Property taxes	\$ 2,760,629	\$ -	\$ -	\$ -	\$ 615,641	\$ 794,829	\$ 4,171,099
Other taxes	932,717	557,795	-	-	-	-	1,490,512
Franchise fees	242,048	-	-	-	-	24,920	266,968
Assessments	-	-	-	-	-	82,657	82,657
Licenses and fees	12,525	-	-	-	-	-	12,525
Charges for services	23,468	17,039	-	-	-	-	40,507
Intergovernmental	1,819,853	835,292	1,081,943	498,902	-	-	4,235,990
Fines and forfeitures, net	222,585	-	12,362	-	-	-	234,947
Contributions	-	-	71,389	-	-	-	71,389
System development charges	35,334	-	-	-	-	-	35,334
Rental income	10,564	-	-	-	-	425,184	435,748
Interest on investments	13,902	1,210	4,852	13,687	7,790	8,495	49,936
Miscellaneous	220,726	1,701	62	-	188,209	7,775	418,473
<b>Total revenues</b>	<b>6,294,351</b>	<b>1,413,037</b>	<b>1,170,608</b>	<b>512,589</b>	<b>811,640</b>	<b>1,343,860</b>	<b>11,546,085</b>
<b>EXPENDITURES:</b>							
Current:							
General government	2,653,146	-	-	374,042	242,078	94,669	3,363,935
Public safety	3,367,401	-	-	-	-	159,006	3,526,407
Culture and recreation	542,709	-	872,045	-	-	-	1,414,754
Highways and streets	-	1,019,477	-	-	-	2,363	1,021,840
Capital outlay	1,188,345	156,966	76,903	87,202	527,882	375,895	2,413,193
Debt service:							
Principal	-	-	-	-	-	596,494	596,494
Interest	-	-	-	-	-	548,296	548,296
<b>Total expenditures</b>	<b>7,751,601</b>	<b>1,176,443</b>	<b>948,948</b>	<b>461,244</b>	<b>769,960</b>	<b>1,776,723</b>	<b>12,884,919</b>
Revenues over (under) expenditures	(1,457,250)	236,594	221,660	51,345	41,680	(432,863)	(1,338,834)
<b>OTHER FINANCING SOURCES (USES):</b>							
Sale of property	2,500	-	-	-	9,485	-	11,985
Transfers in	1,712,468	308,970	-	50,000	-	1,432,752	3,504,190
Transfers out	(115,000)	(428,897)	(39,179)	(50,770)	-	(1,396,957)	(2,030,803)
<b>Total other financing sources (uses)</b>	<b>1,599,968</b>	<b>(119,927)</b>	<b>(39,179)</b>	<b>(770)</b>	<b>9,485</b>	<b>35,795</b>	<b>1,485,372</b>
Net changes in fund balances	142,718	116,667	182,481	50,575	51,165	(397,068)	146,538
<b>FUND BALANCES, BEGINNING</b>	<b>3,057,756</b>	<b>438,926</b>	<b>1,068,992</b>	<b>3,445,747</b>	<b>604,058</b>	<b>1,578,151</b>	<b>10,193,630</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 3,200,474</b>	<b>\$ 555,593</b>	<b>\$ 1,251,473</b>	<b>\$ 3,496,322</b>	<b>\$ 655,223</b>	<b>\$ 1,181,083</b>	<b>\$ 10,340,168</b>

*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, 2015**

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Amounts reported in the statement of activities are different because:

Net change in fund balances	\$	146,538
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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	(844,855)	
Capital asset additions	<u>1,576,186</u>	731,331

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position. (152,710)

Some revenue reported in the statement of activities do not provide current financial resources in the governmental funds.  
Deferred revenues (132,346)

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	4,762	
Change in other postemployment benefits	(92,300)	
Change in accrued interest payable	<u>49,094</u>	(38,444)

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 proceeds exceeded repayments.

Debt service principal payments	646,258	
Accrued interest expense	<u>(18,574)</u>	<u>627,684</u>

Change in net position of governmental activities	<u>\$</u>	<u><u>1,182,053</u></u>
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**CITY OF THE DALLES, OREGON**  
**GENERAL FUND - GENERALLY ACCEPTED ACCOUNTING PRINCIPLES**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 2,713,439	\$ 2,713,439	\$ 2,760,629	\$ 47,190
Other taxes	948,042	948,042	932,717	(15,325)
Franchise fees	203,804	203,804	242,048	38,244
Licenses and fees	10,800	10,800	12,525	1,725
Charges for services	17,711	17,711	23,468	5,757
Intergovernmental	1,434,060	1,434,060	1,819,853	385,793
Fines and forfeitures, net	218,846	218,846	222,585	3,739
System development charges	200,000	200,000	35,334	(164,666)
Rental income	9,814	9,814	10,564	750
Interest on investments	9,900	9,900	13,902	4,002
Miscellaneous	34,670	69,670	220,726	151,056
Total revenues	<u>5,801,086</u>	<u>5,836,086</u>	<u>6,294,351</u>	<u>458,265</u>
<b>EXPENDITURES:</b>				
General government	2,884,507	2,919,661	2,653,146	266,515
Public safety	3,550,730	3,550,730	3,367,401	183,329
Culture and recreation	421,530	559,530	542,709	16,821
Capital outlay	1,987,611	2,022,611	1,188,345	834,266
Contingency	590,492	417,338	-	417,338
Total expenditures	<u>9,434,870</u>	<u>9,469,870</u>	<u>7,751,601</u>	<u>1,718,269</u>
Revenues over (under) expenditures	(3,633,784)	(3,633,784)	(1,457,250)	2,176,534
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of property	-	-	2,500	2,500
Transfers in	1,712,468	1,712,468	1,712,468	-
Transfers out	(145,000)	(145,000)	(115,000)	30,000
Total other financing sources (uses)	<u>1,567,468</u>	<u>1,567,468</u>	<u>1,599,968</u>	<u>32,500</u>
Net changes in fund balances	(2,066,316)	(2,066,316)	142,718	2,209,034
<b>FUND BALANCES, BEGINNING GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>	<u>2,840,199</u>	<u>2,840,199</u>	<u>3,057,756</u>	<u>217,557</u>
<b>FUND BALANCES, ENDING GENERALLY ACCEPTED ACCOUNTING PRINCIPLES</b>	<u>\$ 773,883</u>	<u>\$ 773,883</u>	<u>\$ 3,200,474</u>	<u>\$ 2,426,591</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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Other taxes	\$ 531,402	\$ 531,402	\$ 557,795	\$ 26,393
Charges for services	15,000	15,000	17,039	2,039
Intergovernmental	826,401	826,401	835,292	8,891
Interest on investments	1,500	1,500	1,210	(290)
Miscellaneous	500	500	1,701	1,201
Total revenues	<u>1,374,803</u>	<u>1,374,803</u>	<u>1,413,037</u>	<u>38,234</u>
<b>EXPENDITURES:</b>				
Personnel service	718,653	718,653	608,638	110,015
Materials and services	605,297	605,297	410,839	194,458
Capital outlay	249,213	249,213	156,966	92,247
Contingency	9,355	9,355	-	9,355
Total expenditures	<u>1,582,518</u>	<u>1,582,518</u>	<u>1,176,443</u>	<u>406,075</u>
Revenues over (under) expenditures	(207,715)	(207,715)	236,594	444,309
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	308,970	308,970	308,970	-
Transfers out	(428,897)	(428,897)	(428,897)	-
Total other financing sources (uses)	<u>(119,927)</u>	<u>(119,927)</u>	<u>(119,927)</u>	<u>-</u>
Net changes in fund balances	(327,642)	(327,642)	116,667	444,309
<b>FUND BALANCES, BEGINNING</b>	<u>327,642</u>	<u>327,642</u>	<u>438,926</u>	<u>111,284</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 555,593</u>	<u>\$ 555,593</u>

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

**CITY OF THE DALLES, OREGON**  
**LIBRARY FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 1,081,536	\$ 1,081,536	\$ 1,081,943	\$ 407
Fines and forfeitures, net	10,950	10,950	12,362	1,412
Contributions	8,535	686,665	71,389	(615,276)
Interest on investments	3,805	3,805	4,852	1,047
Miscellaneous	100	100	62	(38)
Total revenues	<u>1,104,926</u>	<u>1,783,056</u>	<u>1,170,608</u>	<u>(612,448)</u>
<b>EXPENDITURES:</b>				
Personnel service	652,433	652,433	597,530	54,903
Materials and services	321,466	321,466	274,515	46,951
Capital outlay	10,000	688,130	76,903	611,227
Contingency	102,301	102,301	-	102,301
Total expenditures	<u>1,086,200</u>	<u>1,764,330</u>	<u>948,948</u>	<u>815,382</u>
Revenues over (under) expenditures	18,726	18,726	221,660	202,934
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(39,179)</u>	<u>(39,179)</u>	<u>(39,179)</u>	<u>-</u>
Total other financing sources (uses)	<u>(39,179)</u>	<u>(39,179)</u>	<u>(39,179)</u>	<u>-</u>
Net changes in fund balances	(20,453)	(20,453)	182,481	202,934
<b>FUND BALANCES, BEGINNING</b>	<u>1,002,835</u>	<u>1,002,835</u>	<u>1,068,992</u>	<u>66,157</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 982,382</u>	<u>\$ 982,382</u>	<u>\$ 1,251,473</u>	<u>\$ 269,091</u>

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

**CITY OF THE DALLES, OREGON**  
**SPECIAL GRANTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2015**

	Budget		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Intergovernmental	\$ 7,511,196	\$ 7,797,649	\$ 498,902	\$ (7,298,747)
Interest on investments	7,000	7,000	13,687	6,687
Miscellaneous	1,000	1,000	-	(1,000)
Other	-	97,910	-	(97,910)
Total revenues	7,519,196	7,903,559	512,589	(7,390,970)
<b>EXPENDITURES:</b>				
Materials and services	440,000	614,042	374,042	240,000
Capital outlay	12,716,940	12,974,493	87,202	12,887,291
Total expenditures	13,156,940	13,588,535	461,244	13,127,291
Revenues over (under) expenditures	(5,637,744)	(5,684,976)	51,345	5,736,321
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan issuance	2,210,000	2,210,000	-	(2,210,000)
Transfers in	80,000	80,000	50,000	(30,000)
Transfers out	(50,770)	(50,770)	(50,770)	-
Total other financing sources (uses)	2,239,230	2,239,230	(770)	(2,240,000)
Net changes in fund balances	(3,398,514)	(3,445,746)	50,575	3,496,321
<b>FUND BALANCES, BEGINNING</b>	3,398,514	3,445,746	3,445,747	1
<b>FUND BALANCES, ENDING</b>	\$ -	\$ -	\$ 3,496,322	\$ 3,496,322

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

## 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, wastewater, and airport facilities. These funds are entirely or predominately self-supported through user charges to the customer. Funds included are:

- Water
- Wastewater
- Airport

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

##### **Water Bond Debt**

The Water Revenue Bond Debt Fund accounts for the accumulation of resources for, and the repayment of, long-term debt principal and interest relating to the 2007 Water Revenue Bond issued to provide for water system improvements.

#### **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 Sewer Special 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.

##### **Sewer Debt Service**

The Wastewater Revenue Bond Debt Fund accounts for the accumulation of resources for, and the repayment of, long-term debt principal and interest relating to the 2003 Wastewater Revenue Bond issued to provide for sewer system improvements.

#### **All Airport Funds**

##### **Airport**

The Airport Fund accounts for the acquisition, operation, and maintenance of the City's regional airport. Principal sources of revenues are FFA grants and user fees.

##### **Airport Debt Service**

The Airport Debt Service Fund accounts for the accumulation of resources for, and the repayment of, long-term debt principal and interest relating to the 2003 Airport Hanger Facilities Revenue Bond issued to provide for hanger facilities improvements.

**CITY OF THE DALLES, OREGON**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**June 30, 2015**

	Business-Type Activities - Enterprise Funds			
	All Water Funds	All Wastewater Funds	All Airport Funds	Total
<b>ASSETS:</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	\$ 294,538	\$ 99,129	\$ 1,307,196	\$ 1,700,863
Restricted cash and cash equivalents	2,668,194	7,932,531	151,757	10,752,482
Receivables:				
Accounts, net	491,050	588,067	14,068	1,093,185
Restricted intergovernmental	-	-	527,341	527,341
Inventory	242,755	91,961	-	334,716
Total current assets	<u>3,696,537</u>	<u>8,711,688</u>	<u>2,000,362</u>	<u>14,408,587</u>
<b>NONCURRENT ASSETS:</b>				
Capital assets:				
Land	2,887,016	1,409,499	1,498,200	5,794,715
Construction in progress	456,609	750,111	2,601,230	3,807,950
Depreciable assets, net of depreciation	17,929,613	13,810,135	8,109,285	39,849,033
Total noncurrent assets	<u>21,273,238</u>	<u>15,969,745</u>	<u>12,208,715</u>	<u>49,451,698</u>
Total assets	<u>\$ 24,969,775</u>	<u>\$ 24,681,433</u>	<u>\$ 14,209,077</u>	<u>\$ 63,860,285</u>
<b>LIABILITIES:</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable	\$ 57,110	\$ 323,555	\$ 56,604	\$ 437,269
Accrued interest payable	86,242	34,724	17,381	138,347
Retainage payable	-	36,140	-	36,140
Compensated absences payable	91,274	63,607	-	154,881
Current portion of long-term debt	479,544	467,284	114,974	1,061,802
Total current liabilities	<u>714,170</u>	<u>925,310</u>	<u>188,959</u>	<u>1,828,439</u>
<b>NONCURRENT LIABILITIES:</b>				
Bonds and notes payable	10,413,661	3,319,922	2,754,231	16,487,814
Other postemployment benefits	532,261	318,412	-	850,673
Total non current liabilities	<u>10,945,922</u>	<u>3,638,334</u>	<u>2,754,231</u>	<u>17,338,487</u>
Total liabilities	<u>11,660,092</u>	<u>4,563,644</u>	<u>2,943,190</u>	<u>19,166,926</u>
<b>NET POSITION:</b>				
Net investment in capital assets	10,380,033	12,182,539	9,339,510	31,902,082
Restricted for:				
System development	2,267,710	7,369,551	-	9,637,261
Debt service	400,000	225,118	155,737	780,855
Unrestricted	261,940	340,581	1,770,640	2,373,161
Total net position	<u>13,309,683</u>	<u>20,117,789</u>	<u>11,265,887</u>	<u>44,693,359</u>
Total liabilities and net position	<u>\$ 24,969,775</u>	<u>\$ 24,681,433</u>	<u>\$ 14,209,077</u>	<u>\$ 63,860,285</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 FUND NET POSITION**  
**For the Fiscal Year Ended June 30, 2015**

	Business-Type Activities - Enterprise Funds			
	All Water Funds	All Wastewater Funds	All Airport Funds	Total
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 5,501,506	\$ 5,213,248	\$ 12,296	\$ 10,727,050
System development charges	25,487	59,458	-	84,945
Rental income	4,428	-	186,353	190,781
Miscellaneous	171,271	260,553	899	432,723
Total operating revenues	<u>5,702,692</u>	<u>5,533,259</u>	<u>199,548</u>	<u>11,435,499</u>
<b>OPERATING EXPENSES:</b>				
Personal services	1,928,376	1,127,053	-	3,055,429
Materials and services	776,670	1,181,156	82,458	2,040,284
Depreciation and amortization	555,150	542,208	161,037	1,258,395
Total operating expenses	<u>3,260,196</u>	<u>2,850,417</u>	<u>243,495</u>	<u>6,354,108</u>
Operating income (loss)	2,442,496	2,682,842	(43,947)	5,081,391
<b>NON-OPERATING INCOME (EXPENSE):</b>				
Gain (loss) on disposal of capital assets	4,911	-	-	4,911
Interest on investments	11,220	36,928	2,292	50,440
Interest expense	(399,530)	(143,173)	(17,164)	(559,867)
Intergovernmental	-	-	65,000	65,000
Total non-operating income (expenses)	<u>(383,399)</u>	<u>(106,245)</u>	<u>50,128</u>	<u>(439,516)</u>
Net income (loss) before transfers and capital contributions	2,059,097	2,576,597	6,181	4,641,875
<b>TRANSFERS:</b>				
Transfers in	2,724,805	2,594,965	78,547	5,398,317
Transfers out	(3,461,992)	(3,409,712)	-	(6,871,704)
Total transfers	<u>(737,187)</u>	<u>(814,747)</u>	<u>78,547</u>	<u>(1,473,387)</u>
Net income (loss) before contributions	1,321,910	1,761,850	84,728	3,168,488
<b>CAPITAL CONTRIBUTIONS:</b>				
Intergovernmental	23,093	-	383,440	406,533
Total capital contributions	<u>23,093</u>	<u>-</u>	<u>383,440</u>	<u>406,533</u>
Change in net position	1,345,003	1,761,850	468,168	3,575,021
<b>NET POSITION, BEGINNING</b>	<u>11,964,680</u>	<u>18,355,939</u>	<u>10,797,719</u>	<u>41,118,338</u>
<b>NET POSITION, ENDING</b>	<u>\$ 13,309,683</u>	<u>\$ 20,117,789</u>	<u>\$ 11,265,887</u>	<u>\$ 44,693,359</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, 2015**

	Business-Type Activities - Enterprise Funds			
	All Water Funds	All Wastewater Funds	All Airport Funds	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 5,710,538	\$ 5,513,589	\$ 253,974	\$ 11,478,101
Payments to suppliers	(855,046)	(865,236)	(323,712)	(2,043,994)
Payments to employees	(1,888,764)	(1,103,160)	-	(2,991,924)
Net cash provided by operating activities	<u>2,966,728</u>	<u>3,545,193</u>	<u>(69,738)</u>	<u>6,442,183</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Transfers in	2,724,805	2,594,965	78,547	5,398,317
Transfers (out)	(3,461,992)	(3,409,712)	-	(6,871,704)
Proceeds from intergovernmental revenue	-	-	65,000	65,000
Net cash provided by non-capital financing activities	<u>(737,187)</u>	<u>(814,747)</u>	<u>143,547</u>	<u>(1,408,387)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Proceeds from intergovernmental revenue	23,093	-	383,440	406,533
Proceeds from capital debt	-	-	2,517,161	2,517,161
Proceeds from sale of capital assets	4,911	-	-	4,911
Acquisition of capital assets	(457,482)	(1,127,463)	(1,479,524)	(3,064,469)
Principal paid on long-term obligations	(455,488)	(450,003)	(38,026)	(943,517)
Interest paid on long-term obligations	(403,199)	(146,965)	(199)	(550,363)
Net cash provided by capital and related financing activities	<u>(1,288,165)</u>	<u>(1,724,431)</u>	<u>1,382,852</u>	<u>(1,629,744)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on investments	11,220	36,928	2,292	50,440
Net cash provided by investing activities	<u>11,220</u>	<u>36,928</u>	<u>2,292</u>	<u>50,440</u>
Net increase in cash and cash equivalents	952,596	1,042,943	1,458,953	3,454,492
<b>CASH AND CASH EQUIVALENTS, BEGINNING</b>	<u>2,010,136</u>	<u>6,988,717</u>	<u>-</u>	<u>8,998,853</u>
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	<u>\$ 2,962,732</u>	<u>\$ 8,031,660</u>	<u>\$ 1,458,953</u>	<u>\$ 12,453,345</u>
<b>COMPRISED AS FOLLOWS:</b>				
Cash and cash equivalents	\$ 294,538	\$ 99,129	\$ 1,307,196	\$ 1,700,863
Restricted cash and cash equivalents	2,668,194	7,932,531	151,757	10,752,482
Total cash and cash equivalents	<u>\$ 2,962,732</u>	<u>\$ 8,031,660</u>	<u>\$ 1,458,953</u>	<u>\$ 12,453,345</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating Income	\$ 2,442,496	\$ 2,682,842	\$ (43,947)	\$ 5,081,391
Adjustments				
Depreciation and amortization	555,150	542,208	161,037	1,258,395
Decrease (increase) in:				
Receivables	7,846	(19,670)	54,426	42,602
Inventories	(87,580)	16,687	-	(70,893)
Increase (decrease) in:				
Accounts payable and accrued expenses	9,204	299,233	(108,685)	199,752
Due to other fund	-	-	(132,569)	(132,569)
Other postemployment benefits payable	29,348	14,127	-	43,475
Accrued compensated absences	10,264	9,766	-	20,030
Net cash provided by operating activities	<u>\$ 2,966,728</u>	<u>\$ 3,545,193</u>	<u>\$ (69,738)</u>	<u>\$ 6,442,183</u>
<b>NON-CASH CAPITAL FINANCING ACTIVITIES</b>				
Transfer of long-term debt between funds	\$ (58,504)	\$ (45,003)	\$ (13,026)	\$ (116,533)
Total non-cash capital financing activities	<u>\$ (58,504)</u>	<u>\$ (45,003)</u>	<u>\$ (13,026)</u>	<u>\$ (116,533)</u>

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



## **NOTES TO THE BASIC FINANCIAL SECTION**

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**CITY OF THE DALLES, OREGON**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2015**

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**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. Evaluation of the reporting entity was in accordance with GASB Statement No. 61.

The governmental reporting entity consists of the City, the primary government, and its component units. 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 following blended component units. The blended component units are considered part of the City's operations, and so financial information from these units are 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 units.

**Columbia Gateway Urban Renewal Agency**

The Agency was formed to undertake urban renewal projects and activities pursuant to the City's redevelopment plan. The Board of Directors of the Agency consists of the Mayor and the five elected City Council members, which receives recommendations from a seven member advisory committee appointed by the City Council. The City is required to certify to the County Assessor any incremental taxes to be levied for the benefit of the Agency. Since the City Council acts as its governing board, it has been included as a blended component unit in the financial statements. Complete financial statements for the Agency may be obtained at the City's administrative offices, 313 Court Street, The Dalles, OR 97058.

**Columbia Gorge Regional Airport**

In June, 1999, the City of The Dalles and Klickitat County entered into an Intergovernmental agreement establishing a Regional Management Authority for the Columbia Gorge Regional Airport, which had previously been owned and operated by the City of The Dalles. The Regional Board consists of seven members; three positions appointed by the City, three positions appointed by the County, and one position appointed by the collective board members. In 2002, this City of The Dalles and Klickitat County entered into a joint operating agreement, establishing that each the City and the County would have a one-half undivided interest in the Columbia Gorge Regional

Airport, and that future costs and benefits would be split accordingly. Since the City of the Dalles remains fiscally responsible for the outstanding debt of the Columbia Gorge Regional Airport, and the Columbia Regional Airport remains fiscally dependent on the grant revenues flowing through the City of The Dalles, the Columbia Gorge Regional Airport has been included as a blended component unit in the City's financial statements.

## **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 units. 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. Likewise, the *primary government* is reported separately from certain legally separate *components units* for which the City is financially accountable.

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.

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 *Library Fund* accounts for the operation of the City Library. Principal sources of revenues are funds from the County collected Library District taxes, state grants, library fines, and donations.

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

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.

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 *Airport Funds* account for the activity associated with the operations and capital improvement of the City's municipal airport.

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. When a special revenue fund is not an operating fund, transfers are made from the special revenue fund to the operating funds authorized to make expenditures.

*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.

*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, Cash Equivalents, and Investments**

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 selected 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. All other investments are reported at 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 Paragraph C above. An allowance for uncollectible accounts has been established for the General, Water, Wastewater, and Airport funds and represents the portion of receivables not expected to be collected.

### **3. Inventories and Prepaid Expenses**

Inventories in Street, Water and Wastewater Funds are determined by physical count and are stated at the lower of cost (first in, first out) or market. Expenses are recognized when inventories are consumed. Other inventories are taken for control purposes only with no dollar value assigned.

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 estimated fair market 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 of business-type activities is included as part of the capitalized value of the assets constructed, net of interest earned on the invested proceeds over the same period. There was no interest capitalized during the year.



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 financial statements, long-term debt obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type 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. 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 position that applies to future periods and so will not be recognized as an outflow of resources (expenditure) until then. The City does not have deferred outflows of resources.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, which arises only under the modified accrual basis of accounting. Accordingly, 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.

## 8. 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.

## 9. 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.

## **10. 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.

## **11. 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 year end.

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, and special payments, interfund transfers, and contingencies.

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, 2015, appropriation increases and transfers were approved, and 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, 2015, no funds had a deficit fund balance.

## **III. DETAILED NOTES ON ALL FUNDS**

### **A. Deposits and Investments**

**Deposits.** 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, 2015. 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. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are considered fully collateralized. As of June 30, 2015, none of the City's bank balances were exposed to custodial credit risk.

Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The City does not have a formal policy for custodial credit risk.

**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, 2015 are as follows:

	Weighted Average Maturity	Fair Value
Investments in the State Treasurer's Local Government Investment Pool	<u>0.00</u>	<u>\$19,420,917</u>
Total cash equivalents	<u><u>0.00</u></u>	<u><u>\$19,420,917</u></u>

**B. Receivables**

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

	General Fund	Street Fund	Library Fund	Special Grants Fund	Urban Renewal Capital Projects Fund	Other Governmental	Total Governmental
Receivables:							
Accounts	\$ 973,019	\$ 138,222	\$ -	\$ 49,289	\$ 1,710	\$ 6,217	\$ 1,168,457
Intergovernmental	26,779	-	269,158	-	-	-	295,937
Fines and forfeitures	926,297	-	-	-	-	-	926,297
Property taxes	241,249	-	-	-	122,247	-	363,496
Assessments	-	-	-	22,936	-	543,363	566,299
Notes	-	-	-	-	1,042,146	-	1,042,146
Allowance for doubtful accounts	(361,774)	-	-	-	-	-	(361,774)
Total receivables	<u>\$ 1,805,570</u>	<u>\$ 138,222</u>	<u>\$ 269,158</u>	<u>\$ 72,225</u>	<u>\$ 1,166,103</u>	<u>\$ 549,580</u>	<u>\$ 4,000,858</u>

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	Airport	Total Business-Type Activity
Receivables:				
Accounts	\$ 499,291	\$ 594,908	\$ 16,568	\$ 1,110,767
Restricted intergovernmental	-	-	527,341	527,341
Allowance for doubtful accounts	(8,241)	(6,841)	(2,500)	(17,582)
	<u>\$ 491,050</u>	<u>\$ 588,067</u>	<u>\$ 541,409</u>	<u>\$ 1,620,526</u>

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 2014-2015, the City levied property taxes in the amount of \$2,803,061. After reductions for offsets and increases for additional taxes and penalties this resulted in a net levy of \$2,733,843. 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, 2013 was \$940,153,044. The Columbia Gateway Urban Renewal Agency, a blended component unit of the City, levied taxes at its maximum taxing authority of \$1,433,437. After reductions for offsets and additional taxes and penalties, this resulted in a net levy of \$1,398,040.

Following is a summary of property tax transactions for the year ended June 30, 2015:

<u>Fiscal Year</u>	<u>Property Taxes Receivable June 30, 2014</u>	<u>Levy as Extended by Assessor</u>	<u>Collections</u>	<u>Cancellations Discounts and Adjustments</u>	<u>Property Taxes Receivable June 30, 2015</u>
2014-2015	\$ -	\$ 4,236,498	\$ (3,965,710)	\$ (104,615)	\$ 166,173
2013-2014	172,975	-	(73,939)	(917)	98,119
2012-2013	103,046	-	(41,048)	(1,719)	60,279
2011-2012	59,645	-	(37,961)	(799)	20,885
2010-2011	24,912	-	(14,229)	(816)	9,867
2009-2010	6,724	-	(3,750)	(840)	2,134
Prior years	5,944	-	(3,493)	3,588	6,039
Totals	<u>\$ 373,246</u>	<u>\$ 4,236,498</u>	<u>\$ (4,140,130)</u>	<u>\$ (106,118)</u>	<u>\$ 363,496</u>

Assessments liens receivable represents 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, and 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 unavailable 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 revenue. At the end of the current fiscal year, there was \$52,947 of unearned revenue reported on the Statement of Net Position. The various components of unavailable revenue, reported on the fund level financial statements, was as follows:

	<u>General Fund</u>	<u>Special Grants Fund</u>	<u>Urban Renewal Capital Projects Fund</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
Property taxes	\$ 241,249	\$ -	\$ 122,247	\$ -	\$ 363,496
Fines and forfeitures	564,523	-	-	-	564,523
Loans	-	28,045	1,042,146	-	1,070,191
Special assessments	-	22,936	-	596,310	619,246
	<u>\$ 805,772</u>	<u>\$ 50,981</u>	<u>\$ 1,164,393</u>	<u>\$ 596,310</u>	<u>\$ 2,617,456</u>

#### D. Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2015, was as follows:

	<b>Beginning Balance, As Restated</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Capital assets, non-depreciable:</b>				
Land	\$ 661,261	\$ -	\$ -	\$ 661,261
Construction in progress	2,514,595	1,326,360	(104,627)	3,736,328
Assets available for sale	1,319,394	-	-	1,319,394
Total capital assets, non-depreciable	<u>4,495,250</u>	<u>1,326,360</u>	<u>(104,627)</u>	<u>5,716,983</u>
<b>Capital assets, depreciable:</b>				
Land improvements	7,672,195	10,782	-	7,682,977
Buildings	5,687,368	-	-	5,687,368
Equipment	3,186,672	82,078	(121,777)	3,146,973
Infrastructure	20,903,663	156,966	-	21,060,629
Total capital assets, depreciable	<u>37,449,898</u>	<u>249,826</u>	<u>(121,777)</u>	<u>37,577,947</u>
<b>Less accumulated depreciation for:</b>				
Land improvements	(342,698)	(152,934)	-	(495,632)
Buildings	(1,873,103)	(128,080)	-	(2,001,183)
Equipment	(1,988,349)	(154,728)	73,694	(2,069,383)
Infrastructure	(3,472,485)	(409,113)	-	(3,881,598)
Total accumulated depreciation	<u>(7,676,635)</u>	<u>(844,855)</u>	<u>73,694</u>	<u>(8,447,796)</u>
Net depreciable capital assets	<u>29,773,263</u>	<u>(595,029)</u>	<u>(48,083)</u>	<u>29,130,151</u>
<b>Net capital assets</b>	<u>\$ 34,268,513</u>	<u>\$ 731,331</u>	<u>\$ (152,710)</u>	<u>\$ 34,847,134</u>

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

#### **Governmental functions:**

General government	\$ (233,901)
Public safety	(70,178)
Highways and streets	(517,425)
Culture and recreation	(23,351)
Total depreciation expense - governmental activities	<u>\$ (844,855)</u>



Capital asset activity for the business-type activities for the year ended June 30, 2015 was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Transfers</b>	<b>Ending Balance</b>
<b>Capital assets, non-depreciable:</b>					
Land	\$ 5,782,215	\$ 12,500	\$ -	\$ -	\$ 5,794,715
Construction in progress	8,385,795	1,215,358	-	(5,793,203)	3,807,950
Total capital assets, non-depreciable	14,168,010	1,227,858	-	(5,793,203)	9,602,665
<b>Capital assets, depreciable:</b>					
Land improvements	12,952,943	637,997	-	5,578,050	19,168,990
Buildings	5,252,682	714,000	-	-	5,966,682
Equipment	5,151,645	274,541	-	-	5,426,186
Wastewater Treatment Plant	8,703,458	204,799	-	-	8,908,257
Dams and lines	16,414,088	5,274	-	215,153	16,634,515
Total capital assets, depreciable	48,474,816	1,836,611	-	5,793,203	56,104,630
<b>Less accumulated depreciation for:</b>					
Land improvements	(4,788,581)	(283,430)	-	-	(5,072,011)
Buildings	(1,937,303)	(134,225)	-	-	(2,071,528)
Equipment	(2,992,062)	(217,942)	-	-	(3,210,004)
Wastewater Treatment Plant	(2,018,646)	(276,155)	-	-	(2,294,801)
Dams and lines	(3,257,169)	(350,084)	-	-	(3,607,253)
Total accumulated depreciation	(14,993,761)	(1,261,836)	-	-	(16,255,597)
Net depreciable capital assets	33,481,055	574,775	-	5,793,203	39,849,033
<b>Net capital assets</b>	<b>\$ 47,649,065</b>	<b>\$ 1,802,633</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 49,451,698</b>

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

**Business-type activities:**

Wastewater	\$ (542,521)
Water	(558,278)
Airport	(161,037)
Total depreciation expense - business-type activities	<u>\$ (1,261,836)</u>

**E. 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 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 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 filed “financial operating” and “material event” notices, as required by full disclosure and requirements of the bond issue, during the fiscal year, including posting annual adopted budgets and the audited City of The Dalles Comprehensive Annual Financial Statement (CAFR), which includes the Columbia Gateway Urban Renewal Agency as a blended component.

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

	<b>2008 Full Faith and Credit Bonds</b>		<b>2009 Full Faith and Credit Bonds Urban Renewal portion</b>	
	Principal	Interest	Principal	Interest
2016	\$ 133,408	\$ 50,046	\$ 430,000	\$ 373,788
2017	139,472	44,710	445,000	356,588
2018	145,536	39,130	465,000	338,788
2019	151,600	33,310	485,000	315,537
2020	157,664	27,246	510,000	291,287
2021-2025	509,376	42,714	2,890,000	1,120,713
2026-2030	-	-	2,840,000	363,250
2031-2035	-	-	-	-
<b>Total</b>	<b>\$ 1,237,056</b>	<b>\$ 237,156</b>	<b>\$ 8,065,000</b>	<b>\$ 3,159,951</b>

	<b>2009 Full Faith and Credit Bonds Street LID portion</b>		<b>Full Faith &amp; Credit Bonds Total Governmental</b>	
	Principal	Interest	Principal	Interest
2016	\$ 54,150	\$ 48,573	\$ 617,558	\$ 472,407
2017	57,760	46,407	642,232	447,705
2018	61,370	44,096	671,906	422,014
2019	61,370	41,028	697,970	389,875
2020	64,980	37,959	732,644	356,492
2021-2025	379,050	146,186	3,778,426	1,309,613
2026-2030	368,220	46,928	3,208,220	410,178
2031-2035	-	-	-	-
<b>Total</b>	<b>\$ 1,046,900</b>	<b>\$ 411,177</b>	<b>\$ 10,348,956</b>	<b>\$ 3,808,284</b>

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

	<b>Premium on 2008 Full Faith and Credit Bonds</b>		<b>Premium on 2009 Full Faith and Credit Bonds</b>		<b>Total Premium on Governmental Full Faith and Credit Bonds</b>	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 3,578	\$ -	\$ 45,516	\$ -	\$ 49,094	\$ -
2017	3,578	-	45,516	-	49,094	-
2018	3,578	-	45,516	-	49,094	-
2019	3,578	-	45,516	-	49,094	-
2020	3,578	-	45,516	-	49,094	-
2021-2025	10,731	-	227,580	-	238,311	-
2026-2030	-	-	182,053	-	182,053	-
2031-2035	-	-	-	-	-	-
<b>Total</b>	<b>\$ 28,621</b>	<b>\$ -</b>	<b>\$ 637,213</b>	<b>\$ -</b>	<b>\$ 665,834</b>	<b>\$ -</b>

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

	<b>2008 Full Faith and Credit Wastewater Bonds</b>		<b>2008 Full Faith and Credit Water Bonds</b>		<b>2009 Full Faith and Credit Wastewater Bonds</b>	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 43,296	\$ 16,242	\$ 43,296	\$ 16,242	\$ 3,675	\$ 3,296
2017	45,264	14,510	45,264	14,510	3,920	3,149
2018	47,232	12,700	47,232	12,700	4,165	2,993
2019	49,200	10,810	49,200	10,810	4,165	2,784
2020	51,168	8,842	51,168	8,842	4,410	2,576
2021-2025	165,312	13,863	165,312	13,863	25,725	9,922
2026-2030	-	-	-	-	24,990	3,186
2031-2035	-	-	-	-	-	-
<b>Total</b>	<b>\$ 401,472</b>	<b>\$ 76,967</b>	<b>\$ 401,472</b>	<b>\$ 76,967</b>	<b>\$ 71,050</b>	<b>\$ 27,906</b>

	<b>2009 Full Faith and Credit Water Bonds</b>		<b>2014 Full Faith and Credit Taxable Airport Bonds</b>		<b>Full Faith and Credit Bonds Business Activity Total</b>	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 17,175	\$ 15,406	\$ 50,000	\$ 100,826	\$ 157,442	\$ 152,012
2017	18,320	14,719	75,000	78,425	187,768	125,313
2018	19,465	13,986	75,000	76,925	193,094	119,304
2019	19,465	13,013	75,000	75,425	197,030	112,842
2020	20,610	12,040	80,000	73,550	207,356	105,850
2021-2025	120,225	46,367	435,000	328,800	911,574	412,815
2026-2030	116,790	14,886	535,000	225,675	676,780	243,747
2031-2035	-	-	675,000	93,375	675,000	93,375
Total	<u>\$ 332,050</u>	<u>\$ 130,417</u>	<u>\$ 2,000,000</u>	<u>\$ 1,053,001</u>	<u>\$ 3,206,044</u>	<u>\$ 1,365,258</u>

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

	<b>Premium on 2009 Full Faith and Credit Wastewater Bonds</b>		<b>Premium on 2009 Full Faith and Credit Water Bonds</b>		<b>Premium on Water Revenue Bonds</b>	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 313	\$ -	\$ 1,463	\$ -	\$ 1,665	\$ -
2017	313	-	1,463	-	1,665	-
2018	313	-	1,463	-	1,665	-
2019	313	-	1,463	-	1,665	-
2020	313	-	1,463	-	1,665	-
2021-2025	1,565	-	7,315	-	8,325	-
2026-2030	1,554	-	7,261	-	8,325	-
2031-2035	-	-	-	-	3,332	-
Total	<u>\$ 4,684</u>	<u>\$ -</u>	<u>\$ 21,891</u>	<u>\$ -</u>	<u>\$ 28,307</u>	<u>\$ -</u>

	<b>Premium on 2014 Full Faith and Credit Taxable Airport Bonds</b>		<b>Premium on Bussiness Type Bonds Total</b>	
	Principal	Interest	Principal	Interest
2016	\$ 885	\$ -	\$ 4,326	\$ -
2017	885	-	4,326	-
2018	884	-	4,325	-
2019	884	-	4,325	-
2020	884	-	4,325	-
2021-2025	4,420	-	21,625	-
2026-2030	4,420	-	21,560	-
2031-2035	4,420	-	7,752	-
Total	<u>\$ 17,682</u>	<u>\$ -</u>	<u>\$ 72,564</u>	<u>\$ -</u>

**2. Loans Payable-Governmental Activities**

The City had a loan payable to Oklahoma State Bank for the purchase of equipment. The loan is payable in annual installments of \$26,546 including principal and interest at 4.11% With the final payment due November 4, 2014. The City retired this loan early, paying the remaining principal and interest in full during the fiscal year ending June 30, 2015. The City currently has a loan payable to Peterson Cat for the purchase of equipment, which is payable in annual installments of \$26,672 including principal and interest at 3.20%. A final payment of \$1 is due on August 30, 2017. The loan is secured by the equipment and is payable from general government revenues.

Future maturities of the loans payable are as follows:

	<b>Peterson Cat - SkidSteer</b>		<b>Loans Payable - Governmental Total</b>	
	Principal	Interest	Principal	Interest
2016	\$ 25,044	\$ 1,628	\$ 25,044	\$ 1,628
2017	25,845	827	25,845	827
2018	1	-	1	-
	<u>\$ 50,890</u>	<u>\$ 2,455</u>	<u>\$ 50,890</u>	<u>\$ 2,455</u>

**3. Bonds Payable-Business-Type Activities**

*Water Fund* - The Water Fund has revenue bonds payable used to finance improvements to the City’s water system and infrastructure. The bond principal is payable annually and the interest is payable semiannually with interest rates ranging from 4.0% to 4.4%. Final Payment is due June 1, 2032.

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. The Water Fund owns a portion of the Public Works Facility and is expected to pay 19.68% of the total bonds.

The City issued \$12,100,000 in 2009 Full Faith and Credit Obligations in October of 2009. \$1,895,000 of the bonds was issued to finance improvements to the Street, Water, and Wastewater system and have been split between the benefitting funds. \$433,955 (22.9%) was allocated to water improvements and has been reported in the Water Fund. The bonds are backed by the full faith and credit of the City and 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.

*Wastewater Fund* - The Wastewater Fund has revenue bonds payable used to finance improvements to the City’s wastewater treatment plant. The bond principal is payable annually and the interest is payable semiannually with interest rates from 2.0% to 4.2%. Final payment is due April 1, 2022.

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. The Wastewater Fund owns a portion of the Public Works Facility and is expected to pay 19.68% of the total bonds.

The City issued \$12,100,000 in 2009 Full Faith and Credit Obligations in October of 2009. \$1,895,000 of the bonds was issued to finance improvements to the Street, Water, and Wastewater system and have been split between the benefitting funds. \$92,855 (4.9%) was allocated to wastewater improvements and has been reported in the wastewater fund. 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.

*Airport Fund* - The City issued full faith and credit obligation bonds for the Airport in February 2015 in the amount of \$2,017,682, with interest ranging from 2.0% to 4.55%. The funds were to be used for the purchase of Hanger D, the construction of Hanger F, and the design and construction of a new Flex Hanger. Payments will be repaid from Airport rental income. Principal payments will be made annually, while interest payments will be made semiannually, with the final payments due June 1, 2035. The bonds are direct obligations and pledge the full faith and credit of the City.

Future maturities of the bonds payable are as follows:

	Wastewater System Revenue Bonds		Water Revenue Bonds		Revenue Bonds Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 420,000	\$ 132,385	\$ 280,000	\$ 286,205	\$ 700,000	\$ 418,590
2017	435,000	116,845	290,000	275,005	725,000	391,850
2018	455,000	100,315	300,000	263,405	755,000	363,720
2019	470,000	82,570	315,000	250,655	785,000	333,225
2020	490,000	63,770	325,000	237,268	815,000	301,038
2021-2025	1,040,000	65,940	1,850,000	966,401	2,890,000	1,032,341
2026-2030	-	-	2,280,000	538,840	2,280,000	538,840
2031-2035	-	-	1,055,000	70,180	1,055,000	70,180
Total	<u>\$ 3,310,000</u>	<u>\$ 561,825</u>	<u>\$ 6,695,000</u>	<u>\$ 2,887,959</u>	<u>\$ 10,005,000</u>	<u>\$ 3,449,784</u>

#### 4. Loan Payable-Business-Type Activities

*Water Fund* - The City received approvals of three loans through the State of Oregon for water system improvements. The loans consist of the ARRA Forgivable Note for up to \$2,988,773, the ARRA F-1 Note for up to \$1,025,149, and the SDWRLF-2 Loan for up to \$2,553,101. The loan proceeds are disbursed on an expense reimbursement basis in the order listed above. Proceeds from the ARRA Forgivable

Note, ARRA F-1, and SDWRLF-2 loan have been accrued in the amount of \$2,988,773, \$1,025,149, and \$2,521,321 respectively to match the budgetary revenues to the Federal expenditures reported. The ARRA F-1 Note 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-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.

The City complied with the loan terms, completed the project as budgeted, and no defaults occurred. This resulted in the ARRA Forgivable Note being forgiven in FY13/14.

*Airport Fund* - The City has a loan from the Port of The Dalles for rehabilitation of a well at the Columbia Gorge Regional Airport. The loan proceeds were received in two separate disbursements. The first portion, received during the 2008 fiscal year, is payable annually with installments of at least \$15,150, including interest at 4%. The final payment is due May 1, 2017. The second portion, received during the fiscal year ended June 30, 2009, is payable first from connection fees for each customer connecting to the well water system and 10% of the applicable lease payment of each lease payment made by each third party tenant of property at the airport that is benefitted by the project. Repayment on the second portion of the loan does not begin until the first customer connects to the well water system at the airport and begins making payments under their lease agreement. If the second portion of the loan is not repaid by July 1, 2017, the balance of the unpaid principal shall convert to an interest bearing loan, with interest to accrue at the rate of 4% per annum. The City will be obligated to pay a minimum annual payment of not less than \$ 15,150 on July 1 each year thereafter, until the loan is paid in full. The loan is unsecured, and is payable from general government revenues.

The City received a \$250,000 loan from Klickitat County, Washington in November 2012, for construction of new maintenance hangar at the Airport. The loan term is for ten years, with annual principal payments of \$25,000 to be paid by August 13 of each year. Klickitat County will calculate interest to be paid and notify the City at least 14 days prior to the due date each year. The interest will be calculated on the average rate of the Local Government Investment Pool (LGIP) over the period since the last payment, plus .05% as an administration fee.

The City agreed to make payments for the CERB Loan received by Klickitat County in the amount of \$500,000 to make improvements to the Airport Industrial Park. While Klickitat County received the funds and administered the project, the City has booked the loan proceeds, assumed the debt and capitalized the portion of the project funded by the loan. Payments will be funded by Airport rent revenues. The final payment will be due in 2023.

Future maturities of the loans payable are as follows:

	Airport Port Loan		ARRA Note		Airport Klickitat Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 14,089	\$ 1,061	\$ 135,945	\$ 102,435	\$ 25,000	\$ -
2017	12,434	497	140,022	98,356	25,000	-
2018	-	-	144,223	94,156	25,000	-
2019	10,150	5,000	148,550	89,829	25,000	-
2020	10,556	4,594	153,006	85,372	25,000	-
2021-2025	59,461	16,289	836,700	355,193	75,000	-
2026-2030	44,833	3,755	1,856,039	289,364	-	-
2031-2035	-	-	-	-	-	-
Total	<u>\$ 151,523</u>	<u>\$ 31,196</u>	<u>\$ 3,414,485</u>	<u>\$ 1,114,705</u>	<u>\$ 200,000</u>	<u>\$ -</u>

	Airport/Klickitat CERB Loan		Loans Payable Business Activity Total	
	Principal	Interest	Principal	Interest
2016	\$ 25,000	\$ 7,500	\$ 200,034	\$ 110,996
2017	25,000	7,500	202,456	106,353
2018	25,000	7,125	194,223	101,281
2019	25,000	6,750	208,700	101,579
2020	25,000	6,375	213,562	96,341
2021-2025	125,000	26,250	1,096,161	397,732
2026-2030	125,000	16,875	2,025,872	309,994
2031-2035	<u>125,000</u>	<u>7,500</u>	<u>125,000</u>	<u>7,500</u>
Total	<u>\$ 500,000</u>	<u>\$ 85,875</u>	<u>\$ 4,266,008</u>	<u>\$ 1,231,776</u>

## 5. Conduit Debt

The City has acted as a conduit for debt issued by Quality Life Intergovernmental Agency and payable to the Columbia State Bank to refinance debt the City previously acted as a conduit for and payable to the Oregon Department of Economic and Community Development. In addition, the conduit debt issued by the Agency was used to refinance the Agency's previous loan from Columbia State Bank. Quality Life Intergovernmental Agency pledged security to repay the amount; however, the loan documents name the City as the borrower. This loan was paid in full on July 7, 2014.



## 6. Changes in Long-Term Obligations

Long-term obligation activity for the year ended June 30, 2015, is as follows:

	<u>6/30/14</u> Balance	<u>Additions</u>	<u>Reductions</u>	<u>6/30/15</u> Balance	<u>Due Within</u> <u>One Year</u>
<b>Governmental Activities</b>					
Full Faith and Credit Bonds	\$ 10,945,450	\$ -	\$ 596,494	\$ 10,348,956	\$ 617,558
Premium on FFCO Bonds	714,928	-	49,094	665,834	49,094
Loans Payable	100,654	-	49,764	50,890	25,044
Compensated Absences	308,410	303,648	308,410	303,648	303,648
Other Postemployment Benefits	1,376,239	92,300	-	1,468,539	-
Total Governmental activity Long-term obligations	<u>\$ 13,445,681</u>	<u>\$ 395,948</u>	<u>\$ 1,003,762</u>	<u>\$ 12,837,867</u>	<u>\$ 995,344</u>
<b>Business-Type Activities</b>					
Revenue Bonds	\$ 10,675,000	\$ -	\$ 670,000	\$ 10,005,000	\$ 700,000
Full Faith and Credit Bonds	1,309,550	2,000,000	103,506	3,206,044	157,442
Premium on Bonds	58,323	17,682	3,441	72,564	4,326
Loans Payable	3,936,540	500,000	170,532	4,266,008	200,034
Compensated Absences	134,851	154,881	134,851	154,881	154,881
Other Postemployment Benefits	807,198	43,475	-	850,673	-
Total Business-type activity Long-term obligations	<u>\$ 16,921,462</u>	<u>\$ 698,356</u>	<u>\$ 1,082,330</u>	<u>\$ 18,555,170</u>	<u>\$ 1,216,683</u>

## F. Net Position

The government-wide statement of net position reports \$17,009,725 of restricted net position, of which \$1,831,201 is restricted by enabling legislation.

## G. 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 \$1,473,387. A reconciliation of transfers in the fund financial statements is as follows:

	Transfers In	Transfers Out
Governmental activity:		
General fund	\$ 1,712,468	\$ 115,000
Street fund	308,970	428,897
Library fund	-	39,179
Special grants fund	50,000	50,770
Other governmental funds	1,432,752	1,396,957
Business-type activities		
Water funds	2,724,805	3,461,992
Wastewater funds	2,594,965	3,409,712
Airport funds	78,547	-
	<u>                    </u>	<u>                    </u>
Total Transfers	<u>\$ 8,902,507</u>	<u>\$8,902,507</u>

Transfers out of the General Fund were to the Airport Fund for operation of the Airport. Transfers into the General Fund consisted of administrative overhead reimbursements from the Library, Special Grants, Special Assessments, Street, Water, and Wastewater Funds. The Library Fund and Public Works Funds (Streets, Water and Wastewater) all also contributed to the Unemployment Reserve Fund. Capital additions were recorded in the Capital Projects Fund and contributed to the Water and Wastewater Funds. In addition, the Capital Projects Fund paid debt on behalf of the Airport Fund. Finally, the Street, Special Assessments, Water, and Wastewater Funds transferred funds to the FFCO Bond Funds for debt service.

#### 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 three years.

##### B. Other Postemployment Benefits

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. GASB Statement 45 is applicable to the City due only to this implicit rate subsidy. The General Fund typically has been and will be used to liquidate the net pension obligation or net 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.

Annual OPEB Cost and Net OPEB Obligation: The City's annual other postemployment benefit cost is calculated based on the Annual Required Contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period of 30 years on a closed basis. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan which is zero, and changes in the City's OPEB obligation to the plan.

Annual required contributions	\$ 181,871
Interest on net OPEB obligation	21,834
Adjustment to annual required contributions	<u>(67,930)</u>
Annual OPEB cost	135,775
Less OPEB contributions (Amounts paid by the City during the year)	<u>-</u>
Change in net OPEB obligation	135,775
Net OPEB obligation - beginning of year	<u>2,183,437</u>
Net OPEB obligation - end of year	<u><u>\$2,319,212</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ended June 30, 2015 was as follows:

Health Insurance Continuation					
Fiscal Year Ended	Annual OPEB Cost	Percent of Annual OPEB Cost Contributions	Net OPEB Obligation		
06/30/2011	\$ 368,720	0%	\$ 880,902		
06/30/2012	440,304	0%	1,321,206		
06/30/2013	429,969	0%	1,751,175		
06/30/2014	432,262	0%	2,183,437		
06/30/2015	135,775	0%	2,319,212		

Funded Status and Funding Progress: The Schedule of Funding Progress, immediately following the notes to the financial statements in the Required Supplementary Information, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

The funded status of the plan as of June 30, 2015, was as follows:

	Health Insurance Continuance
Employer's normal cost	\$ 133,775
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability	<u>\$ 1,234,695</u>
Funded ratio	0%
Covered payroll (active plan members)	5,067,937
UAAL as a percentage of covered payroll	24.36%

The plan's actuarial valuation involves estimates of amounts and assumptions about the probability of events far into the future, such as, future employment, mortality, and healthcare cost trends. Amounts determined about the funding status of the plan and the annual required contributions are subject to periodic revision as actual results for each period are compared with past expectations and new assumptions are made about the future.

In the June 30, 2015 valuation, the entry age cost method was used. The investment return for the City was assumed to be 1% to reflect the long-term annual investment returns for the Oregon Local Government Investment Pool and comparable investment vehicles. Medical premium increases were assumed to be 8% in the first year, 7% in the second year, 6% in the third year, 5.5% in year four, 5.3% in year five, 5.2% in years six, seven, eight and nine, and 4.7% thereafter. Pharmacy increases were assumed to be 9% in the first year, 8% in the second year, 7% in the third year, 6% in year four, 5.8% in year five, 5.6% in years six and seven, 5.5% in years eight and nine, and 4.7% thereafter. Dental premium increases were assumed to be 4% in the first year, 3.5% in the second year, and 3% thereafter. Vision premium increases were assumed to be 3% for all years.

*Actuarial Methods and Assumptions:* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The City meets the requirements to use the alternative measurement method and has chosen to use this method to value its OPEB liability. In the June 30, 2015 actuarial valuation, the entry age actuarial cost method was used. The UAAL is being amortized over 25 years on a closed basis using the level percentage of payroll amortization method. Payroll growth increase assumption is 2.9 percent. Age adjustment factor is 1.916354. The discount rate is 1.0 percent.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future.

## **C. 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. 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, 2015 was \$3,752,825. Total contributions to the plan for the year ended June 30, 2015 were \$591,677, including \$506,330 for both the City and employee portions that is paid by the City, and \$85,347 in employee loan repayments and additional employee voluntary contributions.

### **2. Retirement Plan for Public Safety Employees**

The City of The Dalles Public Safety Employees Retirement Plan is defined contribution plan established by the City to provide benefits at retirement to the public safety employees of the City. 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 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, 2015 was \$1,446,544. Total contributions to the plan for the year ended June 30, 2015 were \$361,656, including \$324,257 for both the City and employee portions that is paid by the City, and \$37,399 in employee loan repayments and additional employee voluntary contributions.

## **D. Commitments, Contingencies, and Subsequent Events**

### **1. Construction in Progress**

The City is committed under various, architectural, engineering, and construction contracts at June 30<sup>th</sup>, 2015.

The Washington Street Underpass is approximately 22 % complete. Costs incurred to date are \$1,511,938.75, with total estimated costs of \$8.080 million.

East Scenic ROW Survey Project is in the early stages. Costs incurred to date are \$12,460.

The 3rd Street Streetscape project is in the final stages of design and engineering and the project is waiting on final approval for construction. Costs incurred to date are \$52,668, with estimated costs of \$3 million.

The Downtown Parking Structure Project is in the early stages. Costs incurred to date are \$19,680, with estimated costs of \$3.3 million.

The ODOT- Welcome signs, is in the early stages. Costs incurred to date are \$4,219.

The East Scenic Drive Stabilization Project is approximately 99% complete. Costs incurred to date are \$1,261,295.56.

The Downtown WIFI project - Phases 2, 3, 4 and 5 are approximately 97% complete. Costs incurred to date are \$144,411.31

The Granada Block project costs incurred to date are \$269,287.26.

West 7th Street Survey Project is approximately 98% complete. Costs incurred to date are \$361,166.55.

West 7th Street ROW is approximately 98% complete and costs incurred to date are \$28,895.

2nd Street paving project is in the early stages. Costs incurred to date are \$8,110.88.

The Library Design Project is 99% complete and the costs incurred to date are \$109,934.37. This design project is for the expansion of the Library.

18<sup>th</sup> Street Waterline at Chenowith Creek Bridge project is in the early stages. Costs to date are \$13,863.

There were also a few expenses for items not in service at June 30, 2015. These are as follows: the 1987 Mack Truck #80, \$34,728.00; HVAC Controls for the Library,

\$10,000; Dodge Charger S-8, \$17,708.72; and a new door at the State Office Building, \$4995.25.

Other major projects in progress at June 30, 2015 are as follows:

The design portion of the Lone Pine Well Expansion is essentially complete, but construction has not yet started. Design costs incurred to date are \$228,940, with estimated construction costs of \$1 million.

The Dog River Pipeline project is approximately 15% complete. Costs incurred to date are \$154,398.69, with total estimated costs of \$7.883 million.

The 11th / Thompson Replacement project is in its early stages, with costs incurred to date of \$893.84.

The Water Shed Seeding Burn project is in its early stages, with costs incurred to date of \$58,513.73, with total estimated costs of \$1,100,000.

There are various improvements in the early stages at the Wastewater Treatment Plant. Costs incurred to date for the Phase 2 is \$64.85, with total estimated project costs of about \$13.4 million.

The 4th Street Grade Sanitary Survey is in the early stages. Costs incurred to date are \$6,550, with estimated costs of \$555,000.

West 2nd Street Joint Utility project is also in the early stages. Costs incurred to date are \$7,207.50, with estimated costs of \$550,000.

Sewer Lines for 10th & 11th is also in the early stages. Costs incurred to date are \$6,447.77

The Slip Line 2015 project is 77.8% complete. Costs incurred to date are \$265,896.71

The Dalles Dam Tour/Shuttle Project is 95% complete. Costs incurred to date are \$348,773.37, with total estimated costs of \$372,164.

There are various projects in progress at the airport. A well project, with costs to date of \$254,782, is currently on hold, waiting for completion of an agreement with the Dallesport Water District. The Airport Taxiway Project, started in FY13/14 is 97% complete, with costs incurred to date of \$2,328,865.87. The City is also still in the early design stages of a flex hangar at the airport, with costs incurred to date of \$10,057.79, and total estimated costs of \$1.25 million. The City is also in the early design stages of a new Hangar F at the airport, with costs incurred to date of \$7,524.00, and total estimated costs of \$1,250,000.

## **2. Subsequent Events**

Management has evaluated subsequent events through November 12, 2015, the date on which the financial statements were available to be issued and determined the following should be recognized:

The City Manager's contract was terminated on September 14, 2015. Statements indicated no wrong-doing by the City Manager, but only that the City Council desired a change. City Council has approved six months of severance pay, 80 hours of executive pay, two months of pay in lieu of notice, six months of paid health benefits, pay out of the City manager's accrued vacation, and one-half of his sick leave. The total severance package is estimated to equal \$176,748.

## **E. Prior Period Adjustments**

In 2009 the Urban Renewal Agency, a major fund and component unit of the City of The Dalles, entered into a loan agreement with Discover Development for improvements to be made to the Sunshine Flour Mill Property. These loan payments were erroneously expensed and capitalized on the City's books. In 2013, Urban Renewal Agency entered into a land sale contract with Discover Development to purchase the Sunshine Flour Mill Property. The Sunshine Flour Mill has been considered an Asset Held For Sale on the City's book, the prior period adjustment is to reclassify this as a note receivable.





## **REQUIRED SUPPLEMENTAL INFORMATION**

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**CITY OF THE DALLES, OREGON**  
**OTHER POST EMPLOYMENT BENEFITS SCHEDULE OF FUNDING PROGRESS**  
**For the Fiscal Year Ended June 30, 2015**

Actuarial Valuation Date	Actuarial Value of Assets ( a )	Actuarial Accrued Liability (AAL) ( b )	Unfunded AAL (UAAL) ( b-a )	Funded Ratio ( a/b )	Covered Payroll ( c )	UAAL as a Percentage of Covered Payroll (b-a)/( c )
06/30/12	\$ -	\$ 3,289,224	\$ 3,289,224	0%	\$ 5,035,113	65.33%
06/30/13	-	3,289,224	3,289,224	0%	5,228,715	62.91%
06/30/14	-	3,289,224	3,289,224	0%	5,020,026	65.52%
06/30/15	-	3,289,225	3,289,225	0%	5,067,937	64.90%



## **OTHER SUPPLEMENTAL INFORMATION**

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## OTHER SUPPLEMENTAL INFORMATION

Other supplementary information includes financial schedules not required by the GASB, nor a part of the basic financial statements, but are 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 STATEMENTS

### 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:

#### **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.

#### **Capital Projects Funds**

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:

#### **Special Assessment Fund**

The Special Assessment 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 principal and interest collected.

#### **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.

## **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.

## **General Fund Combining**

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 - Budgetary Basis Only**

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 - Budgetary Basis Only**

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

### **Unemployment Reserve Fund - Budgetary Basis Only**

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, 2015**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 61,589	\$ 797,630	\$ 392,152	\$ 1,251,371
Receivables:				
Accounts	-	-	6,217	6,217
Assessments	-	-	543,363	543,363
<b>Total assets</b>	<b>\$ 61,589</b>	<b>\$ 797,630</b>	<b>\$ 941,732</b>	<b>\$ 1,800,951</b>
<b>LIABILITIES:</b>				
Accounts payable and accrued expenses	\$ 5,527	\$ -	\$ 60	\$ 5,587
Retainage payable	-	-	17,971	17,971
<b>Total liabilities</b>	<b>5,527</b>	<b>-</b>	<b>18,031</b>	<b>23,558</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable revenue	-	-	596,310	596,310
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>596,310</b>	<b>596,310</b>
<b>FUND BALANCES:</b>				
Restricted for:				
Grant / contributor specific intent	12,613	-	-	12,613
State statute	-	797,630	-	797,630
Committed for:				
Major capital facilities and associated debt	-	-	219,734	219,734
Local improvements and associated debt	-	-	107,657	107,657
Agreements with state agencies	43,449	-	-	43,449
<b>Total fund balances</b>	<b>56,062</b>	<b>797,630</b>	<b>327,391</b>	<b>1,181,083</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 61,589</b>	<b>\$ 797,630</b>	<b>\$ 941,732</b>	<b>\$ 1,800,951</b>



**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, 2015**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total
<b>REVENUES:</b>				
Property taxes	\$ -	\$ 794,829	\$ -	\$ 794,829
Franchise fees	-	-	24,920	24,920
Assessments	-	-	82,657	82,657
Rental income	214,322	123,260	87,602	425,184
Interest on investments	138	4,800	3,557	8,495
Miscellaneous	2,000	-	5,775	7,775
	<u>216,460</u>	<u>922,889</u>	<u>204,511</u>	<u>1,343,860</u>
<b>EXPENDITURES:</b>				
General government	-	-	94,669	94,669
Public safety	159,006	-	-	159,006
Highways and streets	2,363	-	-	2,363
Capital outlay	15,778	-	360,117	375,895
Debt service:				
Principal	-	596,494	-	596,494
Interest	-	546,693	1,603	548,296
	<u>177,147</u>	<u>1,143,187</u>	<u>456,389</u>	<u>1,776,723</u>
Total expenditures	<u>177,147</u>	<u>1,143,187</u>	<u>456,389</u>	<u>1,776,723</u>
Revenues over (under) expenditures	39,313	(220,298)	(251,878)	(432,863)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	6,000	1,123,433	303,319	1,432,752
Transfers out	-	(904,744)	(492,213)	(1,396,957)
	<u>6,000</u>	<u>218,689</u>	<u>(188,894)</u>	<u>35,795</u>
Total other financing sources (uses)	<u>6,000</u>	<u>218,689</u>	<u>(188,894)</u>	<u>35,795</u>
Net changes in fund balances	45,313	(1,609)	(440,772)	(397,068)
<b>FUND BALANCES, BEGINNING</b>	<u>10,749</u>	<u>799,239</u>	<u>768,163</u>	<u>1,578,151</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 56,062</u>	<u>\$ 797,630</u>	<u>\$ 327,391</u>	<u>\$ 1,181,083</u>

**CITY OF THE DALLES, OREGON**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2015**

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	Community Benevolence Fund	State Office Building Fund	Total
	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 12,613	\$ 48,976	\$ 61,589
Total assets	<u>\$ 12,613</u>	<u>\$ 48,976</u>	<u>\$ 61,589</u>
<b>LIABILITIES:</b>			
Accounts payable and accrued expenses	\$ -	\$ 5,527	\$ 5,527
Total liabilities	<u>-</u>	<u>5,527</u>	<u>5,527</u>
<b>FUND BALANCES:</b>			
Restricted for:			
Grant / contributor specific intent	12,613	-	12,613
Committed for:			
Agreements with state agencies	<u>-</u>	<u>43,449</u>	<u>43,449</u>
Total fund balances	<u>12,613</u>	<u>43,449</u>	<u>56,062</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,613</u>	<u>\$ 48,976</u>	<u>\$ 61,589</u>

**CITY OF THE DALLES, OREGON**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended June 30, 2015**

	Community Benevolence Fund	State Office Building Fund	Total
<b>REVENUES:</b>			
Rental income	\$ -	\$ 214,322	\$ 214,322
Interest on investments	61	77	138
Miscellaneous	2,000	-	2,000
 Total revenues	 2,061	 214,399	 216,460
<b>EXPENDITURES:</b>			
Public safety	-	159,006	159,006
Highways and streets	2,363	-	2,363
Capital outlay	-	15,778	15,778
 Total expenditures	 2,363	 174,784	 177,147
 Revenues over (under) expenditures	 (302)	 39,615	 39,313
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	6,000	6,000
 Total other financing sources (uses)	 -	 6,000	 6,000
 Net changes in fund balances	 (302)	 45,615	 45,313
<b>FUND BALANCES, BEGINNING</b>	<b>12,915</b>	<b>(2,166)</b>	<b>10,749</b>
<b>FUND BALANCES, ENDING</b>	<b>\$ 12,613</b>	<b>\$ 43,449</b>	<b>\$ 56,062</b>

**CITY OF THE DALLES, OREGON**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2015**

	Special Assessment Fund	Capital Projects Fund	Total
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 155,947	\$ 236,205	\$ 392,152
Receivables:			
Accounts	4,717	1,500	6,217
Assessments	543,363	-	543,363
Total assets	<u>\$ 704,027</u>	<u>\$ 237,705</u>	<u>\$ 941,732</u>
<b>LIABILITIES:</b>			
Accounts payable and accrued expenses	\$ 60	\$ -	\$ 60
Retainage payable	-	17,971	17,971
Total liabilities	<u>60</u>	<u>17,971</u>	<u>18,031</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Unavailable revenue	596,310	-	596,310
Total deferred inflows of resources	<u>596,310</u>	<u>-</u>	<u>596,310</u>
<b>FUND BALANCES:</b>			
Committed for:			
Major capital facilities and associated debt	-	219,734	219,734
Local improvements and associated debt	107,657	-	107,657
Total fund balances	<u>107,657</u>	<u>219,734</u>	<u>327,391</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 704,027</u>	<u>\$ 237,705</u>	<u>\$ 941,732</u>

**CITY OF THE DALLES, OREGON**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended June 30, 2015**

	Special Assessment Fund	Capital Projects Fund	Total
<b>REVENUES:</b>			
Franchise fees	\$ 24,920	\$ -	\$ 24,920
Assessments	82,657	-	82,657
Rental income	-	87,602	87,602
Interest on investments	2,082	1,475	3,557
Miscellaneous	-	5,775	5,775
Total revenues	<u>109,659</u>	<u>94,852</u>	<u>204,511</u>
<b>EXPENDITURES:</b>			
General government	75,655	19,014	94,669
Capital outlay	-	360,117	360,117
Debt service:			
Interest	-	1,603	1,603
Total expenditures	<u>75,655</u>	<u>380,734</u>	<u>456,389</u>
Revenues over (under) expenditures	34,004	(285,882)	(251,878)
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	303,319	303,319
Transfers out	(417,666)	(74,547)	(492,213)
Total other financing sources (uses)	<u>(417,666)</u>	<u>228,772</u>	<u>(188,894)</u>
Net changes in fund balances	(383,662)	(57,110)	(440,772)
<b>FUND BALANCES, BEGINNING</b>	<u>491,319</u>	<u>276,844</u>	<u>768,163</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 107,657</u>	<u>\$ 219,734</u>	<u>\$ 327,391</u>

**CITY OF THE DALLES, OREGON  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2015**

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	<u>FFCO 2008 Bond Fund</u>	<u>2009 FFCO Bond Fund</u>	<u>Urban Renewal Debt Fund</u>	<u>Total</u>
<b>ASSETS:</b>				
Cash and cash equivalents	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 797,630</u>	<u>\$ 797,630</u>
Total assets	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 797,630</u></u>	<u><u>\$ 797,630</u></u>
<b>FUND BALANCES:</b>				
Restricted for:				
State statute	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 797,630</u>	<u>\$ 797,630</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>797,630</u>	<u>797,630</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 797,630</u></u>	<u><u>\$ 797,630</u></u>

**CITY OF THE DALLES, OREGON  
NONMAJOR DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended June 30, 2015**

	FFCO 2008 Bond Fund	2009 FFCO Bond Fund	Urban Renewal Debt Fund	Total
<b>REVENUES:</b>				
Property taxes	\$ -	\$ -	\$ 794,829	\$ 794,829
Rental income	123,260	-	-	123,260
Interest on investments	-	-	4,800	4,800
Total revenues	<u>123,260</u>	<u>-</u>	<u>799,629</u>	<u>922,889</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	127,344	469,150	-	596,494
Interest	<u>90,930</u>	<u>455,763</u>	<u>-</u>	<u>546,693</u>
Total expenditures	<u>218,274</u>	<u>924,913</u>	<u>-</u>	<u>1,143,187</u>
Revenues over (under) expenditures	(95,014)	(924,913)	799,629	(220,298)
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	177,670	945,763	-	1,123,433
Transfers out	<u>(82,656)</u>	<u>(20,850)</u>	<u>(801,238)</u>	<u>(904,744)</u>
Total other financing sources (uses)	<u>95,014</u>	<u>924,913</u>	<u>(801,238)</u>	<u>218,689</u>
Net changes in fund balances	-	-	(1,609)	(1,609)
<b>FUND BALANCES, BEGINNING</b>	<u>-</u>	<u>-</u>	<u>799,239</u>	<u>799,239</u>
<b>FUND BALANCES, ENDING</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 797,630</u></u>	<u><u>\$ 797,630</u></u>

**CITY OF THE DALLES, OREGON**  
**GENERAL FUND - GENERALLY ACCEPTED ACCOUNTING PRINCIPLES**  
**COMBINING BALANCE SHEET**  
**June 30, 2015**

	General Fund - Budgetary Basis	Public Works Reserve Fund - Budgetary Basis	Transportation System Reserve Fund - Budgetary Basis	Unemployment Reserve Fund - Budgetary Basis	Total General Fund Generally Accepted Accounting Principles
<b>ASSETS:</b>					
Cash and cash equivalents	\$ 1,576,869	\$ 144,344	\$ 782,095	\$ 53,454	\$ 2,556,762
Receivables:					
Accounts	406,581	-	566,438	-	973,019
Intergovernmental	26,779	-	-	-	26,779
Fines and forfeitures, net	564,523	-	-	-	564,523
Property taxes	241,249	-	-	-	241,249
Prepaid items	132,551	-	-	-	132,551
	<u>132,551</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,551</u>
Total assets	<u>\$ 2,948,552</u>	<u>\$ 144,344</u>	<u>\$ 1,348,533</u>	<u>\$ 53,454</u>	<u>\$ 4,494,883</u>
<b>LIABILITIES:</b>					
Accounts payable and accrued expenses	\$ 111,531	\$ -	\$ 377,106	\$ -	\$ 488,637
Total liabilities	<u>111,531</u>	<u>-</u>	<u>377,106</u>	<u>-</u>	<u>488,637</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenue	<u>805,772</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>805,772</u>
Total deferred inflows of resources	<u>805,772</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>805,772</u>
<b>FUND BALANCES:</b>					
Nonspendable:					
Prepays	132,551	-	-	-	132,551
Committed for:					
Committed by ordinance or resolution	-	144,344	971,427	53,454	1,169,225
Unassigned	<u>1,898,698</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,898,698</u>
Total fund balances	<u>2,031,249</u>	<u>144,344</u>	<u>971,427</u>	<u>53,454</u>	<u>3,200,474</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,948,552</u>	<u>\$ 144,344</u>	<u>\$ 1,348,533</u>	<u>\$ 53,454</u>	<u>\$ 4,494,883</u>



**CITY OF THE DALLES, OREGON**  
**GENERAL FUND - GENERALLY ACCEPTED ACCOUNTING PRINCIPLES**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended June 30, 2015**

	General Fund - Budgetary Basis	Public Works Reserve Fund - Budgetary Basis	Transportation System Reserve Fund - Budgetary Basis	Unemployment Reserve Fund - Budgetary Basis	Total General Fund Generally Accepted Accounting Principles
<b>REVENUES:</b>					
Property taxes	\$ 2,760,629	\$ -	\$ -	\$ -	\$ 2,760,629
Other taxes	932,717	-	-	-	932,717
Franchise fees	242,048	-	-	-	242,048
Licenses and fees	12,525	-	-	-	12,525
Charges for services	23,468	-	-	-	23,468
Intergovernmental	1,253,415	-	566,438	-	1,819,853
Fines and forfeitures, net	222,585	-	-	-	222,585
System development charges	-	-	35,334	-	35,334
Rental income	10,564	-	-	-	10,564
Interest on investments	8,015	643	4,944	300	13,902
Miscellaneous	185,726	35,000	-	-	220,726
	<u>5,651,692</u>	<u>35,643</u>	<u>606,716</u>	<u>300</u>	<u>6,294,351</u>
<b>EXPENDITURES:</b>					
General government	2,637,801	-	-	15,345	2,653,146
Public safety	3,367,401	-	-	-	3,367,401
Culture and recreation	542,709	-	-	-	542,709
Capital outlay	50,767	392,471	745,107	-	1,188,345
	<u>6,598,678</u>	<u>392,471</u>	<u>745,107</u>	<u>15,345</u>	<u>7,751,601</u>
Revenues over (under) expenditures	(946,986)	(356,828)	(138,391)	(15,045)	(1,457,250)
<b>OTHER FINANCING SOURCES (USES):</b>					
Sale of property	2,500	-	-	-	2,500
Transfers in	1,239,920	308,268	150,000	14,280	1,712,468
Transfers out	(65,000)	-	(50,000)	-	(115,000)
	<u>1,177,420</u>	<u>308,268</u>	<u>100,000</u>	<u>14,280</u>	<u>1,599,968</u>
Net changes in fund balances	230,434	(48,560)	(38,391)	(765)	142,718
<b>FUND BALANCES, BEGINNING</b>	<u>1,800,815</u>	<u>192,904</u>	<u>1,009,818</u>	<u>54,219</u>	<u>3,057,756</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 2,031,249</u>	<u>\$ 144,344</u>	<u>\$ 971,427</u>	<u>\$ 53,454</u>	<u>\$ 3,200,474</u>

## BUDGETARY COMPARISON SCHEDULES

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.

Major 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
- Urban Renewal Capital Projects Fund - Budgetary Basis Schedule of Revenues, Expenditures and Changes in Fund Balance

Non-major Governmental Budgetary Comparison schedules included the following:

- Special Revenue Funds
  - Community Benevolence Fund
  - State Office Building Fund
- Capital Project Funds
  - Special Assessment Fund
  - Capital Projects Fund
- Debt Service Fund
  - FFCO 2008 Bond Fund
  - 2009 FFCO Bond Fund
  - Urban Renewal Debt 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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 2,713,439	\$ 2,713,439	\$ 2,760,629	\$ 47,190
Other taxes	948,042	948,042	932,717	(15,325)
Franchise fees	203,804	203,804	242,048	38,244
Licenses and fees	10,800	10,800	12,525	1,725
Charges for services	17,711	17,711	23,468	5,757
Intergovernmental	1,274,901	1,274,901	1,253,415	(21,486)
Fines and forfeitures, net	218,846	218,846	222,585	3,739
Rental income	9,814	9,814	10,564	750
Interest on investments	6,200	6,200	8,015	1,815
Miscellaneous	34,670	34,670	185,726	151,056
Total revenues	<u>5,438,227</u>	<u>5,438,227</u>	<u>5,651,692</u>	<u>213,465</u>
<b>EXPENDITURES:</b>				
General government	2,825,743	2,860,897	2,637,801	223,096
Public safety	3,550,730	3,550,730	3,367,401	183,329
Culture and recreation	421,530	559,530	542,709	16,821
Capital outlay	63,000	63,000	50,767	12,233
Contingency	590,492	417,338	-	417,338
Total expenditures	<u>7,451,495</u>	<u>7,451,495</u>	<u>6,598,678</u>	<u>852,817</u>
Revenues over (under) expenditures	(2,013,268)	(2,013,268)	(946,986)	1,066,282
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of property	-	-	2,500	2,500
Transfers in	1,239,920	1,239,920	1,239,920	-
Transfers out	(65,000)	(65,000)	(65,000)	-
Total other financing sources (uses)	<u>1,174,920</u>	<u>1,174,920</u>	<u>1,177,420</u>	<u>2,500</u>
Net changes in fund balances	(838,348)	(838,348)	230,434	1,068,782
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>	<u>1,612,231</u>	<u>1,612,231</u>	<u>1,800,815</u>	<u>188,584</u>
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>	<u>\$ 773,883</u>	<u>\$ 773,883</u>	<u>\$ 2,031,249</u>	<u>\$ 1,257,366</u>

**CITY OF THE DALLES, OREGON**  
**GENERAL FUND - BUDGETARY BASIS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
City council:				
Materials and services	\$ 196,785	\$ 196,785	\$ 187,509	\$ 9,276
Subtotal	196,785	196,785	187,509	9,276
City clerk:				
Personnel services	134,997	134,997	133,173	1,824
Materials and services	6,163	6,163	5,299	864
Subtotal	141,160	141,160	138,472	2,688
City manager/economic development:				
Personnel services	353,605	353,605	336,686	16,919
Materials and services	73,252	103,252	84,714	18,538
Subtotal	426,857	456,857	421,400	35,457
City attorney and judicial:				
Personnel services	348,059	348,059	336,533	11,526
Materials and services	156,303	156,303	123,270	33,033
Subtotal	504,362	504,362	459,803	44,559
Finance/utility billing:				
Personnel services	425,512	425,512	410,713	14,799
Materials and services	100,161	100,161	68,271	31,890
Subtotal	525,673	525,673	478,984	46,689
Personnel:				
Materials and services	9,100	9,100	6,293	2,807
Subtotal	9,100	9,100	6,293	2,807
Technology:				
Personnel services	100,916	100,916	98,729	2,187
Materials and services	123,762	123,762	117,497	6,265
Capital outlay	8,000	8,000	5,270	2,730
Subtotal	232,678	232,678	221,496	11,182

**CITY OF THE DALLES, OREGON**  
**GENERAL FUND - BUDGETARY BASIS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
Continued				
Planning:				
Personnel services	443,330	443,330	421,478	21,852
Materials and services	54,576	54,576	23,128	31,448
Subtotal	497,906	497,906	444,606	53,300
City hall/transportation center:				
Personnel services	57,919	57,919	57,757	162
Materials and services	241,303	246,457	226,751	19,706
Subtotal	299,222	304,376	284,508	19,868
Police:				
Personnel services	2,767,878	2,767,878	2,690,063	77,815
Materials and services	605,882	605,882	532,952	72,930
Capital outlay	55,000	55,000	45,497	9,503
Subtotal	3,428,760	3,428,760	3,268,512	160,248
Code enforcement:				
Personnel services	59,944	59,944	59,275	669
Materials and services	27,013	27,013	19,879	7,134
Subtotal	86,957	86,957	79,154	7,803
Animal control:				
Personnel services	50,513	50,513	46,557	3,956
Materials and services	39,500	39,500	18,675	20,825
Subtotal	90,013	90,013	65,232	24,781
Non-departmental:				
Materials and services	421,530	559,530	542,709	16,821
Subtotal	421,530	559,530	542,709	16,821
Total expenditures	\$ 6,861,003	\$ 7,034,157	\$ 6,598,678	\$ 435,479

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest on investments	\$ 500	\$ 500	\$ 643	\$ 143
Miscellaneous	-	35,000	35,000	-
Total revenues	500	35,500	35,643	143
<b>EXPENDITURES:</b>				
Capital outlay	506,273	541,273	392,471	148,802
Total expenditures	506,273	541,273	392,471	148,802
Revenues over (under) expenditures	(505,773)	(505,773)	(356,828)	148,945
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	308,268	308,268	308,268	-
Total other financing sources (uses)	308,268	308,268	308,268	-
Net changes in fund balances	(197,505)	(197,505)	(48,560)	148,945
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>				
	197,505	197,505	192,904	(4,601)
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>				
	\$ -	\$ -	\$ 144,344	\$ 144,344

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 159,159	\$ 159,159	\$ 566,438	\$ 407,279
System development charges	200,000	200,000	35,334	(164,666)
Interest on investments	3,000	3,000	4,944	1,944
Total revenues	362,159	362,159	606,716	244,557
<b>EXPENDITURES:</b>				
Capital outlay	1,418,338	1,418,338	745,107	673,231
Total expenditures	1,418,338	1,418,338	745,107	673,231
Revenues over (under) expenditures	(1,056,179)	(1,056,179)	(138,391)	917,788
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	150,000	150,000	150,000	-
Transfers out	(80,000)	(80,000)	(50,000)	30,000
Total other financing sources (uses)	70,000	70,000	100,000	30,000
Net changes in fund balances	(986,179)	(986,179)	(38,391)	947,788
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>	986,179	986,179	1,009,818	23,639
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 971,427	\$ 971,427

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest on investments	\$ 200	\$ 200	\$ 300	\$ 100
Total revenues	200	200	300	100
<b>EXPENDITURES:</b>				
Personnel service	58,764	58,764	15,345	43,419
Total expenditures	58,764	58,764	15,345	43,419
Revenues over (under) expenditures	(58,564)	(58,564)	(15,045)	43,519
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	14,280	14,280	14,280	-
Total other financing sources (uses)	14,280	14,280	14,280	-
Net changes in fund balances	(44,284)	(44,284)	(765)	43,519
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>	44,284	44,284	54,219	9,935
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 53,454	\$ 53,454



**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 568,922	\$ 568,922	\$ 615,641	\$ 46,719
Interest on investments	2,000	2,000	7,790	5,790
Miscellaneous	609,200	609,200	188,209	(420,991)
Total revenues	1,180,122	1,180,122	811,640	(368,482)
<b>EXPENDITURES:</b>				
Materials and services	968,488	968,488	242,078	726,410
Capital outlay	1,982,936	1,982,936	527,882	1,455,054
Contingency	22,016	22,016	-	22,016
Total expenditures	2,973,440	2,973,440	769,960	2,203,480
Revenues over (under) expenditures	(1,793,318)	(1,793,318)	41,680	1,834,998
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of property	1,156,538	1,156,538	9,485	(1,147,053)
Total other financing sources (uses)	1,156,538	1,156,538	9,485	(1,147,053)
Net changes in fund balances	(636,780)	(636,780)	51,165	687,945
<b>FUND BALANCES, BEGINNING</b>	636,780	636,780	604,058	(32,722)
<b>FUND BALANCES, ENDING</b>	\$ -	\$ -	\$ 655,223	\$ 655,223

**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, 2015**

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	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest on investments	\$ 25	\$ 25	\$ 61	\$ 36
Miscellaneous	2,000	2,000	2,000	-
Total revenues	2,025	2,025	2,061	36
<b>EXPENDITURES:</b>				
Materials and services	14,633	14,633	2,363	12,270
Total expenditures	14,633	14,633	2,363	12,270
Net changes in fund balances	(12,608)	(12,608)	(302)	12,306
<b>FUND BALANCES, BEGINNING</b>	12,608	12,608	12,915	307
<b>BUDGETARY BASIS</b>	\$ -	\$ -	\$ 12,613	\$ 12,613

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Rental income	\$ 212,314	\$ 212,314	\$ 214,322	\$ 2,008
Interest on investments	-	-	77	77
Total revenues	212,314	212,314	214,399	2,085
<b>EXPENDITURES:</b>				
Personnel service	57,914	57,914	57,779	135
Materials and services	125,685	125,685	101,227	24,458
Capital outlay	27,000	27,000	15,778	11,222
Contingency	21,303	21,303	-	21,303
Total expenditures	231,902	231,902	174,784	57,118
Revenues over (under) expenditures	(19,588)	(19,588)	39,615	59,203
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	6,000	6,000	6,000	-
Total other financing sources (uses)	6,000	6,000	6,000	-
Net changes in fund balances	(13,588)	(13,588)	45,615	59,203
<b>FUND BALANCES, BEGINNING</b>	13,588	13,588	(2,166)	(15,754)
<b>FUND BALANCES, ENDING</b>	\$ -	\$ -	\$ 43,449	\$ 43,449

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Franchise fees	\$ 25,005	\$ 25,005	\$ 24,920	\$ (85)
Assessments	84,940	84,940	82,657	(2,283)
Interest on investments	2,000	2,000	2,082	82
Miscellaneous	1,000	1,000	-	(1,000)
Total revenues	112,945	112,945	109,659	(3,286)
<b>EXPENDITURES:</b>				
Materials and services	56,200	106,503	75,655	30,848
Capital outlay	385,006	31,384	-	31,384
Total expenditures	441,206	137,887	75,655	62,232
Revenues over (under) expenditures	(328,261)	(24,942)	34,004	58,946
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(114,347)	(417,666)	(417,666)	-
Total other financing sources (uses)	(114,347)	(417,666)	(417,666)	-
Net changes in fund balances	(442,608)	(442,608)	(383,662)	58,946
<b>FUND BALANCE, BEGINNING</b>	442,608	442,608	491,319	48,711
<b>FUND BALANCE, ENDING</b>	\$ -	\$ -	\$ 107,657	\$ 107,657

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Rental income	\$ 102,546	\$ 102,546	\$ 87,602	\$ (14,944)
Interest on investments	1,500	1,500	1,475	(25)
Miscellaneous	2,666	2,666	5,775	3,109
Total revenues	106,712	106,712	94,852	(11,860)
<b>EXPENDITURES:</b>				
Materials and services	5,000	25,000	19,014	5,986
Capital outlay	354,950	638,269	360,117	278,152
Debt service:				
Principal	13,547	13,547	13,547	-
Interest	1,603	1,603	1,603	-
Total expenditures	375,100	678,419	394,281	284,138
Revenues over (under) expenditures	(268,388)	(571,707)	(299,429)	272,278
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	303,319	303,319	-
Transfers out	(61,000)	(61,000)	(61,000)	-
Total other financing sources (uses)	(61,000)	242,319	242,319	-
Net changes in fund balances	(329,388)	(329,388)	(57,110)	272,278
<b>FUND BALANCE, BEGINNING</b>	329,388	329,388	276,844	(52,544)
<b>FUND BALANCE, ENDING</b>	\$ -	\$ -	\$ 219,734	\$ 219,734

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Rental income	\$ 123,260	\$ 123,260	\$ 123,260	\$ -
Total revenues	123,260	123,260	123,260	-
<b>EXPENDITURES:</b>				
Debt service:				
Principal	210,000	210,000	210,000	-
Interest	90,930	90,930	90,930	-
Total expenditures	300,930	300,930	300,930	-
Revenues over (under) expenditures	(177,670)	(177,670)	(177,670)	-
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	177,670	177,670	177,670	-
Total other financing sources (uses)	177,670	177,670	177,670	-
Net changes in fund balances	-	-	-	-
<b>FUND BALANCES, BEGINNING</b>	-	-	-	-
<b>FUND BALANCES, ENDING</b>	\$ -	\$ -	\$ -	\$ -

**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, 2015**

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	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>EXPENDITURES:</b>				
Debt service:				
Principal	\$ 490,000	\$ 490,000	\$ 490,000	\$ -
Interest	455,763	455,763	455,763	-
Total expenditures	945,763	945,763	945,763	-
Revenues over (under) expenditures	(945,763)	(945,763)	(945,763)	-
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	945,763	945,763	945,763	-
Total other financing sources (uses)	945,763	945,763	945,763	-
Net changes in fund balances	-	-	-	-
<b>FUND BALANCES, BEGINNING</b>	-	-	-	-
<b>FUND BALANCES, ENDING</b>	<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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 794,829	\$ 794,829	\$ 794,829	\$ -
Interest on investments	4,800	4,800	4,800	-
Total revenues	799,629	799,629	799,629	-
<b>EXPENDITURES:</b>				
Contingency	801,238	801,238	-	801,238
Total expenditures	801,238	801,238	-	801,238
Revenues over (under) expenditures	(1,609)	(1,609)	799,629	801,238
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(801,238)	(801,238)	(801,238)	-
Total other financing sources (uses)	(801,238)	(801,238)	(801,238)	-
Net changes in fund balances	(802,847)	(802,847)	(1,609)	801,238
<b>FUND BALANCES, BEGINNING</b>	802,847	802,847	799,239	(3,608)
<b>FUND BALANCES, ENDING</b>	\$ -	\$ -	\$ 797,630	\$ 797,630



## **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
  - Water Bond Debt
  
- All Wastewater Funds
  - Wastewater
  - Wastewater Capital Reserve
  - Sewer Plant Construction
  - Sewer Debt Service
  
- All Airport Funds
  - Airport
  - Airport Debt Service

**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, 2015**

	Water Utility	Water Capital Reserve	Water Bond Debt	Total All Water Funds
<b>REVENUES:</b>				
Charges for services	\$ 5,501,506	\$ -	\$ -	\$ 5,501,506
Intergovernmental	-	23,093	-	23,093
System development charges	-	25,487	-	25,487
Rental income	4,428	-	-	4,428
Interest on investments	3,546	7,674	-	11,220
Miscellaneous	171,271	-	-	171,271
<b>Total revenues</b>	<b>5,680,751</b>	<b>56,254</b>	<b>-</b>	<b>5,737,005</b>
<b>EXPENDITURES:</b>				
Personnel service	1,888,765	-	-	1,888,765
Materials and services	744,793	6,638	-	751,431
Capital outlay	195,307	287,414	-	482,721
Debt service:				
Principal	-	131,984	265,000	396,984
Interest	-	106,394	296,805	403,199
<b>Total expenditures</b>	<b>2,828,865</b>	<b>532,430</b>	<b>561,805</b>	<b>3,923,100</b>
Revenues over (under) expenditures	2,851,886	(476,176)	(561,805)	1,813,905
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of property	4,911	-	-	4,911
Transfers in	-	2,163,000	561,805	2,724,805
Transfers out	(2,925,594)	(594,901)	-	(3,520,495)
<b>Total other financing sources (uses)</b>	<b>(2,920,683)</b>	<b>1,568,099</b>	<b>561,805</b>	<b>(790,779)</b>
Net changes in fund balances	(68,797)	1,091,923	-	1,023,126
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>1,040,509</b>	<b>1,175,787</b>	<b>400,000</b>	<b>2,616,296</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ 971,712</b>	<b>\$ 2,267,710</b>	<b>\$ 400,000</b>	<b>\$ 3,639,422</b>

	Revenues	Expenditures
Total revenue and expenditures above	\$ 5,737,005	\$ 3,923,100
Transfers in/out	-	737,187
Expenditures capitalized	-	(457,482)
Debt service principal payments	-	(396,984)
Other post employment benefits	-	29,347
Depreciation and amortization expense	-	555,150
Interest revenue/expense	-	(3,669)
Gain/loss on disposal of capital assets	-	(4,911)
Increase/decrease compensated absences	-	10,264
<b>Total revenues and expenses - generally accepted accounting principles</b>	<b>\$ 5,737,005</b>	<b>4,392,002</b>
<b>Change in net position</b>		<b>\$ 1,345,003</b>

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 5,375,863	\$ 5,375,863	\$ 5,501,506	\$ 125,643
Rental income	4,428	4,428	4,428	-
Interest on investments	3,000	3,000	3,546	546
Miscellaneous	267,285	267,285	171,271	(96,014)
Total revenues	<u>5,650,576</u>	<u>5,650,576</u>	<u>5,680,751</u>	<u>30,175</u>
<b>EXPENDITURES:</b>				
Personnel service	2,034,188	2,034,188	1,888,765	145,423
Materials and services	1,111,844	1,121,844	744,793	377,051
Capital outlay	383,375	373,375	195,307	178,068
Contingency	39,291	39,291	-	39,291
Total expenditures	<u>3,568,698</u>	<u>3,568,698</u>	<u>2,828,865</u>	<u>739,833</u>
Revenues over (under) expenditures	2,081,878	2,081,878	2,851,886	770,008
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of property	50	50	4,911	4,861
Transfers out	(2,925,594)	(2,925,594)	(2,925,594)	-
Total other financing sources (uses)	<u>(2,925,544)</u>	<u>(2,925,544)</u>	<u>(2,920,683)</u>	<u>4,861</u>
Net changes in fund balances	(843,666)	(843,666)	(68,797)	774,869
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>843,666</u>	<u>843,666</u>	<u>1,040,509</u>	<u>196,843</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 971,712</u>	<u>\$ 971,712</u>

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 450,000	\$ 450,000	\$ 23,093	\$ (426,907)
System development charges	23,170	23,170	25,487	2,317
Interest on investments	5,000	5,000	7,674	2,674
Total revenues	<u>478,170</u>	<u>478,170</u>	<u>56,254</u>	<u>(421,916)</u>
<b>EXPENDITURES:</b>				
Materials and services	-	10,000	6,638	3,362
Capital outlay	3,025,209	3,015,209	287,414	2,727,795
Debt service:				
Principal	131,985	131,985	131,984	1
Interest	106,395	106,395	106,394	1
Total expenditures	<u>3,263,589</u>	<u>3,263,589</u>	<u>532,430</u>	<u>2,731,159</u>
Revenues over (under) expenditures	(2,785,419)	(2,785,419)	(476,176)	2,309,243
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	2,163,000	2,163,000	2,163,000	-
Transfers out	(594,901)	(594,901)	(594,901)	-
Total other financing sources (uses)	<u>1,568,099</u>	<u>1,568,099</u>	<u>1,568,099</u>	<u>-</u>
Net changes in fund balances	(1,217,320)	(1,217,320)	1,091,923	2,309,243
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>1,217,320</u>	<u>1,217,320</u>	<u>1,175,787</u>	<u>(41,533)</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,267,710</u>	<u>\$ 2,267,710</u>

**CITY OF THE DALLES, OREGON**  
**WATER BOND DEBT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2015**

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	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>EXPENDITURES:</b>				
Debt service:				
Principal	\$ 265,000	\$ 265,000	\$ 265,000	\$ -
Interest	296,805	296,805	296,805	-
Contingency	400,000	400,000	-	400,000
Total expenditures	961,805	961,805	561,805	400,000
Revenues over (under) expenditures	(961,805)	(961,805)	(561,805)	400,000
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	561,805	561,805	561,805	-
Total other financing sources (uses)	561,805	561,805	561,805	-
Net changes in fund balances	(400,000)	(400,000)	-	400,000
<b>FUND BALANCE, BEGINNING BUDGETARY</b>	400,000	400,000	400,000	-
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 400,000	\$ 400,000

**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, 2015**

	Wastewater	Wastewater Capital Reserve	Sewer Plant Construction	Sewer Debt Service	Total All Wastewater Funds
<b>REVENUES:</b>					
Charges for services	\$ 5,213,248	\$ -	\$ -	\$ -	\$ 5,213,248
System development charges	-	59,458	-	-	59,458
Interest on investments	814	14,371	20,601	1,142	36,928
Miscellaneous	260,553	-	-	-	260,553
Total revenues	<u>5,474,615</u>	<u>73,829</u>	<u>20,601</u>	<u>1,142</u>	<u>5,570,187</u>
<b>EXPENDITURES:</b>					
Personnel service	1,103,160	-	-	-	1,103,160
Materials and services	1,436,659	-	-	-	1,436,659
Capital outlay	59,069	780,307	32,584	-	871,960
Debt service:					
Principal	-	-	-	405,000	405,000
Interest	-	-	-	146,965	146,965
Total expenditures	<u>2,598,888</u>	<u>780,307</u>	<u>32,584</u>	<u>551,965</u>	<u>3,963,744</u>
Revenues over (under) expenditures	2,875,727	(706,478)	(11,983)	(550,823)	1,606,443
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	693,000	1,350,000	551,965	2,594,965
Transfers out	(2,895,668)	(7,082)	(551,965)	-	(3,454,715)
Total other financing sources (uses)	<u>(2,895,668)</u>	<u>685,918</u>	<u>798,035</u>	<u>551,965</u>	<u>(859,750)</u>
Net changes in fund balances	(19,941)	(20,560)	786,052	1,142	746,693
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>777,268</u>	<u>2,687,592</u>	<u>3,916,467</u>	<u>223,976</u>	<u>7,605,303</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ 757,327</u>	<u>\$ 2,667,032</u>	<u>\$ 4,702,519</u>	<u>\$ 225,118</u>	<u>\$ 8,351,996</u>

	Revenues	Expenditures
Total revenue and expenditures above	\$ 5,570,187	\$ 3,963,744
Transfers in/out	-	814,747
Expenditures capitalized	-	(1,127,463)
Debt service principal payments	-	(405,000)
Other post employment benefits	-	14,128
Depreciation and amortization expense	-	542,208
Interest revenue/expense	-	(3,792)
Increase/decrease compensated absences	-	9,765
Total revenues and expenses - generally accepted accounting principles	<u>\$ 5,570,187</u>	<u>3,808,337</u>
Change in net position		<u>\$ 1,761,850</u>

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 5,134,175	\$ 5,134,175	\$ 5,213,248	\$ 79,073
Interest on investments	1,100	1,100	814	(286)
Miscellaneous	168,000	168,000	260,553	92,553
Total revenues	5,303,275	5,303,275	5,474,615	171,340
<b>EXPENDITURES:</b>				
Personnel service	1,192,048	1,192,048	1,103,160	88,888
Materials and services	1,626,242	1,626,242	1,436,659	189,583
Capital outlay	146,565	146,565	59,069	87,496
Contingency	20,806	20,806	-	20,806
Total expenditures	2,985,661	2,985,661	2,598,888	386,773
Revenues over (under) expenditures	2,317,614	2,317,614	2,875,727	558,113
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(2,895,668)	(2,895,668)	(2,895,668)	-
Total other financing sources (uses)	(2,895,668)	(2,895,668)	(2,895,668)	-
Net changes in fund balances	(578,054)	(578,054)	(19,941)	558,113
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	578,054	578,054	777,268	199,214
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 757,327	\$ 757,327

**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
System development charges	\$ 42,620	\$ 42,620	\$ 59,458	\$ 16,838
Interest on investments	10,000	10,000	14,371	4,371
Total revenues	52,620	52,620	73,829	21,209
<b>EXPENDITURES:</b>				
Capital outlay	3,436,709	3,436,709	780,307	2,656,402
Total expenditures	3,436,709	3,436,709	780,307	2,656,402
Revenues over (under) expenditures	(3,384,089)	(3,384,089)	(706,478)	2,677,611
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	693,000	693,000	693,000	-
Transfers out	(7,082)	(7,082)	(7,082)	-
Total other financing sources (uses)	685,918	685,918	685,918	-
Net changes in fund balances	(2,698,171)	(2,698,171)	(20,560)	2,677,611
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	2,698,171	2,698,171	2,687,592	(10,579)
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 2,667,032	\$ 2,667,032



**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, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest on investments	\$ 16,000	\$ 16,000	\$ 20,601	\$ 4,601
Total revenues	16,000	16,000	20,601	4,601
<b>EXPENDITURES:</b>				
Capital outlay	4,725,872	4,725,872	32,584	4,693,288
Total expenditures	4,725,872	4,725,872	32,584	4,693,288
Revenues over (under) expenditures	(4,709,872)	(4,709,872)	(11,983)	4,697,889
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,350,000	1,350,000	1,350,000	-
Transfers out	(551,965)	(551,965)	(551,965)	-
Total other financing sources (uses)	798,035	798,035	798,035	-
Net changes in fund balances	(3,911,837)	(3,911,837)	786,052	4,697,889
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	3,911,837	3,911,837	3,916,467	4,630
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 4,702,519	\$ 4,702,519

**CITY OF THE DALLES, OREGON**  
**SEWER DEBT SERVICE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Interest on investments	\$ 800	\$ 800	\$ 1,142	\$ 342
Total revenues	800	800	1,142	342
<b>EXPENDITURES:</b>				
Debt service:				
Principal	405,000	405,000	405,000	-
Interest	146,965	146,965	146,965	-
Contingency	224,527	224,527	-	224,527
Total expenditures	776,492	776,492	551,965	224,527
Revenues over (under) expenditures	(775,692)	(775,692)	(550,823)	224,869
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	551,965	551,965	551,965	-
Total other financing sources (uses)	551,965	551,965	551,965	-
Net changes in fund balances	(223,727)	(223,727)	1,142	224,869
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	223,727	223,727	223,976	249
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 225,118	\$ 225,118

**CITY OF THE DALLES, OREGON**  
**ALL AIRPORT FUNDS COMBINED**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**For the Fiscal Year Ended June 30, 2015**

	<u>Airport</u>	<u>Airport Debt Service</u>	<u>Total All Airport Funds</u>
<b>REVENUES:</b>			
Charges for services	\$ 12,296	\$ -	\$ 12,296
Intergovernmental	448,440	-	448,440
Rental income	108,782	77,571	186,353
Interest on investments	1,755	537	2,292
Miscellaneous	899	-	899
	<u>572,172</u>	<u>78,108</u>	<u>650,280</u>
<b>EXPENDITURES:</b>			
Materials and services	231,052	-	231,052
Capital outlay	1,330,930	-	1,330,930
Debt service:			
Principal	-	25,000	25,000
Interest	-	198	198
	<u>1,561,982</u>	<u>25,198</u>	<u>1,587,180</u>
Total expenditures	<u>1,561,982</u>	<u>25,198</u>	<u>1,587,180</u>
Revenues over (under) expenditures	(989,810)	52,910	(936,900)
<b>OTHER FINANCING SOURCES (USES):</b>			
Loan issuance	2,517,682	-	2,517,682
Transfers in	65,000	-	65,000
	<u>2,582,682</u>	<u>-</u>	<u>2,582,682</u>
Total other financing sources (uses)	<u>2,582,682</u>	<u>-</u>	<u>2,582,682</u>
Net changes in fund balances	1,592,872	52,910	1,645,782
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>195,148</u>	<u>102,827</u>	<u>297,975</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u><u>\$ 1,788,020</u></u>	<u><u>\$ 155,737</u></u>	<u><u>\$ 1,943,757</u></u>

	<u>Revenues</u>	<u>Expenditures</u>
Total revenue and expenditures above	\$ 650,280	\$ 1,587,180
Transfers in/out	78,547	-
Expenditures capitalized	-	(1,479,524)
Debt service principal payments	-	(25,000)
Depreciation and amortization expense	-	161,037
Interest revenue/expense	-	16,966
	<u>728,827</u>	<u>260,659</u>
Total revenues and expenses - generally accepted accounting principles	<u>\$ 728,827</u>	<u>260,659</u>
Change in net position		<u><u>\$ 468,168</u></u>

**CITY OF THE DALLES, OREGON  
AIRPORT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 12,000	\$ 12,000	\$ 12,296	\$ 296
Intergovernmental	165,000	165,000	448,440	283,440
Rental income	119,250	119,250	108,782	(10,468)
Interest on investments	1,000	1,000	1,755	755
Miscellaneous	1,301,000	3,301,000	899	(3,300,101)
Total revenues	1,598,250	3,598,250	572,172	(3,026,078)
<b>EXPENDITURES:</b>				
Materials and services	233,750	301,996	231,052	70,944
Capital outlay	1,428,000	3,359,754	1,330,930	2,028,824
Contingency	23,565	23,565	-	23,565
Total expenditures	1,685,315	3,685,315	1,561,982	2,123,333
Revenues over (under) expenditures	(87,065)	(87,065)	(989,810)	(902,745)
<b>OTHER FINANCING SOURCES (USES):</b>				
Loan issuance	-	-	2,517,682	2,517,682
Transfers in	65,000	65,000	65,000	-
Total other financing sources (uses)	65,000	65,000	2,582,682	2,517,682
Net changes in fund balances	(22,065)	(22,065)	1,592,872	1,614,937
<b>FUND BALANCE, BEGINNING BUDGETARY</b>	22,065	22,065	195,148	173,083
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 1,788,020	\$ 1,788,020

**CITY OF THE DALLES, OREGON**  
**AIRPORT DEBT SERVICE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2015**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Rental income	\$ 152,400	\$ 152,400	\$ 77,571	\$ (74,829)
Interest on investments	230	230	537	307
Total revenues	<u>152,630</u>	<u>152,630</u>	<u>78,108</u>	<u>(74,522)</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	113,500	113,500	25,000	88,500
Interest	83,250	83,250	198	83,052
Contingency	<u>69,512</u>	<u>69,512</u>	<u>-</u>	<u>69,512</u>
Total expenditures	<u>266,262</u>	<u>266,262</u>	<u>25,198</u>	<u>241,064</u>
Net changes in fund balances	(113,632)	(113,632)	52,910	166,542
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>113,632</u>	<u>113,632</u>	<u>102,827</u>	<u>(10,805)</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,737</u>	<u>\$ 155,737</u>

## **STATISTICAL SECTION**

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## **STATISTICAL SECTION**

This part of the City of The Dalles' comprehensive annual 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 86 - 92**

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 93 - 98**

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

### **Debt Capacity 98 – 106**

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 107 - 109**

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

### **Financial Trends 110 - 111**

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

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





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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Governmental Activities:</b>										
Net investment in capital assets	\$ 23,781,454	\$ 23,394,331	\$ 22,459,249	\$ 19,672,490	\$ 12,688,001	\$ 17,096,182	\$ 11,762,990	\$ 8,487,617	\$ 10,562,441	\$ 10,062,961
Restricted	6,591,609	6,221,686	6,204,535	6,337,147	7,765,650	3,060,447	1,709,715	5,470,694	2,433,798	1,985,594
Unrestricted	4,480,644	4,055,637	2,969,259	3,975,176	4,297,055	4,401,964	4,314,633	3,772,300	3,001,516	3,140,189
<b>Total governmental activities net position</b>	<b>\$ 34,853,707</b>	<b>\$ 33,671,654</b>	<b>\$ 31,633,043</b>	<b>\$ 29,984,813</b>	<b>\$ 24,750,706</b>	<b>\$ 24,558,593</b>	<b>\$ 17,787,338</b>	<b>\$ 17,730,611</b>	<b>\$ 15,997,755</b>	<b>\$ 15,188,744</b>
<b>Business-Type Activities:</b>										
Net investment in capital assets	\$ 31,902,082	\$ 31,669,652	\$ 25,695,435	\$ 19,854,285	\$ 18,412,767	\$ 16,246,937	\$ 16,319,490	\$ 12,686,680	\$ 15,678,476	\$ 15,238,035
Restricted	10,418,116	8,506,649	6,817,577	6,867,232	6,534,483	6,500,649	6,450,920	6,646,601	3,014,966	2,759,840
Unrestricted	2,373,161	942,037	1,301,239	1,179,693	862,477	1,284,163	1,089,738	942,405	616,007	848,910
<b>Total business-type activities net position</b>	<b>\$ 44,693,359</b>	<b>\$ 41,118,338</b>	<b>\$ 33,814,251</b>	<b>\$ 27,901,210</b>	<b>\$ 25,809,727</b>	<b>\$ 24,031,749</b>	<b>\$ 23,860,148</b>	<b>\$ 20,275,686</b>	<b>\$ 19,309,449</b>	<b>\$ 18,846,785</b>
<b>Primary Government:</b>										
Net investment in capital assets	\$ 55,683,536	\$ 55,063,983	\$ 48,154,684	\$ 39,526,775	\$ 31,100,768	\$ 33,343,119	\$ 28,082,480	\$ 21,174,297	\$ 26,240,917	\$ 25,300,996
Restricted	17,009,725	14,728,335	13,022,112	13,204,379	14,300,133	9,561,096	8,160,635	12,117,295	5,448,764	4,745,434
Unrestricted	6,853,805	4,997,674	4,270,498	5,154,869	5,159,532	5,686,127	5,404,371	4,714,705	3,617,523	3,989,099
<b>Total primary government net position</b>	<b>\$ 79,547,066</b>	<b>\$ 74,789,992</b>	<b>\$ 65,447,294</b>	<b>\$ 57,886,023</b>	<b>\$ 50,560,433</b>	<b>\$ 48,590,342</b>	<b>\$ 41,647,486</b>	<b>\$ 38,006,297</b>	<b>\$ 35,307,204</b>	<b>\$ 34,035,529</b>

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Program Revenues</b>											
Governmental activities:											
Charges for services, fees and fines											
General government	\$ 895,831	\$ 1,741,823	\$ 958,415	\$ 853,937	\$ 303,748	\$ 463,177	\$ 383,838	\$ 405,366	\$ 464,980	\$ 468,999	\$ 432,237
Public safety	222,585	229,428	194,454	224,448	255,320	306,615	283,213	381,661	358,683	253,504	415,666
Highways and streets	12,424	10,573	16,525	20,880	19,217	30,649	16,262	76,652	35,102	34,318	29,927
Culture and recreation	18,740	12,401	11,548	11,294	15,746	11,208	9,775	8,256	6,081	7,244	7,996
Operating grants and contributions	1,988,624	1,920,600	1,815,072	1,790,012	1,635,994	2,823,915	2,334,733	2,162,581	1,370,812	1,263,749	1,195,104
Capital grants and contributions	2,318,755	1,286,046	2,144,707	5,816,031	1,780,738	4,814,797	2,550,663	1,032,300	503,768	793,421	743,701
Total governmental activities program revenues	5,456,959	5,200,871	5,140,721	8,716,602	4,010,763	8,450,361	5,578,484	4,066,816	2,739,426	2,821,235	2,824,631
Business-type activities:											
Charges for services:											
Water	5,707,603	5,161,655	4,530,792	4,404,696	3,655,158	3,408,136	3,153,707	2,912,204	2,635,824	2,243,421	2,144,103
Wastewater	5,533,259	5,697,344	5,316,269	5,024,672	4,828,073	4,517,642	4,149,530	4,042,032	3,618,498	3,195,226	2,755,902
Airport	199,548	273,657	219,036	226,622	191,157	162,163	177,701	134,232	130,694	122,021	103,815
Operating grants	65,000	65,000	65,000	263,347	142,954	96,382	78,262	77,698	15,430	17,999	6,188
Capital grants	406,533	4,970,071	3,871,454	1,193,231	383,053	558,895	480,349	303,723	88,980	265,256	566,350
Total business-type activities program revenues	11,911,943	16,167,727	14,002,551	11,112,568	9,200,395	8,743,218	8,039,549	7,469,889	6,489,426	5,843,923	5,576,358
Total primary government program revenues	17,368,902	21,368,598	19,143,272	19,829,170	13,211,158	17,193,579	13,618,033	11,536,705	9,228,852	8,665,158	8,400,989
<b>Expenses</b>											
Governmental activities:											
General government	4,643,056	3,528,182	3,620,305	3,225,677	3,631,219	2,957,295	4,125,878	3,110,350	2,533,876	2,385,912	2,823,951
Public safety and justice	3,599,408	3,502,386	3,534,026	3,304,009	3,088,742	2,715,894	2,614,704	2,383,926	2,171,312	2,021,934	1,902,747
Highways and streets	1,505,435	1,292,997	1,559,911	1,405,744	1,034,392	1,296,096	1,160,309	1,360,741	1,264,372	1,357,785	1,129,313
Culture and recreation	1,451,383	1,409,998	1,272,743	1,517,951	1,814,647	1,448,982	1,230,708	1,079,123	764,592	836,038	730,140
Interest on long term obligations	517,776	528,148	559,591	578,874	595,104	443,576	294,504	208,259	181,684	199,136	213,268
Total governmental activities expenses	11,717,058	10,261,711	10,546,576	10,032,255	10,164,104	8,861,843	9,426,103	8,142,399	6,915,836	6,800,805	6,799,419
Business-type activities:											
Water	3,659,726	3,713,333	3,315,325	4,092,914	2,656,862	3,148,144	2,824,800	2,943,966	2,522,187	2,365,038	2,213,779
Wastewater	2,993,590	3,147,900	3,068,188	3,221,576	3,110,890	2,826,635	2,395,488	2,595,685	2,520,011	2,093,646	2,044,034
Airport	260,659	286,049	313,045	440,116	438,097	443,613	455,624	525,739	440,756	320,789	342,058
Total business-type activities expenses	6,913,975	7,147,282	6,696,558	7,754,606	6,205,849	6,418,392	5,675,912	6,065,390	5,482,954	4,779,473	4,599,871
Total primary government expenses	18,631,033	17,408,993	17,243,134	17,786,861	16,369,953	15,280,235	15,102,015	14,207,789	12,398,790	11,580,278	11,399,290
<b>Net Expense</b>											
Governmental activities	(6,260,099)	(5,060,840)	(5,405,855)	(1,315,653)	(6,153,341)	(411,482)	(3,847,619)	(4,075,583)	(4,176,410)	(3,979,570)	(3,974,788)
Business-type activities	4,997,968	9,020,445	7,305,993	3,357,962	2,994,546	2,324,826	2,363,637	1,404,499	1,006,472	1,064,450	976,487
Total primary government net expense	\$ (1,262,131)	\$ 3,959,605	\$ 1,900,138	\$ 2,042,309	\$ (3,158,795)	\$ 1,913,344	\$ (1,483,982)	\$ (2,671,084)	\$ (3,169,938)	\$ (2,915,120)	\$ (2,998,301)

Source: Current and prior years' financial statements

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

(continued)

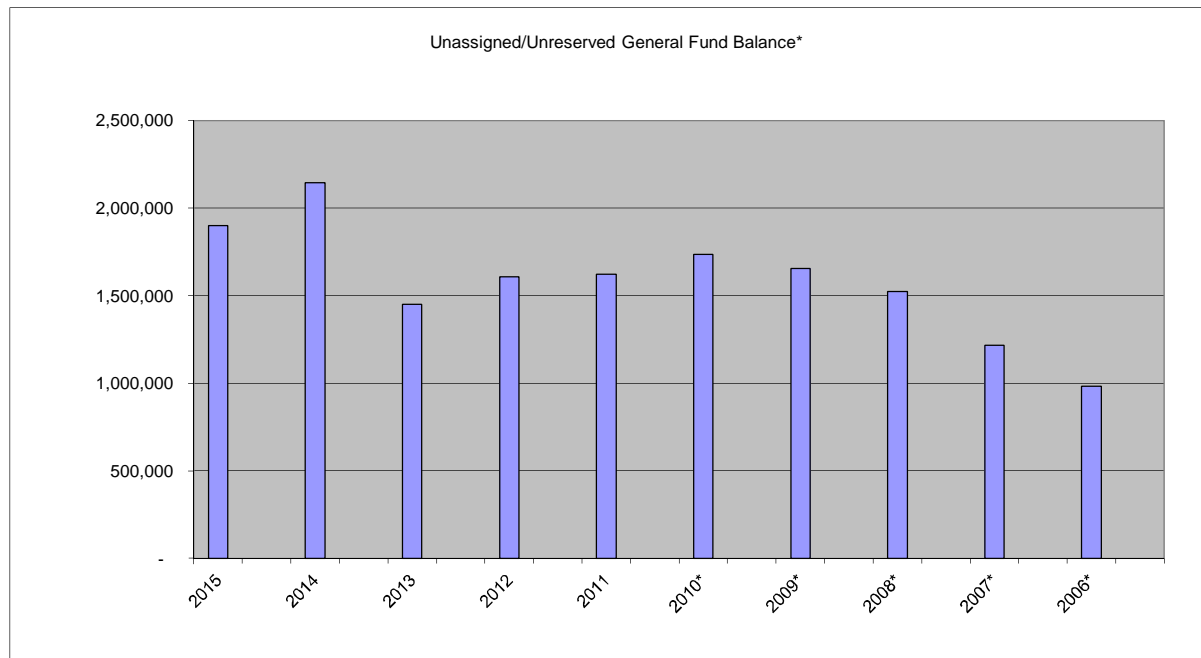
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>General Revenues and Other Changes in Net Position</b>											
General revenues:											
Property taxes levied for:											
General purposes	\$ 2,753,785	\$ 2,657,460	\$ 2,591,274	\$ 2,578,241	\$ 2,334,460	\$ 2,287,915	\$ 2,160,553	\$ 2,032,760	\$ 1,849,162	\$ 1,706,294	\$ 2,143,861
Urban renewal purposes	1,407,564	1,327,601	1,353,346	1,218,544	1,239,842	1,261,296	1,217,187	1,122,402	1,003,718	896,529	462,729
Franchise and public service taxes	1,757,480	1,728,579	1,632,053	1,414,374	1,412,950	1,250,428	1,334,013	1,249,637	1,132,588	1,081,091	963,617
Interest and investment earnings	49,936	43,572	46,153	41,322	109,002	102,530	142,654	259,086	200,116	152,808	82,814
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	15,454	134,003	42,851	21,733	5,313	10,271
Gain (loss) on sale of property	-	-	-	-	-	-	(16,712)	179,457	-	(491)	12,772
Transfers	1,473,387	1,507,292	1,431,259	1,297,279	1,249,200	945,279	(1,067,352)	922,246	778,104	642,400	639,178
Total governmental activities	<u>7,442,152</u>	<u>7,264,504</u>	<u>7,054,085</u>	<u>6,549,760</u>	<u>6,345,454</u>	<u>5,862,902</u>	<u>3,904,346</u>	<u>5,808,439</u>	<u>4,985,421</u>	<u>4,483,944</u>	<u>4,315,242</u>
Business-type activities:											
Interest and investment earnings	50,440	42,092	38,307	30,800	32,632	51,574	153,474	483,983	234,296	179,470	197,141
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	(37,152)	-	-	-	-	-	-	-	-	-
Transfers	(1,473,387)	(1,507,292)	(1,431,259)	(1,297,279)	(1,249,200)	(945,279)	1,067,352	(922,246)	(778,104)	(642,400)	(639,178)
Total business-type activities	<u>(1,422,947)</u>	<u>(1,502,352)</u>	<u>(1,392,952)</u>	<u>(1,266,479)</u>	<u>(1,216,568)</u>	<u>(893,705)</u>	<u>1,220,826</u>	<u>(438,263)</u>	<u>(543,808)</u>	<u>(462,930)</u>	<u>(442,037)</u>
Total primary government	<u>6,019,205</u>	<u>5,762,152</u>	<u>5,661,133</u>	<u>5,283,281</u>	<u>5,128,886</u>	<u>4,969,197</u>	<u>5,125,172</u>	<u>5,370,176</u>	<u>4,441,613</u>	<u>4,021,014</u>	<u>3,873,205</u>
<b>Change in Net Position</b>											
Governmental activities	1,182,053	2,203,661	1,648,230	5,234,107	192,113	5,451,420	56,727	1,732,856	809,011	504,374	340,454
Prior Period Adjustments	-	(165,050)	-	-	-	1,319,835	-	-	-	-	-
Governmental Activities, as adjusted	<u>1,182,053</u>	<u>2,038,611</u>	<u>1,648,230</u>	<u>5,234,107</u>	<u>192,113</u>	<u>6,771,255</u>	<u>56,727</u>	<u>1,732,856</u>	<u>809,011</u>	<u>504,374</u>	<u>340,454</u>
Business-type activities	3,575,021	(1,502,352)	5,913,041	2,091,483	1,777,978	1,431,121	3,584,463	966,236	462,664	601,520	534,450
Prior Period Adjustments	-	(214,006)	-	-	-	(1,259,520)	-	-	-	-	-
Business-type Activities, as adjusted	<u>3,575,021</u>	<u>(1,716,358)</u>	<u>5,913,041</u>	<u>2,091,483</u>	<u>1,777,978</u>	<u>171,601</u>	<u>3,584,463</u>	<u>966,236</u>	<u>462,664</u>	<u>601,520</u>	<u>534,450</u>
Total primary government change in net position	<u>4,757,074</u>	<u>322,253</u>	<u>7,561,271</u>	<u>7,325,590</u>	<u>1,970,091</u>	<u>6,942,856</u>	<u>3,641,190</u>	<u>2,699,092</u>	<u>1,271,675</u>	<u>1,105,894</u>	<u>874,904</u>
<b>Net Position Beginning</b>											
Governmental activities	33,671,654	31,467,993	29,984,813	24,750,706	24,558,593	17,787,338	17,730,611	15,997,755	15,188,744	14,684,370	14,343,916
Business-type activities	41,118,338	33,600,245	27,901,210	25,809,727	24,031,749	23,860,148	20,275,685	19,309,449	18,846,785	18,245,265	17,710,815
Total primary government net position-beginning	<u>74,789,992</u>	<u>65,068,238</u>	<u>57,886,023</u>	<u>50,560,433</u>	<u>48,590,342</u>	<u>41,647,486</u>	<u>38,006,296</u>	<u>35,307,204</u>	<u>34,035,529</u>	<u>32,929,635</u>	<u>32,054,731</u>
<b>Net Position Ending</b>											
Governmental activities	34,853,707	33,671,654	31,633,043	29,984,813	24,750,706	24,558,593	17,787,338	17,730,611	15,997,755	15,188,744	14,684,370
Business-type activities	44,693,359	41,118,338	33,814,251	27,901,210	25,809,727	24,031,749	23,860,148	20,275,685	19,309,449	18,846,785	18,245,265
<b>Total Primary Government Net Position</b>	<u>\$ 79,547,066</u>	<u>\$ 74,789,992</u>	<u>\$ 65,447,294</u>	<u>\$ 57,886,023</u>	<u>\$ 50,560,433</u>	<u>\$ 48,590,342</u>	<u>\$ 41,647,486</u>	<u>\$ 38,006,296</u>	<u>\$ 35,307,204</u>	<u>\$ 34,035,529</u>	<u>\$ 32,929,635</u>

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

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

	2015	2014	2013	2012	2011	2010*
General Fund						
Unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,735,195
Nonspendable:						
Prepays	132,551	130,172	123,820	116,297	115,143	-
Committed:						
Committed by ordinance or resolution	1,169,225	1,256,941	816,807	545,656	618,743	-
Unassigned	1,898,698	2,143,561	1,449,360	1,606,569	1,621,482	-
Total general fund	<u>3,200,474</u>	<u>3,530,674</u>	<u>2,389,987</u>	<u>2,268,522</u>	<u>2,355,368</u>	<u>1,735,195</u>
All Other Governmental Funds						
Reserved:						
Inventories	-	-	-	-	-	210,933
Debt Service	-	-	-	-	-	1,141,490
System Development	-	-	-	-	-	8,103,852
Unreserved reported in:						
Major funds	-	-	-	-	-	640,793
Special Revenue Funds	-	-	-	-	-	84,268
Capital Projects funds	-	-	-	-	-	772,281
Nonspendable:						
Inventory	177,245	148,191	138,798	136,002	137,768	-
Restricted:						
Grant / contributor specific intent	3,508,935	3,458,663	3,584,049	3,723,971	5,730,710	-
State statute	1,831,201	894,793	845,812	993,088	566,535	-
Full faith and credit debt	-	-	3	-	-	-
Intergovernmental agreement	1,251,473	1,868,231	1,774,671	1,620,088	1,468,405	-
Committed:						
Major capital facilities and associated debt	219,734	276,844	303,799	496,322	428,769	-
Local improvements and associated debt	107,657	18,401	18,401	677,218	730,557	-
Agreements with state agencies	43,449	(2,166)	36,992	36	1,168	-
Total all other governmental funds	<u>7,139,694</u>	<u>6,662,956</u>	<u>6,702,525</u>	<u>7,646,725</u>	<u>9,063,912</u>	<u>10,953,617</u>
Total governmental funds	<u>\$ 10,340,168</u>	<u>\$ 10,193,630</u>	<u>\$ 9,092,512</u>	<u>\$ 9,915,247</u>	<u>\$ 11,419,280</u>	<u>\$ 12,688,812</u>

\*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**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

<u>2009*</u>	<u>2008*</u>	<u>2007*</u>	<u>2006*</u>
\$ 1,657,050	\$ 1,522,373	\$ 1,218,851	\$ 982,436
-	-	-	-
-	-	-	-
-	-	-	-
<u>1,657,050</u>	<u>1,522,373</u>	<u>1,218,851</u>	<u>982,436</u>
135,071	57,535	57,187	44,174
464,524	597,998	594,747	587,605
1,554,656	5,190,932	2,125,573	1,915,131
628,787	832,793	283,646	347,968
700,768	-	86,027	101,698
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>3,483,806</u>	<u>6,679,258</u>	<u>3,147,180</u>	<u>2,996,576</u>
<u>\$ 5,140,856</u>	<u>\$ 8,201,631</u>	<u>\$ 4,366,031</u>	<u>\$ 3,979,012</u>

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

	2015	2014	2013	2011	2012
<b>Revenues</b>					
Taxes	\$ 5,661,611	\$ 5,359,205	\$ 5,219,096	\$ 4,888,001	\$ 4,888,001
Inter-governmental	4,235,990	3,161,324	3,954,537	7,577,757	7,577,757
Rents and interest	485,684	431,657	472,656	398,415	398,415
Franchise Fees	266,968	331,184	328,287	308,704	308,704
Fines and forfeitures	234,947	241,481	205,803	235,699	235,699
Charges for services	40,507	27,673	33,165	28,774	28,774
System Development Charges	35,334	95,479	276,341	168,629	168,629
Special assessments	82,657	580,919	28,521	51,641	51,641
Other Revenues	502,387	273,589	251,617	264,486	264,486
Total revenues	<u>11,546,085</u>	<u>10,502,511</u>	<u>10,770,023</u>	<u>13,922,106</u>	<u>13,922,106</u>
<b>Expenditures</b>					
Current:					
General Government	3,363,935	2,910,006	2,847,792	2,861,157	2,861,157
Public safety	3,526,407	3,337,983	3,365,059	3,206,256	3,206,256
Highways and streets	1,021,840	985,621	1,089,640	1,343,365	1,343,365
Culture and recreation	1,414,754	1,231,798	1,234,310	1,009,676	1,009,676
Capital outlay	2,413,193	1,205,442	3,265,453	7,077,246	7,077,246
Debt service:					
Principal	596,494	760,077	617,719	595,874	595,874
Interest	548,296	579,587	606,264	629,844	629,844
Total expenditures	<u>12,884,919</u>	<u>11,010,514</u>	<u>13,026,237</u>	<u>16,723,418</u>	<u>16,723,418</u>
Revenues over (under) expenditures	<u>(1,338,834)</u>	<u>(508,003)</u>	<u>(2,256,214)</u>	<u>(2,801,312)</u>	<u>(2,801,312)</u>
<b>Other Financing Sources (Uses)</b>					
Proceeds from bonds	-	-	-	-	-
Bond premium	-	-	-	-	-
Proceeds of financing agreement	-	101,829	-	-	-
Repayment of financing agreement	-	-	-	-	-
Sale of fixed capital assets	11,985	-	2,220	-	-
Transfers in	3,504,190	3,237,423	3,694,389	2,703,091	2,703,091
Transfers out	<u>(2,030,803)</u>	<u>(1,730,131)</u>	<u>(2,263,130)</u>	<u>(1,405,812)</u>	<u>(1,405,812)</u>
Total other financing sources (uses)	<u>1,485,372</u>	<u>1,609,121</u>	<u>1,433,479</u>	<u>1,297,279</u>	<u>1,297,279</u>
Net change in fund balances	<u>\$ 146,538</u>	<u>\$ 1,101,118</u>	<u>\$ (822,735)</u>	<u>\$ (1,504,033)</u>	<u>\$ (1,504,033)</u>
Debt service as a percentage of noncapital expenditures	<u>10.1%</u>	<u>13.5%</u>	<u>11.9%</u>	<u>14.4%</u>	<u>12.6%</u>

Source: Current and prior years' financial statements

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$	4,674,232	\$ 4,586,114	\$ 4,391,942	\$ 4,120,722	\$ 3,883,042	\$ 3,480,345
	3,416,732	10,350,588	4,129,300	3,142,656	1,799,046	1,890,303
	477,926	485,217	459,573	546,745	546,403	512,524
	345,733	313,191	357,640	341,373	320,293	315,756
	269,448	268,603	293,498	343,146	293,095	262,586
	42,078	28,070	33,295	100,555	51,806	186,576
	39,010	99,119	281,081	-	-	-
	143,689	61,544	10,323	28,777	71,560	129,261
	88,956	820,386	212,881	89,367	60,832	75,785
	<u>9,497,804</u>	<u>17,012,832</u>	<u>10,169,533</u>	<u>8,713,341</u>	<u>7,026,077</u>	<u>6,853,136</u>
	2,996,122	2,884,919	2,874,613	2,802,945	2,384,742	2,096,835
	2,995,877	2,565,847	2,470,968	2,286,508	2,086,746	1,937,095
	979,615	1,079,593	1,018,038	1,046,162	967,521	987,453
	1,300,663	1,263,268	1,180,839	1,045,711	749,698	815,881
	2,518,236	12,522,325	5,870,508	1,588,061	528,504	882,084
	678,222	641,848	668,709	530,856	499,076	472,364
	648,299	446,355	318,840	163,381	181,208	197,970
	<u>12,117,034</u>	<u>21,404,155</u>	<u>14,402,515</u>	<u>9,463,624</u>	<u>7,397,495</u>	<u>7,389,682</u>
	<u>(2,619,230)</u>	<u>(4,391,323)</u>	<u>(4,232,982)</u>	<u>(750,283)</u>	<u>(371,418)</u>	<u>(536,546)</u>
	-	13,147,632	-	3,330,000	-	-
	-	-	-	51,971	-	-
	-	-	-	-	-	-
	-	(2,400,000)	-	-	-	-
	-	15,454	11,000	240,046	-	1,350
	2,627,706	1,571,988	1,548,689	1,490,131	1,391,124	1,205,561
	<u>(1,278,008)</u>	<u>(456,112)</u>	<u>(387,482)</u>	<u>(551,885)</u>	<u>(632,687)</u>	<u>(563,131)</u>
	<u>1,349,698</u>	<u>11,878,962</u>	<u>1,172,207</u>	<u>4,560,263</u>	<u>758,437</u>	<u>643,780</u>
\$	<u>(1,269,532)</u>	<u>\$ 7,487,639</u>	<u>\$ (3,060,775)</u>	<u>\$ 3,809,980</u>	<u>\$ 387,019</u>	<u>\$ 107,234</u>
	<u>13.3%</u>	<u>5.9%</u>	<u>8.7%</u>	<u>8.4%</u>	<u>9.8%</u>	<u>9.9%</u>

Source: Current and prior years' financial statements

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Function/Program</b>										
Governmental activities										
General government	\$ 3,214,586	\$ 3,027,869	\$ 3,103,122	\$ 6,669,968	\$ 2,084,486	\$ 1,423,341	\$ 1,490,608	\$ 1,249,537	\$ 1,284,971	\$ 946,261
Public safety	222,585	229,428	194,454	224,448	255,320	329,265	307,956	402,120	380,562	279,624
Highways and streets	854,032	835,673	807,308	816,335	690,006	5,757,377	2,583,451	1,621,414	1,045,676	1,406,445
Culture and recreation	1,165,756	1,107,901	1,035,837	1,005,851	980,951	940,378	1,196,469	793,745	28,217	188,905
Total governmental activities	<u>5,456,959</u>	<u>5,200,871</u>	<u>5,140,721</u>	<u>8,716,602</u>	<u>4,010,763</u>	<u>8,450,361</u>	<u>5,578,484</u>	<u>4,066,816</u>	<u>2,739,426</u>	<u>2,821,235</u>
Business-type activities										
Water	5,730,696	8,162,335	4,531,595	4,615,212	3,736,008	3,449,258	3,277,782	2,918,855	2,638,539	2,252,576
Waste water	5,533,259	5,697,344	5,317,072	5,036,842	5,154,562	4,817,291	4,511,937	4,048,683	3,631,213	3,204,070
Airport	647,988	2,308,048	4,153,884	1,460,514	309,825	476,669	249,830	502,183	219,674	387,277
Total business-type activities	<u>11,911,943</u>	<u>16,167,727</u>	<u>14,002,551</u>	<u>11,112,568</u>	<u>9,200,395</u>	<u>8,743,218</u>	<u>8,039,549</u>	<u>7,469,721</u>	<u>6,489,426</u>	<u>5,843,923</u>
Total Primary government	<u>\$ 17,368,902</u>	<u>\$ 21,368,598</u>	<u>\$ 19,143,272</u>	<u>\$ 19,829,170</u>	<u>\$ 13,211,158</u>	<u>\$ 17,193,579</u>	<u>\$ 13,618,033</u>	<u>\$ 11,536,537</u>	<u>\$ 9,228,852</u>	<u>\$ 8,665,158</u>

Source: Current and prior years' financial statements



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

<b>Year</b>	<b>Property Taxes</b>	<b>Transient Room Taxes</b>	<b>City Gasoline Taxes</b>
<b>2006</b>	2,655,640	506,037	318,668
<b>2007</b>	3,016,064	560,854	306,124
<b>2008</b>	3,122,823	633,609	364,290
<b>2009</b>	3,328,967	688,367	374,608
<b>2010</b>	3,524,712	652,591	405,097
<b>2011</b>	3,454,107	545,281	396,102
<b>2012</b>	3,594,046	545,711	434,025
<b>2013</b>	3,742,555	526,815	442,468
<b>2014</b>	3,812,124	589,919	449,660
<b>2015</b>	3,965,710	699,538	476,807

Source: Current and prior years' financial statements

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

<b>Year</b>	<b>Real Property Assessed Value</b>	<b>Personal Property Assessed Value</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Real Market Value</b>
<b>2006</b>	*	*	654,996,245	3.0155	999,867,545
<b>2007</b>	*	*	692,289,954	3.0155	1,278,646,377
<b>2008</b>	*	*	761,887,014	3.0155	1,644,318,481
<b>2009</b>	*	*	813,469,878	3.0155	1,721,569,341
<b>2010</b>	*	*	858,051,833	3.0155	1,751,436,903
<b>2011</b>	*	*	897,333,222	3.0155	1,381,912,299
<b>2012</b>	916,125,162	41,402,894	957,528,056	3.0155	1,488,289,123
<b>2013</b>	946,101,192	38,753,997	984,855,189	3.0155	1,418,883,503
<b>2014</b>	973,218,575	39,433,682	1,012,652,257	3.0155	1,608,434,442
<b>2015</b>	949,356,866	99,175,645	1,048,532,511	3.0155	1,298,752,196

\* 2012 was the first year that the Real Property and Personal Property information was shown in this table. Prior year information was not available from the County Assessor.

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

Year	City			Overlapping Governments													Total Direct and Overlapping Rates
	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. 9	School District No. 21	Columbia Gorge Educational Service District	Columbia Gorge Community College	Norcor	
2006	2.7945	0.221	3.0155	4.2523	0.2399	0.2007	2.4171	0.6799	0		2.0694	1.0965	5.2399	0.4678	0.7222	0.3374	20.74
2007	2.7945	0.221	3.0155	4.2521	0.3282	0.2007	2.3918	0.6799	0	(2)	2.0061	1.1309	5.2399	0.4678	0.7346	0.3285	20.78
2008	2.7945	0.221	3.0155	4.2523	0.2725	0.2007	2.3897	0.6799	0	0.6800	1.8761	0.8094	5.2399	0.4678	0.6725	0.3008	20.86
2009	2.7945	0.221	3.0155	4.2523	0.2417	0.2007	2.3877	0.6799	0	0.6800	1.7454	(1)	5.2399	0.4678	0.6839	0.3123	19.91
2010	2.7945	0.221	3.0155	4.2523	0.2750	0.2007	2.2790	0.6799	0	0.6800	1.7834	0	5.2399	0.4678	0.6962	0.2772	19.85
2011	2.7945	0.221	3.0155	4.2523	0.2717	0.2007	2.2436	0.6799	0	0.6800	1.8357	0	5.2399	0.4678	0.6893	0.2780	19.85
2012	2.7945	0.221	3.0155	4.2523	0.2559	0.2007	2.2533	0.6799	0	0.6800	1.8238	0	5.2399	0.4678	0.6854	0.2750	19.83
2013	2.7945	0.221	3.0155	4.2523	0.2536	0.2007	2.2533	0.6799	0	0.6800	1.8104	0	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	0	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	0	5.2399	0.4678	0.2703	0.2450	19.38

(1) School Districts 9 and 12 merged into District 21 for the 2004-05 year. Each District retained their respective bond levies.

(2) Wasco County Library District approved by voters. Began levying taxes 2007.

**CITY OF THE DALLES, OREGON**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

Fiscal Year Ended June 30,	Tax Levy for the Fiscal Year	Collected within the Fiscal Year of the Levy				
		Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2006	2,755,383	2,539,836	92.18%	139,580	2,679,416	97.24%
2007	2,939,125	2,767,621	94.16%	96,115	2,863,736	97.43%
2008	3,231,903	3,021,923	93.50%	119,458	3,141,381	97.20%
2009	3,464,010	3,221,917	93.01%	139,901	3,361,818	97.05%
2010	3,634,485	3,392,982	93.36%	239,886	3,632,868	99.96%
2011	3,734,344	3,472,350	92.98%	156,754	3,629,103	97.18%
2012	3,872,365	3,612,471	93.29%	137,888	3,750,358	96.85%
2013	4,054,361	3,766,990	92.91%	120,843	3,887,833	95.89%
2014	4,089,378	3,957,676	96.78%	73,939	4,031,615	98.59%
2015	4,236,498	3,965,710	93.61%	-	3,965,710	93.61%

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

**CITY OF THE DALLES, OREGON**  
**Principal Taxpayers**  
**December 31, 2014 and December 31, 2005**

**December 31, 2014**

<b>Taxpayer</b>	<b>Real Property Assessed Valuation</b>	<b>Rank</b>	<b>Percentage of Total Assessed Valuation</b>
Oregon Cherry Growers, Inc.	\$ 12,412,208	1	1.23%
Metropolitan Life Insurance Co.	12,387,268	2	1.22%
Northern Wasco PUD	12,069,760	3	1.19%
Home Depot USA, Inc.	10,212,002	4	1.01%
CenturyLink	9,253,200	5	0.91%
Union Pacific Railroad Co.	8,410,029	6	0.83%
Charter Communications	8,009,600	7	0.79%
Safeway Inc.	7,461,537	8	0.74%
Cascade Square LLC	7,048,409	9	0.70%
Springs at The Dalles, LLC	6,979,870	10	0.69%
	<u>\$ 94,243,883</u>		<u>9.31%</u>
Total Assessed Valuator	<u>\$ 1,012,652,257</u>		

**December 31, 2005**

<b>Taxpayer</b>	<b>Real Property Assessed Valuation</b>	<b>Rank</b>	<b>Percentage of Total Assessed Valuation</b>
Oregon Cherry Growers, Inc.	\$ 10,286,456	1	1.78%
Home Depot USA Inc	9,974,480	2	1.73%
Northern Wasco County PUD	9,595,400	3	1.66%
United Telephone Northwest	9,288,600	4	1.61%
Amerities West LLC	7,147,020	5	1.24%
Union Pacific Railroad Company	5,752,526	6	1.00%
Northwest Natural Gas	5,615,032	7	0.97%
Cascade Square LLC	5,056,763	8	0.88%
Troy Coolidge No 31 LLC	5,361,750	9	0.93%
Shilo Inn The Dalles LLC	4,665,105	10	0.81%
	<u>\$ 72,743,132</u>		<u>12.95%</u>
Total Assessed Valuator	<u>\$ 577,238,384</u>		

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				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 **	Total Primary Government			
2006	-	3,405,000	400,000	-	558,789	6,917,000	-	-	11,280,789	N/A	910	1.72%
2007	-	3,080,000	270,000	-	505,425	14,496,000	-	-	18,351,425	N/A	1,407	2.65%
2008	-	2,745,000	135,000	3,330,000	449,741	14,133,000	-	114,000	20,906,741	N/A	1,594	2.74%
2009	-	2,400,000	-	3,200,000	392,520	13,763,000	-	228,000	19,983,520	N/A	1,517	2.46%
2010	-	-	-	13,153,960	460,699	13,381,000	1,691,040	1,905,285	30,591,984	N/A	2,286	3.57%
2011	-	-	-	12,627,878	387,352	12,757,000	1,602,122	1,804,787	29,179,139	N/A	2,021	3.25%
2012	-	-	-	12,085,732	311,028	12,111,000	1,509,268	6,664,443	32,681,471	N/A	2,263	3.41%
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%

**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.

Source: Current and prior years' financial Statements, Department of Commerce- Bureau of Economic Analysis, Center for Population Research and Census at Portland State University.

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Total Taxable Assessed Value</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
2006	-	654,996,245	0.00%	-
2007	-	692,289,954	0.00%	-
2008	-	761,887,014	0.00%	-
2009	-	813,469,878	0.00%	-
2010	-	858,051,833	0.00%	-
2011	-	897,333,222	0.00%	-
2012	-	957,528,056	0.00%	-
2013	-	984,855,189	0.00%	-
2014	-	1,012,652,257	0.00%	-
2015	-	1,048,532,511	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, 2015**

<b>Governmental Unit</b>	<b>Gross Property-tax Backed Debt (a)</b>	<b>Percentage Applicable to City of The Dalles</b>	<b>Amount Applicable to City of The Dalles</b>
<b>Debt Repaid with Property Taxes</b>			
Columbia Gorge Comm. Coll (Treaty-Oak AED)	\$ 16,053,642	18.9958%	\$ 3,049,525
Mid-Columbia Fire and Rescue	675,000	74.2601%	501,256
Northern OR Regional Corrections	2,580,000	0.0000%	-
Northern Wasco Co. Parks & Rec District	3,570,000		-
Wasco County	246,942	0.0000%	-
Wasco CTY SD 12 (The Dalles) Bonds	18,859,727	84.7531%	15,984,203
Wasco CTY SD 21 (The Dalles/Watonka)	4,765,000	67.0757%	3,196,157
Wasco CTY SD 29	1,510,000	0.8522%	<u>12,868</u>
Subtotal, overlapping debt			22,744,009 (b)
<b>City Direct Debt</b>			<u>11,761,033 (c)</u>
<b>Total Direct and Overlapping Debt</b>			<u>\$ 34,505,042</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**  
**Pledged Revenue Coverage**  
**Last Twelve Fiscal Years**  
**(accrual basis of accounting)**

**Wastewater Revenue Bonds**

Fiscal Year	Gross Revenues (1)	Costs of Maintenance & Operation (2)	Net Revenue Available for Debt Service	Annual Debt Service (3)			Coverage Ratio	Monthly Sewer Rates (4)	
				Principal	Interest	Total		In City	Out of City
2004	\$ 2,380,171	\$ 1,748,633	\$ 631,538	\$ 215,000	\$ 233,787	\$ 448,787	1.41	\$ 22.05	\$ 37.45
2005	2,740,572	1,893,835	846,737	305,000	250,740	555,740	1.52	24.95	42.40
2006	3,111,896	2,006,485	1,105,411	310,000	244,640	554,640	1.99	27.20	46.25
2007	3,547,245	2,243,533	1,303,712	315,000	238,440	553,440	2.36	29.65	50.40
2008	3,894,968	2,339,068	1,555,901	325,000	230,565	555,565	2.80	32.30	54.95
2009	4,404,352	2,255,673	2,148,679	330,000	222,440	552,440	3.89	35.20	59.85
2010	4,749,653	2,507,936	2,241,717	340,000	212,540	552,540	4.06	38.40	65.25
2011	5,057,186	2,789,443	2,267,742	350,000	201,830	551,830	4.11	41.85	71.15
2012	4,936,360	2,789,136	2,147,224	365,000	188,705	553,705	3.88	41.85	71.15
2013	5,001,193	2,848,953	2,152,240	380,000	174,105	554,105	3.88	43.29	73.59
2014	5,227,464	2,967,877	2,259,587	395,000	161,185	556,185	4.06	44.78	76.13
2015	5,463,123	3,009,891	2,453,232	405,000	146,965	551,965	4.44	46.32	78.74

Notes:

(1) Under Resolution No. 03-013, authorizing the issuance and sale of wastewater revenue bonds, series 2003, to reconstruct the City's wastewater system, "Gross Revenues shall mean all fees charges, earnings, revenues and moneys received by the City from or on account of the operation of the Wastewater System, including system development charges and the income from investments of money in the Debt Service Account and the Reserve Subaccount or from any other investment thereof, but excluding assessment payments and collections on behalf of other governments pursuant to intergovernmental agreements. Gross Revenues also shall include any state or public corporation reimbursements of operating expenses to the extent such expenses are included as Costs of Maintenance and Operation of the Wastewater System and withdrawals from the Rate Stabilization Account within ninety days after the end of the City's fiscal year as provided in Section 14 hereof." However, for the purposes of the calculations above, system development charges and any transfers from the Rate Stabilization account have been excluded, per Section 15: Bond Covenants B.(2).

(2) Under Resolution No. 03-013, "Costs of Maintenance and Operation shall mean all expenses incurred for the operation, maintenance and repair of the Wastewater System, including but not limited to administrative expenses, financial and auditing expenses, insurance premiums (to the extent monies are not available from proceeds of insurance), taxes, franchise fees, legal and engineering expenses relating to operation and maintenance, payments and reserves for pension, retirement, health, hospitalization, and sick leave benefits, and any other similar expenses to be paid to the extent properly and directly attributable to operations of the Wastewater System. Costs of Maintenance and Operation do not include any rebates or penalties from Gross Revenues under Section 148 of the Code, payments for the settlement of litigation and payments to any liability reserve fund, depreciation and amortization of property, values or losses, and all amounts treated for accounting purposes as payments for capital expenditures, debt service payments (including amounts treated for accounting purposes as debt service payments), or capital transfers and capital outlays including without limitation transfers to capital construction accounts."

(3) Annual debt service on revenue bonds issued pursuant to Resolution No. 03-013.

(4) Resolution No. 13-003, set Sewer Rates with annual increases through FY21/22. Sewer Rates are based on 'one residential dwelling' unit and whether the account is within or outside the City Limits. Commercial rates are based on one 'unit' per listed criteria, such as number of employees, seating capacity, etc. Resolution No. 11-026 amended the Sewer rates as of January 28, 2013.

**CITY OF THE DALLES, OREGON**  
**Pledged-Revenue Coverage**  
**Last Eight Fiscal Years**  
**(accrual basis of accounting)**

**Water Revenue Bonds**

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Annual Debt Service			Coverage Ratio	Monthly Metered Rate per 1,000 gallons (over 10,000)	Monthly Flat Rate (up to 10,000 gallons)
				Principal	Interest	Total			
2008	\$ 3,535,240	\$2,647,904	\$ 887,336	\$ -	\$ 427,896	\$ 427,896	2.074	\$ 0.73	\$ 30.25
2009	3,641,736	2,699,200	942,536	-	335,605	335,605	2.808	0.80	33.28
2010	3,831,124	2,839,648	991,476	-	335,605	335,605	2.954	0.88	36.60
2011	4,157,198	3,093,516	1,063,682	230,000	335,605	565,605	1.881	0.96	40.28
2012	4,991,317	3,095,876	1,895,441	235,000	326,405	561,405	3.376	1.01	42.67
2013	4,815,101	3,163,757	1,651,345	250,000	317,005	567,005	2.912	1.45	47.88
2014	5,030,272	3,189,530	1,840,742	255,000	307,005	562,005	3.275	1.60	52.67
2015	5,689,218	3,229,056	2,460,162	265,000	296,805	561,805	4.379	1.68	52.67

Notes:

(1) Under Resolution No. 07-006, establishing provisions relating to the issuance of water revenue bonds and authorizing the issuance and sale of water revenue bonds, series 2007, to construct water reservoirs and improve the City's water system, "Gross Revenues shall mean all fees charges, earnings, revenues and moneys received by the City from or on account of the operation of the Water System, including system development charges and the income from investments of money in the Debt Service Account and the Reserve Subaccount or from any other investment thereof, but excluding assessment payments and collections on behalf of other governments pursuant to intergovernmental agreements. Gross Revenues also shall include any state or public corporation reimbursements of operating expenses to the extent such expenses are included as Costs of Maintenance and Operation of the Water System and withdrawals from the Rate Stabilization Account within a given fiscal year but in no case later than ninety days after the end of the City's fiscal year as provided in Section 14 hereof." However, for the purposes of the calculations above, system development charges and any transfers from the Rate Stabilization account have been excluded, per Section 15: Bond Covenants B.(2).

(2) Under Resolution No. 07-006, "Costs of Maintenance and Operation shall mean all expenses incurred for the operation, maintenance and repair of the Water System, including but not limited to administrative expenses, financial and auditing expenses, insurance premiums (to the extent monies are not available from proceeds of insurance), taxes, franchise fees, legal and engineering expenses relating to operation and maintenance, payments and reserves for pension, debt service on pension obligation borrowings that might be incurred for unfunded pension or post-employment liabilities, retirement, health, hospitalization, and sick leave benefits, and any other similar expenses to be paid to the extent properly and directly attributable to operations of the Water System. Costs of Maintenance and Operation do not include any rebates or penalties from Gross Revenues under Section 148 of the Code, payments for the settlement of litigation and payments to any liability reserve fund, depreciation and amortization of property, values or losses, and all amounts treated for accounting purposes as payments for capital expenditures, debt service payments other than those attributable to pension or post-employment liabilities identified herein (including amounts treated for accounting purposes as debt service payments), transfers to the City's Street Fund, or capital transfers and capital outlays including without limitation transfers to capital construction accounts."

(3) Annual debt service on revenue bonds issued pursuant to Resolution No. 07-006.

(4) Resolution No. 11-026, set Water Rates with annual increases through FY20/21. Residential Water Rates are based on a flat rate per meter size and include the first 10,000 gallons of water used. An additional rate is charged per 1,000 gallons used over the 10,000 gallons covered by the flat monthly rate. Commercial rates are based on a flat rate per meter size and includes the first 5,000 gallons used, with an additional per 1,000 gallon rate added for usage over the first 5,000 gallons. Both residential and commercial rates also are adjusted for whether the account is within or outside the City Limits. The rates used in the table above are in-city residential.

**City of The Dalles, Oregon  
2007 Water Revenue Bond- Required Rate Disclosures**

Customer Class*	FY 2009		FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015	
	Quantity Allowance (gal)	Volume Charge (\$/1,000 gal)	Quantity Allowance (gal)	Volume Charge (\$/1,000 gal)	Quantity Allowance (gal)	Volume Charge (\$/1,000 gal)	Quantity Allowance (gal)	Volume Charge (\$/1,000 gal)	Quantity Allowance (gal)	Volume Charge (\$/1,000 gal)	Quantity Allowance (gal)	Volume Charge (\$/1,000 gal)	Quantity Allowance (gal)	Volume Charge (\$/1,000 gal)
Residential - (I)	10,000	0.80	10,000	0.88	10,000	0.96	10,000	1.01	10,000	1.45	10,000	1.60	10,000	1.68
Income Discount A - (I)	15,000	0.54	15,000	0.54	15,000	0.54	15,000	0.54	15,000	0.54	10,000	0.54	10,000	1.68
Income Discount B - (I)	15,000	0.39	15,000	0.39	15,000	0.39	15,000	0.39	15,000	0.39	10,000	0.39	10,000	1.68
Commercial - (I)	5,000	2.13	5,000	2.34	5,000	12.57	5,000	2.72	5,000	3.12	5,000	3.44	5,000	3.61
Residential - (O)	10,000	1.21	10,000	1.33	10,000	1.46	10,000	1.54	10,000	2.17	10,000	2.39	10,000	2.52
Income Discount A - (O)	15,000	0.81	15,000	0.81	15,000	0.81	15,000	0.81	15,000	0.81	15,000	0.81	15,000	2.52
Income Discount B - (O)	15,000	0.59	15,000	0.59	15,000	0.59	15,000	0.59	15,000	0.59	15,000	0.59	15,000	2.52
Commercial - (O)	5,000	3.20	5,000	3.52	5,000	3.87	5,000	4.10	5,000	4.68	5,000	5.15	5,000	5.42

\* (I) = Inside City Limits;  
(O) = Outside City Limits

Customer Class & Meter Size **	FY 2009		FY 2010		FY 2011		FY 2012		FY 2013		FY 2014		FY 2015	
	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits	Inside City Limits	Outside City Limits
Residential 3/4"	33.28	49.92	36.60	54.91	40.26	60.40	42.67	64.02	47.88	71.81	52.67	79.00	52.67	82.95
Residential 1"	33.28	49.92	36.60	54.91	40.26	60.40	42.67	64.02	47.88	71.81	52.67	79.00	52.67	82.95
Residential 1.5"	39.93	59.90	43.92	65.89	48.31	72.47	51.20	76.81	57.45	86.17	63.20	94.79	63.20	99.53
Residential 2"	50.58	75.87	55.63	83.45	61.19	91.79	64.86	97.29	72.78	109.17	80.06	120.09	80.06	126.09
Residential 3"	73.21	109.81	80.53	120.79	88.58	132.86	93.89	140.83	105.35	158.03	115.89	173.84	115.89	182.53
Commercial 3/4"	26.30	39.45	28.93	43.40	31.82	47.74	33.72	50.60	38.58	57.88	42.44	63.67	42.44	66.85
Commercial 1"	29.69	44.53	32.65	48.98	35.91	53.87	38.06	57.10	43.54	65.31	47.90	71.85	47.90	75.44
Commercial 1.5"	36.34	54.52	39.97	59.97	43.96	65.96	46.59	69.91	53.30	79.95	58.63	87.95	58.63	92.35
Commercial 2"	46.59	69.88	51.24	76.97	56.36	84.66	59.74	89.73	68.35	102.52	75.19	112.78	75.19	118.42
Commercial 2.5"	60.10	81.96	66.11	90.15	72.72	99.16	77.08	105.10	88.18	132.27	97.00	145.50	97.00	152.78
Commercial 3"	70.22	105.34	77.24	115.87	84.96	127.45	90.05	135.09	103.02	154.53	113.33	169.99	113.33	178.49
Commercial 4"	107.36	161.03	118.09	177.13	129.89	194.84	137.68	206.53	157.51	236.27	173.27	259.90	173.27	272.90
Commercial 6"	191.81	287.71	210.99	316.48	232.08	348.12	246.00	369.00	281.43	422.14	309.58	464.36	309.58	487.58

\*\* Includes "Quantity Allowance" shown in previous table

**Scheduled Water Rate Increases  
Per Resolution No. 14-035**

Fiscal Year	Base Increase	Volume Increase
FY 2015	5%	5%
FY 2016	5%	5%
FY 2017	5%	5%
FY 2018	5%	5%
FY 2019	5%	5%
FY 2020	5%	5%
FY 2021	5%	5%



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

ORS 287.004 provides a debt limit on general obligation bonds of 3% of the real market value of all taxable property within the City's boundaries.

<b>Fiscal Year Ended June 30</b>	<b>Real Market Value</b>	<b>Debt Limit Rate</b>	<b>Debt Limit</b>	<b>Less General Bonded Debt June 30</b>	<b>Legal Debt Margin</b>	<b>Total Net Bonded Debt Applicable to the Limit as a Percentage of Debt Limit</b>
<b>2006</b>	815,950,410	3%	24,478,512	-	24,478,512	0.00%
<b>2007</b>	1,278,646,377	3%	38,359,391	-	38,359,391	0.00%
<b>2008</b>	1,644,318,481	3%	49,329,554	-	49,329,554	0.00%
<b>2009</b>	1,721,569,341	3%	51,647,080	-	51,647,080	0.00%
<b>2010</b>	1,751,436,903	3%	52,543,107	-	52,543,107	0.00%
<b>2011</b>	1,381,912,299	3%	41,457,369	-	41,457,369	0.00%
<b>2012</b>	1,488,289,123	3%	44,648,674	-	44,648,674	0.00%
<b>2013</b>	1,418,883,503	3%	42,566,505	-	42,566,505	0.00%
<b>2014</b>	1,608,434,442	3%	48,253,033	-	48,253,033	0.00%
<b>2015</b>	1,298,752,196	3%	38,962,566	-	38,962,566	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**

<b>Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Income</b>	<b>Unemployment Rate</b>
<b>2006</b>	12,505	N/A	N/A	6.20%
<b>2007</b>	13,045	N/A	N/A	5.60%
<b>2008</b>	13,112	N/A	N/A	5.33%
<b>2009</b>	13,170	N/A	N/A	10.80%
<b>2010</b>	13,385	N/A	N/A	8.80%
<b>2011</b>	14,441	N/A	N/A	8.40%
<b>2012</b>	14,440	N/A	N/A	8.10%
<b>2013</b>	14,440	N/A	N/A	7.71%
<b>2014</b>	14,440	N/A	N/A	6.40%
<b>2015</b>	14,480	N/A	N/A	4.30%

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**

	<b>2014-15</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percent of Total Employment</b>
Mid Columbia Medical Center	791	1	9.56%
School District #21	354	2	4.28%
State of Oregon	198	3	2.11%
Oregon Veterans Home	179	4	2.39%
Oregon Cherry Growers, Inc.	175	5	2.16%
Wasco County	117	6	1.41%
City of The Dalles	104	7	1.26%
Columbia Gorge Community College	93	8	1.12%
Safeway Food and Drug	85	9	1.03%
Sunshine Mill	43	10	0.52%
	<u>2,139</u>		<u>25.84%</u>
Total employment	<u>8,277</u>		

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

	<b>2005-06</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percent of Total Employment</b>
Mid Columbia Medical Center	746	1	11.49%
School District #21	355	2	5.47%
State of Oregon	178	3	2.74%
Wasco County	175	4	2.70%
Oregon Cherry Growers, Inc.	108	5	1.66%
Columbia River Bank	117	6	1.80%
Fred Meyer	108	7	1.66%
Columbia gorge community College	96	8	1.48%
Safeway Food and Drug	94	9	1.45%
Northwet Aluminum Specialties	90	10	1.39%
	<u>2,067</u>		<u>31.84%</u>
Total employment	<u>6,492</u>		

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**

<b>Function/Program</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Governmental activities:</b>										
General government	19.00	19.00	18.00	16.00	16.00	16.00	14.00	13.75	10.50	9.50
Public safety and justice	28.50	27.50	25.50	25.00	25.00	25.00	24.50	24.25	26.00	25.00
Community services	4.50	4.50	4.50	6.00	6.00	6.00	6.00	6.50	6.00	4.00
Streets and highways	8.50	10.50	11.00	11.00	9.00	10.00	11.00	11.00	10.00	10.00
Library	9.50	9.50	9.00	10.00	10.00	11.00	11.00	10.00	9.50	5.25
<b>Total governmental activities</b>	<b>70.00</b>	<b>71.00</b>	<b>68.00</b>	<b>68.00</b>	<b>66.00</b>	<b>68.00</b>	<b>66.50</b>	<b>65.50</b>	<b>62.00</b>	<b>53.75</b>
<b>Business-type activities:</b>										
Water	22.00	22.00	22.00	21.00	21.50	20.00	19.00	20.00	19.00	19.50
Wastewater	12.00	12.00	9.00	11.00	11.50	12.00	11.00	11.00	10.00	10.50
Airport	-	-	-	-	-	-	0.50	0.25	0.25	0.25
<b>Total business-type activities</b>	<b>34.00</b>	<b>34.00</b>	<b>31.00</b>	<b>32.00</b>	<b>33.00</b>	<b>32.00</b>	<b>30.50</b>	<b>31.25</b>	<b>29.25</b>	<b>30.25</b>
<b>Total primary government budgeted FTE</b>	<b>104.00</b>	<b>105.00</b>	<b>99.00</b>	<b>100.00</b>	<b>99.00</b>	<b>100.00</b>	<b>97.00</b>	<b>96.75</b>	<b>91.25</b>	<b>84.00</b>
<b>City of The Dalles Employees</b>										
Management and exempt	37.00	37.00	34.00	35.00	34.00	36.00	35.00	36.75	37	38
Bargaining units										
SEIU (Local 503)	44.00	46.00	45.00	44.00	45.00	47.00	46.00	45.00	43	42
Police Association	19.00	18.00	18.00	18.00	19.00	16.00	16.00	15.00	15	14
<b>Total bargaining units</b>	<b>63.00</b>	<b>64.00</b>	<b>63.00</b>	<b>62.00</b>	<b>64.00</b>	<b>63.00</b>	<b>62.00</b>	<b>60.00</b>	<b>58</b>	<b>56</b>
Temporary City employees	4.00	4.00	2.00	3.00	1.00	1.00	-	-	-	0
<b>Total actual City employees</b>	<b>104.00</b>	<b>105.00</b>	<b>99.00</b>	<b>100.00</b>	<b>99.00</b>	<b>100.00</b>	<b>97.00</b>	<b>96.75</b>	<b>95</b>	<b>94</b>

Source: City of The Dalles budgets and payroll records



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

<b>FUNCTION/PROGRAM</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Governmental Activities:</b>										
<b>Public Safety and Justice</b>										
<b>Police (1)</b>										
Calls for service	N/A*	11,187	11,447	10,340	9,359	7,846	8,008	7,508	7,789	7,861
Crime reports	N/A*	2,423	2,504	2,385	2,303	2,495	2,707	2,541	2,664	2,599
Number of arrests	N/A*	1,233	1,062	1,017	1,055	1,028	1,024	1,144	1,036	1,013
<b>Municipal Court</b>										
Traffic cases	1,504	1,357	1,180	1,412	1,184	1,082	1,218	1,427	1,565	1,146
Criminal cases	364	511	445	342	375	358	331	440	501	377
Ordinance violations	40	65	78	25	22	15	15	37	25	6
Parking violations	57	44	44	60	76	88	164	162	208	218
Code enforcement cases	9	6	13	11	3	4	6	15	11	-
<b>Library</b>										
Number of registered borrowers	13,534	12,056	11,950	10,920	12,573	11,140	13,042	11,302	10,202	12,355
Total circulation	164,106	157,475	160,295	163,653	160,405	145,972	122,432	110,036	98,479	114,667
Public programs	264	418	462	466	607	490	457	224	74	102
Program attendance	4,706	6,978	7,864	7,226	9,775	8,143	8,996	6,573	3,574	3,556
Books added	8,995	4,688	4,005	3,644	6,526	6,283	4,079	11,045	4,481	5,440
<b>Business-type Activities:</b>										
<b>Water</b>										
Average active metered connections	4,590	4,591	4,604	4,598	4,618	4,613	4,598	4,562	4,537	4,520
Average daily water consumption	3,475,890	2,711,309	2,574,885	2,633,408	2,598,893	2,674,413	2,615,130	2,620,667	2,302,800	2,359,000
Average number of assistance accounts	149	187	166	162	153	168	150	176	162	179
Average daily water production	3,303,658	3,301,370	3,196,986	3,115,781	3,102,250	3,209,003	3,185,655	2,985,000	2,875,000	2,859,241

(1) Police statistics are for the calendar year.

\* N/A: Data was not available for this year.

Source: City of The Dalles Departments

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

<b>FUNCTION/PROGRAM</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
<b>Governmental Activities</b>											
<b>General Government</b>											
Buildings owned	13	13	13	12	12	7	7	7	7	7	7
Vehicles (excluding automobiles)	41	41	40	36	37	33	33	14	12	12	14
Heavy Equipment	18	17	16	15	15	18	18	16	16	16	16
<b>Public Safety and Justice</b>											
Police											
Police vehicles	17	17	17	16	16	15	15	14	14	14	14
Number of employees	25.5	25.5	25.5	25	25	23	23	23	23	22	22
<b>Streets and Highways</b>											
Miles of streets maintained by City:											
Paved	69.2	69.1	69.1	69.1	69.1 *	70.38	70.38	70.38	70.38	70.32	70.32
Unpaved	16.4	16.4	16.4	16.4	16.4 *	17.82	17.82	17.82	17.82	10.69	10.69
Bridges and underpasses	6	5	5	5	5	5	5	5	5	5	5
<b>Business-type Activities</b>											
<b>Water</b>											
Miles of water lines (estimated)	101.3	100.7	100.7 *	87.3	86.5 *	84.25	84.25	84.25	84	82.5	82
Reservoirs	5	5	5	5	6	5	5	5	5	5	5
Water treatment plant	1	1	1	1	1	1	1	1	1	1	1
Wells	3	3	3	3	3	3	3	3	3	3	3
<b>Wastewater</b>											
Treatment plant	1	1	1	1	1	1	1	1	1	1	1
Miles of sewer lines (estimated)	95.7	95.3	95.3	94.4	94.4 *	78	78	78	78	78	77
Lift stations	9	8	8	8	8	8	8	8	8	8	7
<b>Airport</b>											
Terminal	1	1	1	1	1	1	1	1	1	1	1
Maintenance and T-hangers	42 *	33 *	32 *	23	23	23	23	23	23	23	23
Other buildings	2	2 *	3	3	2	2	2	2	2	2	2

\* 2011 miles based on GIS mapping data. Prior to 2011, mileage was manually calculated.  
\* 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.

Source: City of The Dalles Departments

**REPORTS OF INDEPENDENT CERTIFIED PUBLIC  
ACCOUNTANTS**

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

We have audited the basic financial statements of the City of The Dalles, Oregon (the City), as of and for the year ended June 30, 2015 and have issued our report thereon dated November 12, 2015. 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 the Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial 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:

- Deposits of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayments.
- 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, and 279C).
- Accountability for collecting or receiving money by elected officials. The City does not have any elected officials collecting or receiving money.

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 the Oregon

Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations* except as follows:

1. We identified instances of noncompliance and related internal control weaknesses that are reported in the schedule of findings and questioned costs included in the separately issued Single Audit Report dated November 12, 2015, in accordance with *Government Auditing Standards*.

### **OAR 162-10-0230 Internal Control**

In planning and performing our audit, we considered the City's internal control over financial reporting (internal control) to determine the 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 preceding paragraph 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 the separately issued schedule of findings and questioned costs included in the separately issued Single Audit Report dated November 12, 2015, we identified certain deficiencies in internal control that we consider to be material weaknesses.

*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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies as described in the separately issued schedule of findings and questioned costs included in the separately issued Single Audit Report dated November 12, 2015 to be material weaknesses.

*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. We did not identify any deficiencies in internal control that we consider to be a significant deficiency.

This report is intended solely for the information and use of the Honorable Mayor and City Council, 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.

*Merina & Company*

Merina & Company, LLP  
West Linn, Oregon  
November 12, 2015

