

ANNUAL FINANCIAL REPORT
OF THE
CITY OF THE DALLES, OREGON
for the fiscal year July 1, 1979 to June 30, 1980

NELSON, ROOPER & ONSTOTT, p.c.
Certified Public Accountants
106 EAST 4TH STREET
P. O. BOX 822
THE DALLES, OREGON 97058

CITY OF THE DALLES, OREGON

Officers and Members of Council

June 30, 1980

| | | |
|------------------------|--------------------------|--|
| John H. Lundell | Mayor | 218 W. 4th Street The Dalles, Oregon |
| Delbert M. Cesar | City Manager | 313 Court Street The Dalles, Oregon |
| John B. Thomas | Clerk-Treasurer | 313 Court Street The Dalles, Oregon |
| Ronald M. Somers | Municipal Judge | 313 Court Street The Dalles, Oregon |
| William F. Cloran | City Attorney | 313 Court Street The Dalles, Oregon |
| Hazel Phillips | Councilwoman at Large | 1708 Bridge Street The Dalles, Oregon |
| John Wood | Councilman | 415 W. 15th Street The Dalles, Oregon |
| Henry F. Tiano | Councilman | 2010 Lewis Street The Dalles, Oregon |
| Merritt M. Probstfield | Councilman | 2911 Old Dufur Road E. The Dalles, Oregon |
| John P. Martin | Councilman | 200 W. 4th Street The Dalles, Oregon |

CITY OF THE DALLES, OREGON

Audit Report as of June 30, 1980

TABLE OF CONTENTS

| | <u>Page Number</u> |
|---|------------------------|
| Officers and Members of Council | 1 |
| Auditor's Report | 2 |
| <u>FINANCIAL STATEMENTS</u> | |
| EXHIBIT A-1 Combined Balance Sheet | 3 (double) |
| EXHIBIT A-2 Combined Statement of Changes in Surplus | 4 |
| EXHIBIT A-3 Statement of Revenues and Expenditures - All Governmental Fund Types | 5 |
| EXHIBIT A-4 Combined Statement of Operations - Enterprise Funds | 6 |
| <u>INDIVIDUAL FUND STATEMENTS:</u> | |
| <u>GENERAL FUND</u> | |
| EXHIBIT B-1 Balance Sheet | 7 |
| EXHIBIT B-2 Statement of Changes in Surplus | 8 |
| EXHIBIT B-3 Statement of Revenues and Beginning Balance Compared with Budget Estimates | 9 |
| EXHIBIT B-4 Statement of Expenditures Compared with Budget Estimates | 10 & 11 |
| <u>ENTERPRISE FUNDS:</u> | |
| <u>WATER UTILITY FUND</u> | |
| EXHIBIT C-1 Balance Sheet | 12 |
| EXHIBIT C-2 Statement of Changes in Surplus | 13 |
| EXHIBIT C-3 Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 14 |
| EXHIBIT C-4 Statement of Operations | 15 |
| EXHIBIT C-5 Reconciliation of Differences | 16 |
| EXHIBIT C-6 Statement of Changes in Cash Position | 17 |

SANITARY SEWERS AND TREATMENT PLANT FUND

| | | |
|-------------|--|----|
| EXHIBIT D-1 | Balance Sheet | 18 |
| EXHIBIT D-2 | Analysis of Changes in Retained Earnings | 19 |
| EXHIBIT D-3 | Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 20 |
| EXHIBIT D-4 | Comparative Statement of Operations | 21 |
| EXHIBIT D-5 | Reconciliation of Differences | 22 |
| EXHIBIT D-6 | Statement of Changes in Cash Position | 23 |

DEBT SERVICE FUND

| | | |
|-----------|--|----|
| EXHIBIT E | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 24 |
|-----------|--|----|

SPECIAL REVENUE FUNDS:

STREET AND STORM SEWERS FUND (also State Tax Street Fund)

| | | |
|-------------|---|----|
| EXHIBIT F-1 | Balance Sheet | 25 |
| EXHIBIT F-2 | Statement of Changes in Surplus, and Statement of Revenues and Beginning Balance Compared with Budget Estimates | 26 |
| EXHIBIT F-3 | Statement of Expenditures Compared with Budget Estimates | 27 |

REVENUE SHARING FUND

| | | |
|-------------|--|----|
| EXHIBIT G-1 | Balance Sheet with Details of Changes in Reserves | 28 |
| EXHIBIT G-2 | Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 29 |

AIRPORT FUND

| | | |
|-------------|--|----|
| EXHIBIT H-1 | Balance Sheet and Statement of Changes in Surplus | 30 |
| EXHIBIT H-2 | Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 31 |

PARKS AND RECREATION FUND

| | | |
|-------------|--|----|
| EXHIBIT I-1 | Balance Sheet and Statement of Changes in Surplus | 32 |
| EXHIBIT I-2 | Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 33 |

SPECIAL SEWER FUND

| | | |
|-----------|--|----|
| EXHIBIT J | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 34 |
|-----------|--|----|

PARKS AND RECREATION SPECIAL FUND

| | | |
|-----------|--|----|
| EXHIBIT K | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 35 |
|-----------|--|----|

AMBULANCE SPECIAL FUND

| | | |
|-----------|--|----|
| EXHIBIT L | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 36 |
|-----------|--|----|

FIRE EQUIPMENT SPECIAL FUND

| | | |
|-----------|--|----|
| EXHIBIT M | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 37 |
|-----------|--|----|

PUBLIC WORKS EQUIPMENT SPECIAL FUND

| | | |
|-----------|--|----|
| EXHIBIT N | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 38 |
|-----------|--|----|

CIVIC CENTER SPECIAL FUND

| | | |
|-----------|--|----|
| EXHIBIT O | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 39 |
|-----------|--|----|

WATER UTILITY CAPITAL RESERVE FUND

| | | |
|-----------|--|----|
| EXHIBIT P | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 40 |
|-----------|--|----|

SEWAGE TREATMENT BUILDING CONVERSION AND
RESERVE FUND

| | | |
|-----------|--|----|
| EXHIBIT Q | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 41 |
|-----------|--|----|

UNEMPLOYMENT INSURANCE RESERVE FUND

| | | |
|-----------|--|----|
| EXHIBIT R | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 42 |
|-----------|--|----|

L.C.D.C. GRANT FUND

| | | |
|-----------|--|----|
| EXHIBIT S | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 43 |
|-----------|--|----|

TOURIST PROMOTION FUND

| | | |
|-----------|--|----|
| EXHIBIT T | Balance Sheet and Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 44 |
|-----------|--|----|

SPECIAL ASSESSMENT FUND:

IMPROVEMENT FUND

| | | |
|-------------|--|----|
| EXHIBIT U-1 | Balance Sheet and Statement of Changes in Surplus | 45 |
| EXHIBIT U-2 | Statement of Revenues and Expenditures | 46 |
| EXHIBIT U-3 | Statement of Receipts, Disbursements and Beginning Balance Compared with Budget Estimates | 47 |
| EXHIBIT U-4 | Reconciliation of Cash with Accrual Basis | 48 |

CAPITAL PROJECTS FUNDS:

STATE OFFICE BUILDING CONSTRUCTION FUND

| | | |
|-----------|--|----|
| EXHIBIT V | Balance Sheet and Statement of Revenues and Expenditures Cumulative to Date | 49 |
|-----------|--|----|

EASTSIDE WATER CONSTRUCTION FUND

| | | |
|-------------|---|----|
| EXHIBIT W-1 | Balance Sheet and Statement of Revenues and Expenditures Cumulative to Date | 50 |
| EXHIBIT W-2 | Statement of Revenues, Expenditures and Beginning Balance Compared with Budget Estimates | 51 |

| | <u>Page Number</u> |
|--|------------------------|
| <u>NOTES TO FINANCIAL STATEMENTS</u> | 52 - 56 |
| <u>SUPPLEMENTARY SCHEDULES</u> | |
| Schedule A Summary Statement of Cash and Security Therefor | 57 |
| Schedule B Statement of Taxes Assessed, Received and Receivable | 58 |
| Schedule C Statement of Bond Transactions | 59 |
| Schedule D Statement of Future Requirements for Bond and Interest Payments | 60 - 62 |
| <u>AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS</u> | 63 - 68 |

NELSON, ROOPER & ONSTOTT, p. c.
Certified Public Accountants

MARSHALL W. NELSON, c.p.a.
WILLIAM S. ROOPER, c.p.a.
KENNETH L. ONSTOTT, c.p.a.
MEMBERS:
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Telephone: (503) 296-9131
COLONIAL BUILDING
106 EAST FOURTH STREET
P. O. Box 822
THE DALLES, OREGON 97058

September 19, 1980

The Honorable John Lundell, Mayor
and Members of the City Council
City of The Dalles
The Dalles, Oregon

We have examined the basic financial statements of the various funds and account groups of the City of The Dalles for the year ended June 30, 1980, as listed in the foregoing table of contents. Our examination was made in accordance with generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations and, accordingly, included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances.

The amounts shown as Fixed Assets represent an accumulation of additions, less sales and retirements. Since no fixed asset register is maintained by the City we are in no position to express an opinion on these values as shown on the various balance sheets.

In our opinion, subject to the above comments on Fixed Assets, the financial statements referred to above present fairly the financial position of the various funds and account groups of the City of The Dalles at June 30, 1980, and the results of operations of such funds and the changes in financial position of the Water and Sewer utility funds for the year then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The accompanying supplemental schedules and related information presented on pages 57 to 62 are not necessary for a fair presentation of the basic financial statements in accordance with generally accepted accounting principles but are presented as additional analytical data. This information has been subjected to the tests and other auditing procedures applied in the examination of the basic financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Nelson, Rooper and Onstott, P. C.
Certified Public Accountants

by: 
W. S. Rooper

BASIC FINANCIAL STATEMENTS

CITY OF THE DALLES, OREGON

ALL FUNDS

Combined Balance Sheet as of June 30, 1980

| <u>ASSETS</u> | <u>General Fund</u> | <u>Enterprise Funds</u> |
|---|---------------------|-------------------------|
| Cash with Oregon Bank Trustee | - | - |
| Cash on hand and in banks | 37,550 | 28,798 |
| Cash with County Treasurer | 6,924 | - |
| Due from other funds | 267,593 | 200,000 |
| Assessments receivable | - | - |
| Accounts receivable | 56,249 | 51,616 |
| Work in progress | - | - |
| Taxes receivable | 102,626 | - |
| To be provided for bonds | - | - |
| Fixed assets | - | 4,263,461 |
| <u>TOTAL ASSETS</u> | <u>470,942</u> | <u>4,543,875</u> |
| <u>LIABILITIES, RESERVES AND SURPLUS</u> | | |
| <u>LIABILITIES:</u> | | |
| Estimated assessments | - | - |
| Accounts payable | 7,276 | 5,807 |
| Accrued interest | - | 3,846 |
| Prepayments and deposits | - | 1,476 |
| Bonds payable | - | 302,000 |
| Due to other funds | - | 109,435 |
| <u>TOTAL LIABILITIES</u> | <u>7,276</u> | <u>422,564</u> |
| <u>RESERVES:</u> | | |
| For taxes receivable | 102,626 | - |
| For special purposes | 85 | - |
| <u>TOTAL RESERVES</u> | <u>102,711</u> | <u>-</u> |
| <u>SURPLUS (Fund Balance):</u> | | |
| Contributions from U.S.A. | - | 913,183 |
| Invested in fixed assets | - | - |
| Surplus (Fund Balance) (deficit) | 360,955 | 3,208,128 |
| <u>TOTAL SURPLUS & CONTRIBUTIONS</u> | <u>360,955</u> | <u>4,121,311</u> |
| <u>TOTAL LIABILITIES, RESERVES, SURPLUS</u> | <u>470,942</u> | <u>4,543,875</u> |

"See Auditor's Comments and Notes to Financial Statements"

| Debt Service Fund | Special Revenue Funds | Special Assessment Fund | Capital Projects Funds | General Fixed Assets | General Long Term Debt |
|-------------------------|-----------------------------|-------------------------------|------------------------------|----------------------------|------------------------------|
| 39,452 | - | - | - | - | - |
| - | 103,436 | - | - | - | - |
| - | - | - | - | - | - |
| - | 311,000 | - | 164,616 | - | - |
| - | - | 747,155 | - | - | - |
| - | 16,017 | 1,225 | - | - | - |
| - | 50,952 | 289,478 | - | - | - |
| - | 20,753 | - | - | - | - |
| - | - | - | - | - | 1,110,000 |
| - | - | - | - | 2,942,628 | - |
| <u>39,452</u> | <u>502,158</u> | <u>1,037,858</u> | <u>164,616</u> | <u>2,942,628</u> | <u>1,110,000</u> |
| - | - | 419,597 | - | - | - |
| - | 78,331 | - | - | - | - |
| - | - | - | - | - | - |
| - | - | 8,000 | - | - | 1,110,000 |
| - | 65,756 | 199,434 | 492,712 | - | - |
| <u>-</u> | <u>144,087</u> | <u>627,031</u> | <u>492,712</u> | <u>-</u> | <u>1,110,000</u> |
| - | 20,753 | - | - | - | - |
| 39,452 | 258,777 | 23,000 | (328,096) | - | - |
| <u>39,452</u> | <u>279,530</u> | <u>23,000</u> | <u>(328,096)</u> | <u>-</u> | <u>-</u> |
| - | - | - | - | - | - |
| - | - | - | - | 2,942,628 | - |
| - | 78,541 | 387,827 | - | - | - |
| - | 78,541 | 387,827 | - | 2,942,628 | - |
| <u>39,452</u> | <u>502,158</u> | <u>1,037,858</u> | <u>164,616</u> | <u>2,942,628</u> | <u>1,110,000</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONALL FUNDSCombined Statement of Changes in Surplus
for the Year Ended June 30, 1980

| | <u>General Fund</u> | <u>Enterprise Funds</u> | <u>Special Revenue Funds</u> | <u>Special Assessment Funds</u> |
|---|-------------------------|-----------------------------|--------------------------------------|---|
| Surplus (Fund Balance) July 1, 1979 | <u>374,215</u> | <u>3,223,489</u> | <u>44,869</u> | <u>313,317</u> |
| Add: | | | | |
| Revenues | 1,342,735 | 1,158,676 | 626,408 | 318,543 |
| Transfers in | 219,193 | 5,000 | 68,000 | - |
| Increase in work in progress | - | - | 31,648 | - |
| <u>TOTAL ADDITIONS</u> | <u>1,561,928</u> | <u>1,163,676</u> | <u>726,056</u> | <u>318,543</u> |
| Deduct: | | | | |
| Expenditures | 1,541,669 | 1,179,037 | 666,674 | 244,033 |
| Transfers out | 33,519 | - | 25,710 | - |
| <u>TOTAL DEDUCTIONS</u> | <u>1,575,188</u> | <u>1,179,037</u> | <u>692,384</u> | <u>244,033</u> |
| Surplus (Fund Balance) June 30, 1980 | <u>360,955</u> | <u>3,208,128</u> | <u>78,541</u> | <u>387,827</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

Statement of Revenues and Expenditures
All Governmental Fund Types
for the Year Ended June 30, 1980

| | General Fund | Debt Service Fund | Special Revenue Funds | Special Assessment Fund | Construction Funds |
|-------------------------------|------------------|-------------------------|-----------------------------|-------------------------------|-----------------------|
| REVENUES: | | | | | |
| Property Taxes: | | | | | |
| Current | 606,846 | - | 122,712 | - | - |
| Delinquent | 61,542 | - | 12,050 | - | - |
| | <u>668,388</u> | <u>-</u> | <u>134,762</u> | <u>-</u> | <u>-</u> |
| Other Revenues: | | | | | |
| Other taxes | 204,558 | - | 8,181 | - | - |
| Intergovernmental revenues | 253,083 | - | 398,960 | - | - |
| Licenses and permit fees | 2,326 | - | - | - | - |
| Fines and forfeitures | 110,856 | - | - | - | - |
| Miscellaneous | 103,524 | 111,592 | 360,907 | 271,786 | 1,289,297 |
| | <u>674,347</u> | <u>111,592</u> | <u>768,048</u> | <u>271,786</u> | <u>1,289,297</u> |
| Total Other Revenues | | | | | |
| | <u>674,347</u> | <u>111,592</u> | <u>768,048</u> | <u>271,786</u> | <u>1,289,297</u> |
| Transfers In: | 219,193 | 56,596 | 91,727 | - | - |
| | <u>219,193</u> | <u>56,596</u> | <u>91,727</u> | <u>-</u> | <u>-</u> |
| TOTAL REVENUE | <u>1,561,928</u> | <u>168,188</u> | <u>994,537</u> | <u>271,786</u> | <u>1,289,297</u> |
| EXPENDITURES: | | | | | |
| General government | 462,592 | 1,176 | 835,983 | 162,147 | 1,416,008 |
| Public safety and health | 951,201 | - | 21,754 | - | - |
| Highways and streets | - | - | 43,174 | - | - |
| Culture and recreation | 127,876 | - | 161,975 | - | - |
| Debt service: | - | - | - | - | - |
| Principal | - | 68,000 | - | 5,000 | - |
| Interest | - | 59,560 | - | 586 | - |
| | <u>1,541,669</u> | <u>128,736</u> | <u>1,062,886</u> | <u>167,733</u> | <u>1,416,008</u> |
| Transfers Out: | 33,519 | - | 215,542 | - | 40,944 |
| | <u>33,519</u> | <u>-</u> | <u>215,542</u> | <u>-</u> | <u>40,944</u> |
| TOTAL EXPENDITURES | <u>1,575,188</u> | <u>128,736</u> | <u>1,278,428</u> | <u>167,733</u> | <u>1,456,952</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

Combined Statement of Operations
Enterprise Funds
for the Year Ended June 30, 1980

| | <u>Water Fund</u> | <u>Sewer Fund</u> | <u>Totals (Memorandum Only)</u> |
|--------------------------------------|-----------------------|-----------------------|---|
| Operating Revenues: | | | |
| User fees | 618,898 | 355,992 | 974,890 |
| Connection and installation charges | 43,345 | 21,570 | 64,915 |
| Engineering and Inspection Fees | 13,657 | 13,657 | 27,314 |
| Miscellaneous sales and service | - | 82,590 | 82,590 |
| Total Operating Revenues | <u>675,900</u> | <u>473,809</u> | <u>1,149,709</u> |
| Operating Expenses: | | | |
| Administrative expenses | | | |
| including personnel charges | 432,978 | 323,070 | 756,048 |
| Supplies and maintenance | <u>194,055</u> | <u>121,419</u> | <u>315,474</u> |
| Total Operating Expense Before | | | |
| Depreciation | 627,033 | 444,489 | 1,071,522 |
| Depreciation | <u>45,483</u> | <u>49,709</u> | <u>95,192</u> |
| Total Operating Expenses | <u>672,516</u> | <u>494,198</u> | <u>1,166,714</u> |
| Net Operating Income (Loss) | <u>3,384</u> | <u>(20,389)</u> | <u>(17,005)</u> |
| Non-operating income | | | |
| Interest income | - | 8,967 | 8,967 |
| Interest expense | 10,787- | 1,283- | 12,070- |
| Allowance for uncollectible accounts | - | 252- | 252- |
| Transfers in | <u>5,000</u> | <u>-</u> | <u>5,000</u> |
| NET INCOME (LOSS) | <u>(2,403)</u> | <u>(12,957)</u> | <u>(15,360)</u> |

"See Auditor's Comments and Notes to Financial Statements"

GENERAL FUND

The General Fund accounts for the financial operations of the City which are not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, state and county shared revenues and federal and state grants. Primary expenditures in the General Fund are made for police protection, fire protection, library and general government.

CITY OF THE DALLES, OREGON

GENERAL FUND

Balance Sheet as of June 30, 1980

ASSETS

| | | |
|--|----------------|----------------|
| Cash on hand and in banks | 37,550 | |
| Cash with County Treasurer | 6,924 | |
| Due from other funds for cash advanced | <u>267,593</u> | |
| Total Cash Available | | 312,067 |
| Taxes receivable - Schedule B | 102,626 | |
| Accounts receivable - miscellaneous | <u>56,249</u> | <u>158,875</u> |
| <u>TOTAL ASSETS</u> | | <u>470,942</u> |

LIABILITIES, RESERVES AND SURPLUS

Liabilities:

| | | |
|--------------------------|----------|-------|
| Accounts payable | 7,276 | |
| Deposits and prepayments | <u>-</u> | |
| Total Liabilities | | 7,276 |

Reserves:

| | | |
|--------------------------------|-----------|---------|
| Reserved for taxes receivable | 102,626 | |
| Reserved for covered swim pool | <u>85</u> | |
| Total Reserves | | 102,711 |

| | | |
|--|--|----------------|
| <u>Surplus:</u> (Fund Balance) Exhibit B-2 | | <u>360,955</u> |
|--|--|----------------|

| | | |
|--|--|----------------|
| <u>TOTAL LIABILITIES, RESERVES AND SURPLUS</u> | | <u>470,942</u> |
|--|--|----------------|

"See Auditor's Comments and Notes to Financial Statements"

EXHIBIT B-2

CITY OF THE DALLES, OREGON

GENERAL FUND

Statement of Changes in Surplus
for the Year Ended June 30, 1980

| | | |
|--|-------------------|----------------|
| Surplus or Fund Balance as of July 1, 1979 | | 374,215 |
| Plus: Excess of expenditures over revenues for fiscal 1979-80 | | |
| Revenues - Exhibit B-3 | 1,561,928 | |
| Expenditures - Exhibit B-4 | <u>1,575,188-</u> | <u>13,260-</u> |
| Surplus or Fund Balance as of June 30, 1980 | | <u>360,955</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

GENERAL FUND

Statement of Revenues and Beginning Balance Compared
with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|------------------|------------------|--|
| Beginning Balance | <u>100,000</u> | <u>374,215</u> | <u>274,215</u> |
| Revenues: | | | |
| Property Taxes: | | | |
| Current | 622,372 | 606,846 | (15,526) |
| Delinquent | <u>70,000</u> | <u>61,542</u> | <u>(8,458)</u> |
| Total Taxes | <u>692,372</u> | <u>668,388</u> | <u>(23,984)</u> |
| Other Revenues: | | | |
| Franchises | 102,000 | 130,749 | 28,749 |
| State Revenue Sharing | 52,500 | 64,782 | 12,282 |
| County share library | 63,192 | 63,192 | - |
| Transfer from Rev. Shar. for library | 9,500 | 9,500 | - |
| State liquor allocations | 83,000 | 95,210 | 12,210 |
| Transient room taxes | 63,000 | 73,809 | 10,809 |
| State gas tax refund | 4,000 | 1,963 | (2,037) |
| State cigarette tax allocation | 29,000 | 27,936 | (1,064) |
| Fees and licenses | 3,000 | 2,326 | (674) |
| Parking meters | 35,000 | 25,621 | (9,379) |
| Towing and abandoned cars | 3,000 | 2,517 | (483) |
| Ambulance service | 63,000 | 30,756 | (32,244) |
| Court fines and forfeitures | 77,000 | 109,309 | 32,309 |
| Library fines and gifts | 3,600 | 1,547 | (2,053) |
| Misc. sales and service | 2,000 | 3,480 | 1,480 |
| Interest income | 2,500 | 18,339 | 15,839 |
| Land sales | 5,000 | - | (5,000) |
| Admin. fees from water fund | 40,903 | 40,903 | - |
| Admin. fees from sewer fund | 28,048 | 28,048 | - |
| Admin. fees from public works | 25,710 | 25,710 | - |
| Engineering fees from improvement fund | 10,000 | - | (10,000) |
| Transfer from Rev. Shar. Fund | 230,066 | 115,032 | (115,034) |
| Agencies for teletype service | 2,000 | 2,712 | 712 |
| Rentals - Stadelman Building | <u>20,000</u> | <u>20,099</u> | <u>99</u> |
| Total Other Revenues | <u>957,019</u> | <u>893,540</u> | <u>(63,479)</u> |
| Total Revenues | <u>1,649,391</u> | <u>1,561,928</u> | <u>(87,463)</u> |
| TOTAL REVENUES AND BEGINNING BALANCE | <u>1,749,391</u> | <u>1,936,143</u> | <u>186,752</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

GENERAL FUND

Statement of Expenditures Compared
with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------|----------------|---|
| <u>FINANCE AND GENERAL DEPARTMENT:</u> | | | |
| Personal Services | 77,363 | 75,050 | 2,313 |
| Supplies and Maintenance | 185,450 | 167,788 | 17,662 |
| Transfers Out | 8,000 | 5,167 | 2,833 |
| Capital Outlay | 19,000 | 10,923 | 8,077 |
| Mall Expense | 1,100 | 1,082 | 18 |
| Contingencies and Balance | 96,000 | 11,609 | 84,391 |
| <u>Total Finance & General Department</u> | <u>386,913</u> | <u>271,619</u> | <u>115,294</u> |
| <u>ADMINISTRATION DEPARTMENT:</u> | | | |
| Personal Services | 72,919 | 63,231 | 9,688 |
| Supplies and Maintenance | 5,380 | 5,293 | 87 |
| Capital Outlay | 850 | - | 850 |
| <u>Total Administration Department</u> | <u>79,149</u> | <u>68,524</u> | <u>10,625</u> |
| <u>PLANNING DEPARTMENT:</u> | | | |
| Personal Services | 33,539 | 27,877 | 5,662 |
| Supplies and Maintenance | 3,000 | 2,604 | 396 |
| Capital Outlay | 300 | 281 | 19 |
| <u>Total Planning Department</u> | <u>36,839</u> | <u>30,762</u> | <u>6,077</u> |
| <u>LEGAL AND JUDICIARY DEPARTMENT:</u> | | | |
| Personal Services | 27,968 | 27,265 | 703 |
| Contractual Services | 29,000 | 28,149 | 851 |
| Supplies and Maintenance | 2,115 | 1,956 | 159 |
| Capital Outlay | 300 | 189 | 111 |
| <u>Total Legal & Judiciary Department</u> | <u>59,383</u> | <u>57,559</u> | <u>1,824</u> |
| <u>POLICE DEPARTMENT:</u> | | | |
| Personal Services | 406,131 | 404,377 | 1,754 |
| Supplies and Maintenance | 73,900 | 72,407 | 1,493 |
| Capital Outlay | 15,062 | 15,054 | 8 |
| <u>Total Police Department</u> | <u>495,093</u> | <u>491,838</u> | <u>3,255</u> |
| <u>POLICE METER DEPARTMENT:</u> | | | |
| Personal Services | 24,749 | 22,176 | 2,573 |
| Supplies and Maintenance | 3,550 | 3,290 | 260 |
| Capital Outlay | 300 | - | 300 |
| <u>Total Police Meter Department</u> | <u>28,599</u> | <u>25,466</u> | <u>3,133</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONGENERAL FUNDStatement of Expenditures Compared
with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|------------------|------------------|---|
| <u>FIRE DEPARTMENT:</u> | | | |
| Personal Services | 260,075 | 249,395 | 10,680 |
| Supplies and Maintenance | 28,625 | 27,847 | 778 |
| Transfers Out | 5,000 | 5,000 | - |
| Capital Outlay | 17,350 | 14,741 | 2,609 |
| <u>Total Fire Department</u> | <u>311,050</u> | <u>296,983</u> | <u>14,067</u> |
| <u>AMBULANCE DEPARTMENT:</u> | | | |
| Personal Services | 71,171 | 69,110 | 2,061 |
| Supplies and Maintenance | 7,600 | 5,387 | 2,213 |
| Transfer to Ambulance Reserve Fund | 5,000 | 5,000 | - |
| Capital Outlay | 1,300 | - | 1,300 |
| <u>Total Ambulance Department</u> | <u>85,071</u> | <u>79,497</u> | <u>5,574</u> |
| <u>LIBRARY DEPARTMENT:</u> | | | |
| Personal Services | 81,777 | 80,991 | 786 |
| Supplies and Maintenance | 21,035 | 22,124 | (1,089) |
| Transfer to Debt Service | 15,652 | 15,652 | - |
| Capital Outlay | 23,351 | 24,761 | (1,410) |
| <u>Total Library Department</u> | <u>141,815</u> | <u>143,528</u> | <u>(1,713)</u> |
| <u>COMMUNICATIONS DEPARTMENT:</u> | | | |
| Personal Services | 82,429 | 79,273 | 3,156 |
| Supplies and Maintenance | 11,450 | 8,382 | 3,068 |
| Capital Outlay | 11,600 | 5,228 | 6,372 |
| <u>Total Communications Department</u> | <u>105,479</u> | <u>92,883</u> | <u>12,596</u> |
| <u>PROPERTIES DEPARTMENT:</u> | | | |
| Supplies and Maintenance: | | | |
| Stadelman Property | 20,000 | 9,378 | 10,622 |
| State Office Building | 4,000 | 7,151 | (3,151) |
| <u>Total Properties Department</u> | <u>24,000</u> | <u>16,529</u> | <u>7,471</u> |
| <u>GRAND TOTAL GENERAL FUND EXPENDITURES</u> | <u>1,753,391</u> | <u>1,575,188</u> | <u>178,203</u> |

"See Auditor's Comments and Notes to Financial Statements"

ENTERPRISE FUNDS

The Sewer Fund and Water Fund are used to finance and account for the acquisition, operation and maintenance of sewer and water facilities and services which are entirely or predominantly self-supporting by user charges. The operations of these funds are accounted for in such a manner as to show a profit or loss similar to a comparable private enterprise.

CITY OF THE DALLES, OREGONWATER UTILITY FUNDBalance Sheet as of June 30, 1980ASSETSCurrent Assets:

| | | |
|-------------------------------------|---------------|----------|
| Cash on hand and in banks | | - |
| Accounts receivable | 37,585 | |
| Less estimated amount uncollectible | <u>4,064-</u> | 33,521 |
| Work in progress | | <u>-</u> |

| | | |
|----------------------|--|--------|
| Total Current Assets | | 33,521 |
|----------------------|--|--------|

Utility Plant in Service:

| | | |
|----------------------------------|------------------|----------------|
| Land and Rights of Way | | 1,773,886 |
| Wells and Land Improvements | 136,863 | |
| Less: Allowance for Depreciation | <u>42,000-</u> | 94,863 |
| Buildings and Structures | <u>1,092,535</u> | |
| Less: Allowance for Depreciation | <u>189,382-</u> | 903,153 |
| Machinery and Equipment | <u>323,486</u> | |
| Less: Allowance for Depreciation | <u>190,667-</u> | <u>132,819</u> |

| | | |
|--------------------------------|--|------------------|
| Total Utility Plant in Service | | <u>2,904,721</u> |
|--------------------------------|--|------------------|

| | | |
|---------------------|--|------------------|
| <u>TOTAL ASSETS</u> | | <u>2,938,242</u> |
|---------------------|--|------------------|

LIABILITIES AND RETAINED EARNINGSCurrent Liabilities:

| | |
|--|----------------|
| Accounts Payable | 5,807 |
| Accrued Interest Payable on G.O. Bonds | 3,323 |
| Customer Meter Deposits | 1,476 |
| Due Other Funds for Cash Advanced | <u>109,435</u> |

| | |
|---------------------------|---------|
| Total Current Liabilities | 120,041 |
|---------------------------|---------|

Other Liabilities:

| | |
|----------------------------------|----------------|
| General Obligation Bonds Payable | <u>280,000</u> |
|----------------------------------|----------------|

| | |
|-------------------|----------------|
| Total Liabilities | <u>400,041</u> |
|-------------------|----------------|

| | |
|---------------------------------|------------------|
| Retained Earnings - Exhibit C-2 | <u>2,538,201</u> |
|---------------------------------|------------------|

| | |
|--|------------------|
| <u>TOTAL LIABILITIES AND RETAINED EARNINGS</u> | <u>2,938,242</u> |
|--|------------------|

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

WATER UTILITY FUND

Statement of Changes in Surplus
for the Years Ended June 30, 1979 and 1980

| | |
|--|-------------------------|
| Retained Earnings June 30, 1978 | 2,510,748 |
| Add: | |
| Items paid for by Revenue Sharing Fund | 68,064 |
| Deduct: | |
| Transfers to East Side Water Construction Fund | (20,000) |
| Net Income (Loss) for the Year 1978-79 (Exhibit C-4) | <u>(18,208)</u> |
| Retained Earnings, June 30, 1979 | 2,540,604 |
| Deduct: | |
| Net Income (Loss) for the year 1979-80 (Exhibit C-4) | <u>(2,403)</u> |
| Retained Earnings, June 30, 1980 (To Exhibit C-1) | <u><u>2,538,201</u></u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONWater Utility Fund Expenditures

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|----------------|-----------------|--|
| Beginning Balance | <u>20,000</u> | <u>(64,539)</u> | <u>(84,539)</u> |
| Revenues: | | | |
| Miscellaneous sales and services | 35,000 | 34,797 | (203) |
| Interdepartmental revenue | 10,000 | 15,417 | 5,417 |
| Consumer service charge | 650,000 | 618,898 | (31,102) |
| Hydrant replacements | 2,000 | 1,574 | (426) |
| Main extension charges | 10,000 | 16,685 | 6,685 |
| Interest on savings | 3,500 | - | (3,500) |
| Transfer from Revenue Sharing | 10,000 | 5,000 | (5,000) |
| Engineering and Bldg. Inspection fees | <u>10,000</u> | <u>13,657</u> | <u>3,657</u> |
| Total Revenues | <u>730,500</u> | <u>706,028</u> | <u>(24,472)</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>750,500</u> | <u>641,489</u> | <u>(109,011)</u> |
| <u>EXPENDITURES:</u> | | | |
| Personal Services | 362,000 | 356,775 | 5,225 |
| Supplies and Maintenance | 126,820 | 122,434 | 4,386 |
| Debt Service | 66,200 | 46,370 | 19,830 |
| Transfers Out | 91,230 | 82,647 | 8,583 |
| Capital Outlay | 87,800 | 92,025 | (4,225) |
| Contingencies and Balance | <u>16,450</u> | <u>-</u> | <u>16,450</u> |
| <u>TOTAL EXPENDITURES</u> | <u>750,500</u> | <u>700,251</u> | <u>50,249</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

Water Utility Fund

Comparative Statement of Operations
for the Years Ending June 30, 1979 and June 30, 1980

| | June 30, 1980 | June 30, 1979 |
|--|----------------|-----------------|
| <u>Operating Revenues:</u> | | |
| Water Sales | 618,898 | 577,067 |
| Service Connects and Misc. | 43,345 | 43,511 |
| Sales of Construction Services | 25,128 | 16,192 |
| Less Cost of Construction | <u>25,128-</u> | <u>16,192-</u> |
| Engineering and Bldg. Inspect. Fees | 13,657 | - |
| Total Operating Revenue | <u>675,900</u> | <u>620,578</u> |
| <u>Operating Revenue Deductions:</u> | | |
| General System Maintenance | 185,292 | 158,479 |
| Treatment Plant Operation & Maint. | 183,938 | 212,931 |
| Reservoir Maintenance | 13,879 | 13,157 |
| Watershed Maintenance | 32,586 | 23,235 |
| Electricity for Pumping | 37,580 | 25,886 |
| Equipment Maintenance | 20,947 | 16,286 |
| Mapping Tools & Yard Maint. | 11,947 | 8,417 |
| Maintenance - Other | 5,969 | 8,466 |
| Fire Protection & Well Gauging | 1,345 | 1,605 |
| Meter Reading, Repair & Service Calls | 40,547 | 34,354 |
| Administration Fees to General Fund | 40,903 | 38,955 |
| Building Rent to Street Fund | 4,280 | 4,000 |
| Depreciation Expense | 45,483 | 43,463 |
| Engineering | 31,020 | - |
| Bio-Lab Operation | <u>16,800</u> | <u>-</u> |
| Total Operating Revenue Deductions | <u>672,516</u> | <u>589,234</u> |
| Net Operating Income (Loss) | 3,384 | 31,344 |
| <u>Non-Operating Income and Expense:</u> | | |
| Interest Income | - | 3,734 |
| Interest Expense on G.O. Bonds | 10,787- | 12,011- |
| Allowance for Uncollectible Accounts | - | 300- |
| Water System Study & Mapping | - | 40,975- |
| Transfer from Rev. Share Fund | <u>5,000</u> | <u>-</u> |
| Net Income (Loss) | <u>(2,403)</u> | <u>(18,208)</u> |

Note: Revenue Sharing Fund expenditures included above: \$10,780

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONWater Utility FundReconciliation of Difference between Exhibit C-3 and Exhibit C-4

| | | |
|---|-----------------|----------------|
| Revenues per Exhibit C-3 | 706,028 | |
| Less Expenditures per Exhibit C-3 | <u>700,251-</u> | |
| Increase in Surplus per Exhibit C-3 | | 5,777 |
| Add: | | |
| Bond Interest per Cash Basis | 11,370 | |
| Less Bond Interest per Accrual Basis | <u>10,787-</u> | 583 |
| Principal of Bonds Redeemed | | 35,000 |
| Cost of Equipment Purchased | | 26,154 |
| Transfer to East Side Water Construction Fund | | - |
| Deduct: | | |
| Allowance for Uncollectible Accounts Increase | | - |
| Depreciation Expense | | 45,483- |
| Decrease in Work in Progress | | <u>24,434-</u> |
| Net Loss per Exhibit C-4 | | <u>(2,403)</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONWater Utility FundStatement of Changes in Cash Position
for the Year Ended June 30, 1980

| | | |
|--|---------------|------------------|
| Cash Funds were Provided by: | | |
| Net Income (Loss) per Exhibit C-4 | (2,403) | |
| Plus Non-cash Expense - Depreciation | <u>45,483</u> | 43,080 |
| Decrease in Work in Progress | | 24,434 |
| Decrease in Accounts Receivable | | 2,382 |
| Increase in Accounts Payable | | <u>3,332</u> |
| Total Cash Funds Provided | | 73,228 |
| Cash Funds were Applied to: | | |
| Purchase of Equipment | 26,154 | |
| Retirement of General Obligation Bonds | <u>35,000</u> | |
| Total Cash Funds Applied | | <u>61,154</u> |
| Increase in Cash Funds During the Year | | 12,074 |
| Cash Balance July 1, 1979 (deficit) | | (121,509) |
| Cash Balance June 30, 1980 (deficit) | | <u>(109,435)</u> |
| <u>Reconciliation:</u> | | |
| Due Other Funds for Cash Advanced at June 30, 1980 | | (109,435) |
| Total as Above | | <u>(109,435)</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONSanitary Sewers and Treatment Plant FundBalance Sheet as of June 30, 1980ASSETSCurrent Assets:

| | | |
|--|---------------|----------------|
| Cash on hand and in banks | | 28,798 |
| Accounts receivable | 20,106 | |
| Less estimated amount uncollectible | <u>2,011-</u> | 18,095 |
| Due from Other Funds for cash advanced | | <u>200,000</u> |
| Total Current Assets | | 246,893 |

Utility Plant in Service:

| | | |
|----------------------------------|-----------------|------------------|
| Buildings - Treatment Plant | 1,393,636 | |
| Less: Allowance for Depreciation | <u>269,624-</u> | 1,124,012 |
| Machinery and Equipment | 306,114 | |
| Less: Allowance for Depreciation | <u>71,386-</u> | 234,728 |
| Total Utility Plant in Service | | <u>1,358,740</u> |
| <u>TOTAL ASSETS</u> | | <u>1,605,633</u> |

LIABILITIES, CONTRIBUTIONS AND RETAINED EARNINGSCurrent Liabilities:

| | | |
|--|------------|-----|
| Accounts payable | - | |
| Accrued interest payable on G.O. Bonds | <u>523</u> | |
| Total Current Liabilities | | 523 |

Other Liabilities:

| | | |
|----------------------------------|--|---------------|
| General Obligation Bonds Payable | | <u>22,000</u> |
| Total Liabilities | | 22,523 |

Contributions:

| | | |
|--------------------------------------|--|---------|
| Contributions from U.S.A. and Oregon | | 913,183 |
|--------------------------------------|--|---------|

Retained Earnings - Exhibit D-2669,927TOTAL LIABILITIES, CONTRIBUTIONS
AND RETAINED EARNINGS1,605,633

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

SANITARY SEWERS AND TREATMENT PLANT FUND

Analysis of Changes in Retained Earnings
for the Years Ended June 30, 1979 and June 30, 1980

| | |
|---|-----------------------|
| Balance in Retained Earnings, June 30, 1978 | 471,859 |
| Add: | |
| Transfer from Sewage Treatment Reserve Fund | 150,000 |
| Net income for the year 1978-79 (Exhibit D-4) | <u>61,026</u> |
| Balance in Retained Earnings, June 30, 1979 | <u>682,885</u> |
| Less: | |
| Net loss for the year 1979-80 (Exhibit D-4) | 12,957- |
| Adjust for rounding | <u>1-</u> |
| Balance in Retained Earnings June 30, 1980 | <u><u>669,927</u></u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONSANITARY SEWERS AND TREATMENT PLANT FUNDStatement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|----------------|----------------|--|
| Beginning Balance | <u>153,000</u> | <u>215,968</u> | <u>62,968</u> |
| Revenues: | | | |
| Misc. sales and services | 3,000 | 6,630 | 3,630 |
| Sewer connection fees | 32,000 | 21,570 | (10,430) |
| Customer service charges | 310,000 | 355,992 | 45,992 |
| Interest on savings | 2,000 | 8,967 | 6,967 |
| Main extensions | 10,000 | 13,927 | 3,927 |
| Interdepartmental revenue | 28,000 | 62,032 | 34,032 |
| Engineering and Bldg. Inspect Fees | <u>10,000</u> | <u>13,658</u> | <u>3,658</u> |
| Total Revenues | <u>395,000</u> | <u>482,776</u> | <u>87,776</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>548,000</u> | <u>698,744</u> | <u>150,744</u> |
| Expenditures | | | |
| Personal Services | 266,248 | 259,722 | 6,526 |
| Supplies and Maintenance | 82,350 | 75,471 | 6,879 |
| Debt Service | 11,300 | 11,283 | 17 |
| Transfers Out | 88,358 | 80,190 | 8,168 |
| Capital Outlay | 95,288 | 24,933 | 70,355 |
| Contingencies & Balance | <u>4,456</u> | <u>-</u> | <u>4,456</u> |
| <u>TOTAL EXPENDITURES</u> | <u>548,000</u> | <u>451,599</u> | <u>96,401</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONSANITARY SEWERS AND TREATMENT PLANT FUNDComparative Statement of Operations
for the Years Ending June 30, 1980 and June 30, 1979

| | <u>June 30, 1980</u> | <u>June 30, 1979</u> |
|--|----------------------|----------------------|
| <u>Operating Revenues:</u> | | |
| Sewer Service Charge | 355,992 | 309,551 |
| Sewer Connection Fees | 21,570 | 56,685 |
| Misc. Sales and Services | 82,590 | 110,019 |
| Engineering and Bldg. Inspect Fees | <u>13,657</u> | <u>-</u> |
| Total Operating Revenues | <u>473,809</u> | <u>476,255</u> |
| <u>Operating Revenue Deductions:</u> | | |
| Personal Services | 259,722 | 224,605 |
| Supplies and Maintenance | 75,471 | 83,687 |
| Administration Fee - General Fund | 28,048 | 26,712 |
| Street Fund Maintenance Charges | 16,842 | 13,196 |
| Major Repairs and Replacements | 29,106 | 24,869 |
| Depreciation Expense | 49,709 | 41,805 |
| Street Fund Building Rental | 4,280 | 4,000 |
| Engineering Services | <u>31,020</u> | <u>-</u> |
| Total Operating Revenue Deductions | <u>494,198</u> | <u>418,874</u> |
| Net Operating Income (Loss) | (20,389) | 57,381 |
| <u>Non-Operating Income and Expense:</u> | | |
| Interest Income | 8,967 | 5,020 |
| Interest Expense on Bonds | 1,283- | 1,283- |
| Allowance for Uncollectible Accounts | <u>252-</u> | <u>.92-</u> |
| Net Income (Loss) | <u>(12,957)</u> | <u>61,026</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

SANITARY SEWERS AND TREATMENT PLANT FUND

Reconciliation of Difference between Exhibit D-3 and Exhibit D-4

| | | |
|--|-----------------|-----------------|
| Revenues per Exhibit D-3 | 482,776 | |
| Less: Expenditures per Exhibit D-3 | <u>451,599-</u> | |
| Increase in Surplus per Exhibit D-3 | | 31,177 |
| Add: | | |
| Principal of bonds redeemed | | 10,000 |
| Cost of equipment purchased | | <u>4,120</u> |
| Deduct: | | |
| Depreciation expense | | 49,709- |
| Increase in allowance for uncollectible accounts | | 252- |
| Accounts Payable Adjustment | | <u>8,293-</u> |
| Net Income per Exhibit D-4 | | <u>(12,957)</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONSANITARY SEWERS AND TREATMENT PLANT FUNDStatement of Changes in Cash Position
for the Year Ended June 30, 1980Cash Funds were Provided by:

| | | |
|---------------------------------------|----------|--------|
| Net Income (Loss) per Exhibit D-4 | (12,957) | |
| Plus non-cash expenses - Depreciation | 49,709 | |
| Uncollectible Accounts | 252 | |
| Cash Provided from Operations | 37,004 | |
| Rounding | 1 | |
| Total Cash Funds Provided | | 37,005 |

Cash Funds were Applied to:

| | | |
|--|---------|----------|
| Decrease in Accounts Payable | 154,994 | |
| Increase in Accounts Receivable | 2,524 | |
| Retirement of General Obligation Bonds | 10,000 | |
| Purchase of Equipment (net) | 4,120 | |
| Total Cash Funds Applied | | 171,638- |
| Decrease in Cash Funds during the year | | 134,633- |
| Cash Balance July 1, 1979 | | 363,431 |
| Cash Balance June 30, 1980 | | 228,798 |

Summary per Exhibit D-1

| | |
|--|---------|
| Cash on hand and in banks | 28,798 |
| Due from Other Funds for cash advanced | 200,000 |
| Total as Above | 228,798 |

"See Auditor's Comments and Notes to Financial Statements"

BONDED DEBT (DEBT SERVICE) FUND

The Bonded Debt (Debt Service) Fund provides for the payment of principal and interest on general obligation Library Bonds and the State Office Building Revenue Bonds.

Bonded debt issued for the water, sewer, and special assessment funds are a liability of those respective funds and serviced by them. The principal sources of revenue for the Debt Service Fund are property taxes transferred from the General Fund and rental revenues from the State Office Building.

CITY OF THE DALLES, OREGON

DEBT SERVICE FUND

Balance Sheet as of June 30, 1980

ASSETS

| | |
|---|---------------|
| Amount Available for Debt Service (Cash with Oregon Bank, Trustee) | 39,452 |
| <u>Total Assets</u> | <u>39,452</u> |

LIABILITIES, RESERVES AND SURPLUS

| | | |
|---------------------------------------|-----------------|---------------|
| Reserve for Debt Service: | | |
| Revenues (see below) | 168,188 | |
| Expenditures (see below) | <u>128,736-</u> | |
| <u>Total Reserve for Debt Service</u> | | <u>39,452</u> |

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates
for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|---------------|----------------|--|
| Beginning Balance | -- -- | -- -- | -- -- |
| Revenues: | | | |
| Transfer from the General Fund | - | 15,652 | 15,652 |
| State Office Building Rents | - | 104,718 | 104,718 |
| Interest Income | - | 6,874 | 6,874 |
| Transfer from State Office Building Construction Fund | <u>-</u> | <u>40,944</u> | <u>40,944</u> |
| Total Revenues | <u>-</u> | <u>168,188</u> | <u>168,188</u> |
| <u>Total Revenues and Beginning Balance</u> | <u>-</u> | <u>168,188</u> | <u>168,188</u> |
| Expenditures: | | | |
| Debt Service: | | | |
| Principal retirement | - | 68,000 | (68,000) |
| Interest charges | - | 59,560 | (59,560) |
| Trustee Fees | <u>-</u> | <u>1,176</u> | <u>(1,176)</u> |
| Total Expenditures | <u>-</u> | <u>128,736</u> | <u>128,736</u> |

"See Auditor's Comments and Notes to Financial Statements"

SPECIAL REVENUE FUNDS

These funds account for revenue derived from specific tax or other earmarked revenue sources, including state gas tax, grants and funds set aside to finance particular functions or activities. Funds included in the special revenue category follow:

- . Street & Storm Sewers Fund
- . Revenue Sharing Fund
- . Airport Fund
- . Parks and Recreation Fund
- . Special Sewer Fund
- . Parks and Recreation Special Fund
- . Ambulance Special Fund
- . Fire Equipment Special Fund
- . Public Works Equipment Special Fund
- . Civic Center Special Fund
- . Water Utility Capital Reserve Fund
- . Sewage Treatment Building Conversion and Reserve Fund
- . Unemployment Insurance Reserve Fund
- . LCDC Grant Fund
- . Tourist Promotion Fund

CITY OF THE DALLES, OREGON

STREET AND STORM SEWERS FUND
(Also State Tax Street Fund)

Balance Sheet as of June 30, 1980

ASSETS

| | | |
|--|---------------|---------------|
| Accounts receivable - miscellaneous | 2,490 | |
| Work in progress - 1980 paving program | <u>50,952</u> | |
| <u>TOTAL ASSETS</u> | | <u>53,442</u> |

LIABILITIES, RESERVES AND SURPLUS

| | | |
|--|---------------|-----------------|
| <u>Liabilities:</u> | | |
| Accounts payable and Encumbrances | 20,422 | |
| Due Other Funds for cash advanced | <u>65,756</u> | 86,178 |
| <u>Reserves:</u> | | None |
| <u>Surplus: (Fund Balance)</u> | | |
| Surplus (Fund Balance) Exhibit F-2 (deficit) | | <u>(32,736)</u> |
| <u>TOTAL LIABILITIES, RESERVES AND SURPLUS</u> | | <u>53,442</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONSTREET AND STORM SEWERS FUND
(Also State Tax Street Fund)Statement of Changes in Surplus
for the Year Ended June 30, 1980

| | | |
|---|-----------------|-----------------|
| Surplus or Fund Balance as of July 1, 1979 (deficit) | | (25,684) |
| Deduct: Excess of expenditures over revenues | | |
| Revenues - see below | 484,443 | |
| Expenditures - Exhibit F-3 | <u>523,143-</u> | 38,700- |
| Add: Increase in work in progress | | <u>31,648</u> |
| Surplus or Fund Balance as of June 30, 1980 (deficit) | | <u>(32,736)</u> |

Statement of Revenues and Beginning Balance Compared
with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|----------------|-----------------|--|
| Beginning Balance | <u>30,000</u> | <u>(25,684)</u> | <u>(55,684)</u> |
| Revenues: | | | |
| State Motor Vehicle Fund | 145,850 | 153,943 | 8,093 |
| Miscellaneous sales and service | 2,000 | 4,652 | 2,652 |
| Inter-Departmental revenue | 65,000 | 32,063 | (32,937) |
| Interest on savings | 1,000 | - | (1,000) |
| Received from Water Fund | 4,280 | 4,280 | - |
| Received from Sewer Fund | 4,280 | 4,280 | - |
| Received from Improvement Fund | 65,000 | 54,424 | (10,576) |
| Received from Engineering and Bldg. Inspection Fees | 10,000 | 13,658 | 3,658 |
| Received from Special Sewer Fund | 10,000 | 7,903 | (2,097) |
| Received from Revenue Sharing | 165,000 | 159,059 | (5,941) |
| Received from Equipment Reserve Fund | 50,000 | 42,000 | (8,000) |
| Fuel License Tax | - | 8,181 | 8,181 |
| Total Revenues | <u>522,410</u> | <u>484,443</u> | <u>(37,967)</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>552,410</u> | <u>458,759</u> | <u>(93,651)</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

STREET AND STORM SEWERS FUND
(Also State Tax Street Fund)

Statement of Expenditures Compared with Budget Estimates
as of June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---------------------------|----------------|-------------------|--|
| Personal Services | 222,394 | 207,928 | 14,466 |
| Supplies and Maintenance | 217,130 | 239,616 | (22,486) |
| Transfers Out | 50,710 | 25,710 | 25,000 |
| Capital Outlay | 62,000 | 49,889 | 12,111 |
| Contingencies and Balance | <u>176</u> | <u> </u> | <u>176</u> |
| <u>TOTAL EXPENDITURES</u> | <u>552,410</u> | <u>523,143</u> | <u>29,267</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONREVENUE SHARING FUNDBalance Sheet as of June 30, 1980ASSETS

| | | |
|--|--------------|--------------|
| Cash on hand and in banks | 329 | |
| Due from other Funds for cash advanced | <u>5,000</u> | |
| <u>TOTAL ASSETS</u> | | <u>5,329</u> |

LIABILITIES, RESERVES AND SURPLUS

| | | |
|--|--------------|--------------|
| Accounts payable | - | |
| Reserved for 1980-81 Expenditures (Deficit) | <u>5,329</u> | |
| <u>TOTAL LIABILITIES, RESERVES AND SURPLUS</u> | | <u>5,329</u> |

Note: This fund was set up to keep separate the moneys received from the U.S.A. as part of their "Revenue Sharing" program.

Statement of Changes in Reserves
for the Year Ended June 30, 1980

| | | |
|--|----------------|------------------|
| Reserve balance at July 1, 1979 | | 118,034 |
| Plus revenues (Exhibit G-2) | 231,690 | |
| Less expenditures (Exhibit G-2) | <u>344,395</u> | <u>(112,705)</u> |
| Reserve balance at June 30, 1980 (deficit) | | <u>5,329</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONREVENUE SHARING FUNDStatement of Revenues, Expenditures and Beginning Balance Compared
with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|----------------|----------------|--|
| Beginning Balance | <u>285,000</u> | <u>118,034</u> | <u>(166,966)</u> |
| <u>Revenues:</u> | | | |
| Grants from U.S.A. | 200,000 | 229,730 | 29,730 |
| Interest income | <u>20,000</u> | <u>1,960</u> | <u>(18,040)</u> |
| Total Revenues | <u>220,000</u> | <u>231,690</u> | <u>11,690</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>505,000</u> | <u>349,724</u> | <u>(155,276)</u> |
| <u>Expenditures:</u> | | | |
| Parks & Recreation | 18,000 | 18,000 | - |
| Library | 9,500 | 9,500 | - |
| Water Department | 10,000 | 5,000 | 5,000 |
| Street Department | 165,000 | 167,353 | (2,353) |
| Airport | 5,300 | 5,300 | - |
| Miscellaneous Projects (See below) | 67,134 | 24,210 | 42,924 |
| Transfer to General Fund | <u>230,066</u> | <u>115,032</u> | <u>115,034</u> |
| <u>TOTAL EXPENDITURES</u> | <u>505,000</u> | <u>344,395</u> | <u>160,605</u> |
| <u>Miscellaneous Projects Details:</u> | | | |
| City Hall remodeling | | 6,932 | |
| Microfilming | | 892 | |
| Survey markers (Monumentation) | | <u>16,386</u> | |
| Total as above | | <u>24,210</u> | |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

AIRPORT FUND

Balance Sheet as of June 30, 1980

ASSETS

| | | |
|-------------------------------------|---------------|---------------|
| Cash on hand and in banks | 12,073 | |
| Accounts receivable - miscellaneous | <u>12,667</u> | |
| <u>TOTAL ASSETS</u> | | <u>24,740</u> |

LIABILITIES, RESERVES AND SURPLUS

Liabilities:

| | |
|------------------|------|
| Accounts payable | None |
|------------------|------|

Reserves:

None

Surplus:

| | | |
|--|----------------|---------------|
| Surplus or Fund Balance July 1, 1979 | 20,508 | |
| Less excess of expenditures over revenues: | | |
| Revenues, Exhibit H-2 | 32,926 | |
| Expenditures, Exhibit H-2 | <u>28,694-</u> | <u>4,232</u> |
| Surplus or Fund Balance June 30, 1980 | | <u>24,740</u> |
| <u>TOTAL LIABILITIES, RESERVES AND SURPLUS</u> | | <u>24,740</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONAIRPORT FUNDStatement of Revenues, Expenditures and Beginning Balance Compared
with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------|---------------|--|
| Beginning Balance | <u>6,000</u> | <u>20,508</u> | <u>14,508</u> |
| Revenues: | | | |
| Rental receipts | 5,000 | 5,606 | 606 |
| Agricultural income | - | 475 | 475 |
| Sale of gasoline | 2,500 | 2,615 | 115 |
| Interest on savings | 100 | 943 | 843 |
| Revenue Sharing transfer | 5,300 | 5,300 | - |
| Transfer from General Fund | 2,700 | 2,700 | - |
| Federal - State Grants | - | 15,287 | 15,287 |
| Total Revenues | <u>15,600</u> | <u>32,926</u> | <u>17,326</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>21,600</u> | <u>53,434</u> | <u>31,834</u> |
| Expenditures: | | | |
| Personal Services | 350 | - | 350 |
| Supplies and Maintenance | 10,050 | 7,640 | 2,410 |
| Capital Outlay | 9,700 | 21,054 | (11,354) |
| Contingency | 1,500 | - | 1,500 |
| <u>TOTAL EXPENDITURES</u> | <u>21,600</u> | <u>28,694</u> | <u>(7,094)</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

PARKS AND RECREATION FUND

Balance Sheet as of June 30, 1980

ASSETS

| | |
|--|---------------|
| Cash on hand and in banks | 36,577 |
| Accounts receivable - miscellaneous | 20 |
| Taxes receivable, Schedule B | 20,753 |
| Due from other funds for cash advanced | <u>50,000</u> |

| | |
|---------------------|----------------|
| <u>TOTAL ASSETS</u> | <u>107,350</u> |
|---------------------|----------------|

LIABILITIES, RESERVES AND SURPLUS

Liabilities:

| | |
|------------------|----|
| Accounts payable | 60 |
|------------------|----|

Reserves:

| | |
|------------------------------|--------|
| Reserve for taxes receivable | 20,753 |
|------------------------------|--------|

Surplus:

| | |
|--------------------------------------|-----------------|
| Surplus or Fund Balance July 1, 1979 | 50,045 |
| Revenues, Exhibit I-2 | 177,039 |
| Expenditures, Exhibit I-2 | <u>140,547-</u> |
| | <u>36,492</u> |

| | |
|--|---------------|
| Surplus or Fund Balance at June 30, 1980 (Deficit) | <u>86,537</u> |
|--|---------------|

| | |
|--|----------------|
| <u>TOTAL LIABILITIES, RESERVES AND SURPLUS</u> | <u>107,350</u> |
|--|----------------|

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONPARKS AND RECREATION FUNDStatement of Revenues, Expenditures and Beginning Balance Compared
with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|----------------|----------------|--|
| Beginning Balance | <u>-</u> | <u>50,045</u> | <u>50,045</u> |
| Revenues: | | | |
| Current taxes | 125,833 | 122,712 | (3,121) |
| Back tax and interest | 3,000 | 12,050 | 9,050 |
| County share of recreation | 6,000 | 6,000 | - |
| Natatorium fees | 7,000 | 13,712 | 6,712 |
| Civic Auditorium rental & miscellaneous | 1,000 | 667 | (333) |
| Interest income | - | 2,850 | 2,850 |
| Gifts and Misc. Revenue | - | 1,048 | 1,048 |
| Revenue Sharing Transfer | <u>18,000</u> | <u>18,000</u> | <u>-</u> |
| Total Revenues | <u>160,833</u> | <u>177,039</u> | <u>16,206</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>160,833</u> | <u>227,084</u> | <u>66,251</u> |
| Expenditures: | | | |
| Personal Services | 98,221 | 83,694 | 14,527 |
| Supplies and Maintenance | 45,050 | 43,727 | 1,323 |
| Capital Outlay | <u>17,562</u> | <u>13,126</u> | <u>4,436</u> |
| <u>TOTAL EXPENDITURES</u> | <u>160,833</u> | <u>140,547</u> | <u>20,286</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

SPECIAL SEWER FUND

Balance Sheet as of June 30, 1980

ASSETS

| | | |
|--|---------------|---------------|
| Cash on hand and in banks | 6,893 | |
| Due from other funds for cash advanced | <u>30,000</u> | |
| <u>TOTAL ASSETS</u> | | <u>36,893</u> |

RESERVES

| | | |
|--|---------------|---------------|
| Reserve for sewer construction at July 1, 1979 | 43,901 | |
| Plus revenues (see below) | 1,686 | |
| Less expenditures (see below) | <u>8,694-</u> | <u>36,893</u> |
| <u>TOTAL RESERVES</u> | | <u>36,893</u> |

Note: This fund was set up as a result of a special election held in May, 1964, in which the voters of the City of The Dalles authorized a special tax levy of \$18,000 annually for ten years beginning in 1964-65, for the purpose of providing money to be used for the construction, improvement and maintenance of the sewer system in the City of The Dalles. 1973-74 was the last year of this Special Levy, and all uncollected taxes have now been collected or written off by the County Sheriff.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u> |
|---|---------------|---------------|---|
| Beginning Balance | <u>48,000</u> | <u>43,901</u> | <u>(4,099)</u> |
| Revenues: Interest on savings | <u>3,500</u> | <u>1,686</u> | <u>(1,814)</u> |
| Total Revenues | <u>3,500</u> | <u>1,686</u> | <u>(1,814)</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>51,500</u> | <u>45,587</u> | <u>(5,913)</u> |
| Expenditures: | | | |
| Major repairs and replacements | <u>51,500</u> | <u>8,694</u> | <u>42,806</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONPARKS AND RECREATION SPECIAL FUNDBalance Sheet as of June 30, 1980ASSETS

| | |
|---------------------------|--------------|
| Cash on hand and in banks | <u>5,999</u> |
| <u>TOTAL ASSETS</u> | <u>5,999</u> |

RESERVES

Reserve for future park acquisition:

| | |
|-------------------------------|----------|
| Reserve balance July 1, 1979 | 5,233 |
| Plus revenues (see below) | 766 |
| Less expenditures (see below) | <u>-</u> |

| | |
|-------------------------------|--------------|
| Reserve balance June 30, 1980 | <u>5,999</u> |
|-------------------------------|--------------|

| | |
|-----------------------|--------------|
| <u>TOTAL RESERVES</u> | <u>5,999</u> |
|-----------------------|--------------|

Note: This fund was set up in February, 1964, under O.R.S. 280.100 for a ten-year period from the date of the first deposit (1/31/64), to hold funds received as payments in lieu of the dedication of land for park and recreation purposes, pursuant to city ordinances relating to new sub-divisions. Moneys are to be used to acquire and develop park and recreation facilities in the City of The Dalles as directed by the Council. The ten-year life of this fund expired 1/31/74, and a new ten-year fund was established October 21, 1974 to continue the accumulation of money to acquire and develop park and recreation facilities until February 4, 1984.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------|---------------|--|
| Beginning Balance | <u>5,000</u> | <u>5,233</u> | <u>233</u> |
| <u>Revenues:</u> | | | |
| Payments in lieu of dedication | | | |
| real property | 1,000 | 117 | (883) |
| Interest income | <u>300</u> | <u>649</u> | <u>349</u> |
| Total Revenues | <u>1,300</u> | <u>766</u> | <u>(534)</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>6,300</u> | <u>5,999</u> | <u>(301)</u> |
| <u>Expenditures:</u> | | | |
| Reserve for Capital Outlay | <u>6,300</u> | <u>-</u> | <u>6,300</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

AMBULANCE SPECIAL FUND

Balance Sheet as of June 30, 1980

ASSETS

| | |
|--|---------------|
| Cash on hand and in banks | 543 |
| Due from Other Funds for Cash Advanced | <u>19,000</u> |
| <u>TOTAL ASSETS</u> | <u>19,543</u> |

RESERVES

Reserve for future ambulance replacement:

| | |
|-------------------------------|----------------|
| Reserve balance July 1, 1979 | 32,395 |
| Plus revenues (see below) | 8,902 |
| Less expenditures (see below) | <u>21,754-</u> |
| Reserve balance June 30, 1980 | <u>19,543</u> |
| <u>TOTAL RESERVES</u> | <u>19,543</u> |

Note: This fund was set up in September, 1961, under O.R.S. 280.100 for a ten-year period from the date of the first deposit (Jan. 1962), to make funds available to replace or add to the City's ambulance equipment. As determined by Council, net receipts from the operation of the ambulance are to be deposited in this fund, either annually or semi-annually. As the ten-year life of this fund expired in January 1972, a new ten-year fund was established July 1, 1972 to continue the accumulation of money for the replacement of ambulance and equipment. A new ambulance was purchased in 1979-80.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|---------------|---------------|--|
| Beginning Balance | <u>30,000</u> | <u>32,395</u> | <u>2,395</u> |
| Revenues: | | | |
| Sale of ambulance | 500 | 900 | 400 |
| General fund transfer | 5,000 | 5,000 | - |
| Interest on savings | <u>1,000</u> | <u>3,002</u> | <u>2,002</u> |
| Total Revenues | <u>6,500</u> | <u>8,902</u> | <u>2,402</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>36,500</u> | <u>41,297</u> | <u>4,797</u> |
| Expenditures: | | | |
| Reserve for purchase of ambulance and equipment | <u>36,500</u> | <u>21,754</u> | <u>14,746</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONFIRE EQUIPMENT SPECIAL FUNDBalance Sheet as of June 30, 1980ASSETS

| | | |
|--|---------------|---------------|
| Cash on hand and in banks | 2,390 | |
| Due from Other Funds for Cash Advanced | <u>40,000</u> | |
| <u>TOTAL ASSETS</u> | | <u>42,390</u> |

RESERVES

Reserved for fire equipment acquisition:

| | |
|-------------------------------|----------|
| Reserve balance July 1, 1979 | 33,030 |
| Plus revenues (see below) | 9,360 |
| Less expenditures (see below) | <u>-</u> |

Reserve balance June 30, 1980 42,390TOTAL RESERVES 42,390

Note: This fund was set up in November, 1966 under O.R.S. 280.100 for a period of ten years from July 1, 1966 to provide funds for replacing or adding to the fire department equipment. Deposits are to be made annually, to the extent funds are available, sufficient to cover reasonable depreciation charges for the preceding year. Funds previously set aside for this purpose were included in this fund. As the ten-year life of this fund expired during 1976-77, a new ten-year fund was established to continue the accumulation of money.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------|---------------|--|
| Beginning Balance | <u>30,000</u> | <u>33,030</u> | <u>3,030</u> |
| Revenues: | | | |
| Transfer from General Fund | 5,000 | 5,000 | - |
| Interest income | <u>1,000</u> | <u>4,360</u> | <u>3,360</u> |
| Total Revenues | <u>6,000</u> | <u>9,360</u> | <u>3,360</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>36,000</u> | <u>42,390</u> | <u>6,390</u> |
| Expenditures: | | | |
| Reserved for fire equipment | <u>36,000</u> | <u>-</u> | <u>36,000</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONPUBLIC WORKS EQUIPMENT SPECIAL FUNDBalance Sheet as of June 30, 1980ASSETS

| | |
|--|--------------|
| Cash on hand and in banks | 367 |
| Due from Other Funds for Cash Advanced | <u>8,000</u> |
| <u>TOTAL ASSETS</u> | <u>8,367</u> |

RESERVES

Reserve for equipment replacement:

| | |
|-------------------------------|----------------|
| Reserve balance July 1, 1979 | 44,862 |
| Plus revenues (see below) | 5,505 |
| Less expenditures (see below) | <u>42,000-</u> |

Reserve balance June 30, 1980 8,367TOTAL RESERVES 8,367

Note: This fund was set up in September, 1961 under O.R.S. 280.100 for a period of ten years from the date of the first deposit, to provide funds for replacement of public works equipment. Deposits are to be made annually to the extent funds are available, sufficient to cover reasonable depreciation charges for the previous year. As the ten-year life of this fund expired during 1971, a new ten-year fund was established July 1, 1972 to continue the accumulation of money for large equipment replacements.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------|---------------|--|
| Beginning Balance | <u>52,000</u> | <u>44,862</u> | <u>(7,138)</u> |
| Revenues: | | | |
| Public Works Fund transfer | 20,000 | - | (20,000) |
| Interest income | <u>3,000</u> | <u>5,505</u> | <u>2,505</u> |
| Total Revenues | <u>23,000</u> | <u>5,505</u> | <u>(17,495)</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>75,000</u> | <u>50,367</u> | <u>(24,633)</u> |
| Expenditures: | | | |
| Reserve for future expenses | <u>75,000</u> | <u>42,000</u> | <u>33,000</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONCIVIC CENTER SPECIAL FUNDBalance Sheet as of June 30, 1980ASSETS

| | | |
|--|---------------|---------------|
| Cash on hand and in banks | 480 | |
| Due from Other Funds for Cash Advanced | <u>89,000</u> | |
| <u>TOTAL ASSETS</u> | | <u>89,480</u> |

RESERVES

Reserve for Civic Center construction:

| | |
|-------------------------------|----------|
| Reserve balance July 1, 1979 | 79,700 |
| Plus revenues (see below) | 9,780 |
| Less expenditures (see below) | <u>-</u> |

Reserve balance June 30, 1980 89,480TOTAL RESERVES 89,480

Note: This fund was set up in December, 1967 under O.R.S. 280.100 for a period of ten years from July 1, 1967, to provide funds to establish, construct and equip a Civic Center. Deposits are to be made annually, to the extent funds are available for that purpose. As the ten-year life of this fund expired during 1976-77, a new ten-year fund was established to continue the accumulation of money.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------|---------------|---|
| Beginning Balance | <u>75,000</u> | <u>79,700</u> | <u>4,700</u> |
| Revenues: | | | |
| Interest | <u>4,500</u> | <u>9,780</u> | <u>5,280</u> |
| Total Revenues | <u>4,500</u> | <u>9,780</u> | <u>5,280</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>79,500</u> | <u>89,480</u> | <u>9,980</u> |
| Expenditures: | | | |
| Land and improvements | <u>79,500</u> | <u>-</u> | <u>79,500</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONWATER UTILITY CAPITAL RESERVE FUNDBalance Sheet as of June 30, 1980ASSETS

| | | |
|---------------------------|------------|---------------|
| Cash on hand and in banks | 32,492 | |
| Accounts receivable | <u>840</u> | |
| <u>TOTAL ASSETS</u> | | <u>33,332</u> |

LIABILITIES AND RESERVESLiabilities

| | | |
|--|-----------------|---------------|
| Accounts Payable and Encumbrances | 57,849 | |
| Reserved for replacement or addition to the water system: | | |
| Reserve balance July 1, 1979 | 112,575. | |
| Plus revenues (see below) | 20,560 | |
| Less expenditures (see below) | <u>157,652-</u> | |
| Reserve balance June 30, 1980 | (24,517) | |
| <u>TOTAL LIABILITIES AND RESERVES</u> | | <u>33,332</u> |

Note: This fund was set up on March 4, 1974 under O.R.S. 280.100 for a ten-year period beginning January 1, 1974 to hold funds received as capital payments under Section (6)h of City Ordinance No. 878, and additional sums as the council may elect. The funds are to be used for replacing or adding to the City's water supply, transmission and storage system and works. Costs of remodeling the Wicks Filter Plant has exhausted this fund.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|----------------|----------------|--|
| Beginning Balance | <u>105,000</u> | <u>112,575</u> | <u>7,575</u> |
| Revenues: | | | |
| Interest income | 6,000 | 5,090 | (910) |
| Capital payments - hook on charges | <u>10,000</u> | <u>15,470</u> | <u>5,470</u> |
| Total Revenues | <u>16,000</u> | <u>20,560</u> | <u>4,560</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>121,000</u> | <u>133,135</u> | <u>12,135</u> |
| Expenditures: | | | |
| Capital outlay | <u>121,000</u> | <u>157,652</u> | <u>(36,652)</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

SEWAGE TREATMENT BUILDING CONVERSION & RESERVE FUNDBalance Sheet as of June 30, 1980ASSETS

| | |
|--|---------------|
| Cash on hand and in banks | 196 |
| Due from Other Funds for Cash Advanced | <u>50,000</u> |
| <u>TOTAL ASSETS</u> | <u>50,196</u> |

RESERVES

| | |
|----------------------------------|---------------|
| Reserve for future construction: | |
| Reserve balance July 1, 1979 | 44,710 |
| Plus revenues (see below) | <u>5,486</u> |
| Reserve balance June 30, 1980 | <u>50,196</u> |
| <u>TOTAL RESERVES</u> | <u>50,196</u> |

Note: This fund was set up in 1974 as part of the Sewage Treatment Plant Conversion Construction Fund to accumulate funds for the extension of the sewer outfall. Funds were transferred from the Sewage Treatment Fund in 1973-74 and in 1975-76 but no transfers were made in 1974-75 and none since 1975-76. This fund has not been legally set up under O.R.S. 280.100. It is technically part of the Sewage Treatment Plant Fund surplus.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|----------------|---------------|--|
| Beginning Balance | <u>180,000</u> | <u>44,710</u> | (135,290) |
| Revenues: | | | |
| Interest income | <u>11,000</u> | <u>5,486</u> | (5,514) |
| Total Revenues | <u>11,000</u> | <u>5,486</u> | (5,514) |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>191,000</u> | <u>50,196</u> | (140,804) |
| Expenditures: | | | |
| Capital Outlay | <u>191,000</u> | <u>-</u> | <u>191,000</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONUNEMPLOYMENT INSURANCE RESERVE FUNDBalance Sheet as of June 30, 1980ASSETS

| | | |
|--|---------------|---------------|
| Cash on hand and in banks | 3,217 | |
| Due from Other Funds for Cash Advanced | <u>20,000</u> | |
| <u>TOTAL ASSETS</u> | | <u>23,217</u> |

RESERVES

| | | |
|--|---------------|---------------|
| Reserved for future unemployment claims: | | |
| Reserve balance July 1, 1979 | 26,075 | |
| Plus revenues (see below) | 1,028 | |
| Less expenditures (see below) | <u>3,886-</u> | |
| Reserve balance June 30, 1980 | <u>23,217</u> | |
| <u>TOTAL RESERVES</u> | | <u>23,217</u> |

Note: This fund was set up in 1974-75 to provide for possible claims against the City in accordance with a new state law subjecting municipalities to the provisions of the Unemployment Compensation Act. The City chose to reimburse the State for actual claims paid, instead of paying the tax based on gross payroll. Revenues are from transfers to this fund from other funds. The fund was formalized in November 1979 by City ordinance.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------|---------------|--|
| Beginning Balance | <u>27,000</u> | <u>26,075</u> | <u>(925)</u> |
| Revenues: | | | |
| Interest income | <u>120</u> | <u>1,028</u> | <u>908</u> |
| Total Revenues | <u>120</u> | <u>1,028</u> | <u>908</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>27,120</u> | <u>27,103</u> | <u>(17)</u> |
| Expenditures: | | | |
| Unemployment claims | <u>27,120</u> | <u>3,886</u> | <u>23,234</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

L. C. D. C. GRANT FUND

Balance Sheet as of June 30, 1980

ASSETS

| | |
|---------------------|------------|
| Cash in bank | -0- |
| <u>TOTAL ASSETS</u> | <u>-0-</u> |

LIABILITIES AND RESERVES

| | |
|---------------------------------------|---------------|
| Accounts payable | - |
| Reserve for Land use planning: | |
| Reserve balance July 1, 1980 | 2,621 |
| Revenues (see below) | - |
| Less expenditures (see below) | <u>2,621-</u> |
| Reserve balance June 30, 1980 | -0- |
| <u>TOTAL LIABILITIES AND RESERVES</u> | <u>-0-</u> |

Note: This fund was set up to account for the receipt and expenditure of grant funds from the Oregon Land Conservation and Development Commission. The grant is to be used for land use planning, as required by L.C.D.C. and was to be used before June 30, 1978. The total grant income was budgeted for expenditure in 1977-78 and was shown as received or receivable on the 1977-78 audit report. Due to personnel changes, all reports and expenditures were not made on time and the City lost \$1,375 of the grant. The final payment from L.C.D.C. was made in 1979-80 and the fund was closed out.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------|--------------|--|
| Beginning Balance | <u>1,774</u> | <u>2,621</u> | <u>847</u> |
| Receipts: | | | |
| L.C.D.C. Grant | - | - | - |
| Interest income | - | - | - |
| Total Receipts | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>TOTAL RECEIPTS AND BEGINNING BALANCE</u> | <u>1,774</u> | <u>2,621</u> | <u>847</u> |
| Disbursements: | | | |
| Materials & Services | <u>1,774</u> | <u>2,621</u> | <u>(847)</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONTOURIST PROMOTION FUNDBalance Sheet as of June 30, 1980ASSETS

| | |
|---------------------------|--------------|
| Cash on hand and in banks | <u>1,880</u> |
| <u>TOTAL ASSETS</u> | <u>1,880</u> |

RESERVES

| | |
|--------------------------------|---------------|
| Reserve for Tourist Promotion: | |
| Balance July 1, 1979 | 1,556 |
| Revenues (see below) | 5,366 |
| Less expenditures (see below) | <u>5,042-</u> |
| <u>TOTAL RESERVES</u> | <u>1,880</u> |

Note: This fund was set up under Ordinance No. 950, which provides for a 5% tax on transient room rentals. It is established to promote tourism in The Dalles; 7% of all moneys collected on the 5% transient room rental tax is to be transferred into this fund. The City has contracted with The Chamber of Commerce to do this tourist promotion, and the expenditures this year have been made to the Chamber.

Statement of Revenues, Expenditures and Beginning Balance
Compared with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------|---------------|--|
| Beginning Balance | -- -- | <u>1,556</u> | <u>1,556</u> |
| Revenues: | | | |
| Transfer from General Fund | 4,200 | 5,167 | 967 |
| Interest income | <u>-</u> | <u>199</u> | <u>199</u> |
| Total Revenues | <u>4,200</u> | <u>5,366</u> | <u>1,166</u> |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>4,200</u> | <u>6,922</u> | <u>2,722</u> |
| Expenditures: | | | |
| Tourist Promotion - Chamber of Commerce | <u>4,200</u> | <u>5,042</u> | <u>(842)</u> |

"See Auditor's Comments and Notes to Financial Statements"

SPECIAL ASSESSMENT FUND

This fund was established to account for the construction of improvements or provision of services which are to be paid for, wholly or in part, from special assessments levied against benefited property and to account for the payment of principal and interest on improvement bonds.

CITY OF THE DALLES, OREGONIMPROVEMENT FUNDBalance Sheet as of June 30, 1980ASSETS

| | | |
|--|---------|------------------|
| Accounts receivable - miscellaneous | | |
| Assessments receivable: | | 1,225 |
| Bonded | 643,888 | |
| Non-bonded | 103,267 | 747,155 |
| Work in progress - parking lots & mall | 113,720 | |
| Work in progress - East Side water | 164,616 | |
| Work in progress - streets & sidewalks | 11,142 | |
| Work in progress - sanitary sewers | - | 289,478 |
| <u>TOTAL ASSETS</u> | | <u>1,037,858</u> |

LIABILITIES AND SURPLUSLiabilities:

| | | |
|---|---------|------------------|
| Due to Other Funds | 199,434 | |
| Bonds payable, Schedule C | 8,000 | |
| Estimated assessments | 419,597 | |
| Total Liabilities | | 627,031 |
| <u>Surplus: (Fund Balance) July 1, 1979</u> | 313,317 | |
| Plus excess of revenues over expenditures as per Exhibit U-2 | 74,510 | |
| Surplus (Fund Balance) June 30, 1980 | | 387,827 |
| Surplus reserved for future parking lots | | 23,000 |
| <u>TOTAL LIABILITIES AND SURPLUS</u> | | <u>1,037,858</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONIMPROVEMENT FUNDStatement of Revenue and Expenditures
for the Year Ended June 30, 1980Revenue:

| | | |
|---|---------------|---------|
| Improvement projects assessed during year (final) | | 216,756 |
| Improvement projects billed during year | | - |
| City's share of improvements: | | |
| Water mains | 4,866 | |
| Sanitary sewers | 7,794 | |
| Storm sewers | <u>8,610</u> | 21,270 |
| Interest Income: | | |
| Bonded assessments | 47,007 | |
| Non-bonded assessments | 16,598 | |
| Time deposits | <u>16,912</u> | 80,517 |
| <u>TOTAL REVENUE</u> | | 318,543 |

Expenditures:

| | | |
|--------------------------------------|----------------|---------------|
| Improvement Costs: | | |
| Public Works Fund | 54,424 | |
| Water Fund | 16,685 | |
| Engineering, etc. | 16,611 | |
| Sewage Treatment Fund | 13,927 | |
| Contractors | <u>136,379</u> | 238,026 |
| Interest Expense: | | |
| Matured bond coupons | 586 | |
| Warrants | <u>-</u> | 586 |
| Accounting and auditing | 4,000 | |
| Notices and publications | <u>1,421</u> | 5,421 |
| <u>TOTAL EXPENDITURES</u> | | 244,033 |
| Excess of Revenues over Expenditures | | <u>74,510</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

IMPROVEMENT FUND

Statement of Receipts, Disbursements and Beginning Balance Compared
with Budget Estimates for the Year Ended June 30, 1980

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|----------------|----------------|--|
| Beginning Balance | <u>264,514</u> | <u>313,317</u> | <u>48,803</u> |
| Receipts: | | | |
| Principal, non-bonded assessments | 30,000 | 49,919 | 19,919 |
| Interest, non-bonded assessments | 1,500 | 16,598 | 15,098 |
| Principal, bonded assessments | 100,000 | 120,080 | 20,080 |
| Interest, bonded assessments | 35,000 | 47,007 | 12,007 |
| Interest on savings | 12,000 | 16,912 | 4,912 |
| Transfer from Other Funds | 3,000 | 21,270 | 18,270 |
| Federal - State Grants | - | - | |
| Warrants issued | - | - | |
| Total Receipts | <u>181,500</u> | <u>271,786</u> | <u>90,286</u> |
| <u>TOTAL RECEIPTS AND BEGINNING BALANCE</u> | <u>446,014</u> | <u>585,103</u> | <u>139,089</u> |
| Disbursements: | | | |
| Administration expense | 7,000 | 5,421 | 1,579 |
| Interest on bonds | 1,870 | 586 | 1,284 |
| Principal on bonds | 15,000 | 5,000 | 10,000 |
| Interest on warrants | 15,000 | - | 15,000 |
| Principal on warrants | <u>287,144</u> | <u>-</u> | <u>287,144</u> |
| Total Debt Service and Administration | <u>326,014</u> | <u>11,007</u> | <u>315,007</u> |
| Engineering service | 10,000 | 16,550 | (6,550) |
| Street and storm sewer construction | 50,000 | 54,424 | (4,424) |
| Sewer improvements | 30,000 | 21,990 | 8,010 |
| Sidewalk improvements | 30,000 | 47,077 | (17,077) |
| Water improvements | <u>-</u> | <u>16,685</u> | <u>(16,685)</u> |
| Total Improvements | <u>120,000</u> | <u>156,726</u> | <u>(36,726)</u> |
| <u>TOTAL DISBURSEMENTS</u> | <u>446,014</u> | <u>167,733</u> | <u>278,281</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONIMPROVEMENT FUND

Reconciliation of Differences between the Excess of Revenues
Over Expenditures as per Exhibit U-2 and Receipts and Disbursements
as per Exhibit U-3 - Reconcile Cash with Accrual Basis

| | | |
|--|-----------------|---------------|
| Total Receipts as per Exhibit U-3 | 271,786 | |
| Total Disbursements as per Exhibit U-3 | <u>167,733-</u> | |
| Excess of Receipts over Disbursements | | 104,053 |
| <u>Deduct:</u> | | |
| Current year project costs | 156,726 | |
| Less costs allocated to current year assessments | <u>238,026-</u> | 81,300- |
| <u>Add:</u> | | |
| Bonds Redeemed | | 5,000 |
| Current year assessments and billings | 238,026 | |
| Less current year collections | <u>191,269-</u> | <u>46,757</u> |
| Excess of Revenues over Expenditures as per Exhibit U-2 | | <u>74,510</u> |

"See Auditor's Comments and Notes to Financial Statements"

CAPITAL PROJECTS FUNDS

Capital projects funds account for the acquisition and use of resources for the construction or purchase of major, long-lived assets. The principal source of revenues is from revenue bonds. The construction funds are listed below:

- . State Office Building Construction Fund
- . Eastside Water Construction Fund

CITY OF THE DALLES, OREGONState Office Building Construction FundBalance Sheet as of June 30, 1980ASSETS

| | | |
|-------------------------------|-------|-------------|
| Cash with Oregon Bank Trustee | - | |
| Cash in State Investment Pool | - | |
| Accrued interest receivable | - | |
| Construction in progress | - | |
| | <hr/> | |
| <u>TOTAL ASSETS</u> | | <u>none</u> |

LIABILITIES AND RESERVES

| | | |
|--|-------|-------------|
| Accounts payable | - | |
| Bonds payable | - | |
| Contribution by General Fund toward redemption of bonds | - | |
| | <hr/> | |
| <u>TOTAL LIABILITIES AND RESERVES</u> | | <u>none</u> |

This fund was set up to account for the proceeds of \$1,150,000 in Revenue Bonds sold to finance construction of a State Office Building in The Dalles. The moneys are handled by the Oregon Bank as trustee for the City. The Building has been completed and occupied and this fund closed. Remaining cash has been transferred to the Debt Service Fund.

Statement of Revenues and Expenditures

| | Fiscal Year 1979-80 | Construction to date |
|------------------------------------|------------------------|-------------------------|
| <u>Revenues:</u> | | |
| Sale of Bonds | - | 1,150,000 |
| Interest earned on Investment Pool | - | 40,928 |
| | <hr/> | <hr/> |
| Total Revenues | - | 1,190,928 |
| | <hr/> | <hr/> |
| <u>Expenditures:</u> | | |
| Contractor | - | 965,406 |
| Architect | - | 74,192 |
| Legal and Administrative | - | 28,049 |
| Interest during Construction | - | 41,442 |
| Miscellaneous Construction Costs | 575 | 12,458 |
| | <hr/> | <hr/> |
| Total Expenditures | 575 | 1,121,547 |
| | <hr/> | <hr/> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGONEASTSIDE WATER CONSTRUCTION FUNDBalance Sheet as of June 30, 1980ASSETS

| | | |
|---------------------------|---------|----------------|
| Cash on hand and in banks | - | |
| Due from Improvement Fund | 164,616 | |
| <u>TOTAL ASSETS</u> | | <u>164,616</u> |

LIABILITIES AND RESERVES

| | | |
|---|------------|----------------|
| Warrants payable | - | |
| Accrued interest on warrants | - | |
| Due to other funds for cash advanced | 492,712 | |
| Total Liabilities | | 492,712 |
| Reserved for Water Main Construction: | | |
| Reserve balance July 1, 1979 | 546,367- | |
| Revenues (see below) | 1,289,297 | |
| Less warrants issued | 422,000- | |
| Less expenditures (see below) | 1,398,794- | |
| Plus warrants repaid | 749,768 | |
| Reserve balance June 30, 1980 (deficit) | | (328,096) |
| <u>TOTAL LIABILITIES AND RESERVES</u> | | <u>164,616</u> |

Statement of Revenues and Expenditures Cumulative to June 30, 1980

| | <u>Fiscal Year</u> <u>1979-80</u> | <u>Construction</u> <u>to date</u> |
|--------------------------|--------------------------------------|---------------------------------------|
| <u>Revenues:</u> | | |
| Federal - State Grants | 807,490 | 807,490 |
| City share | - | 20,000 |
| Property owner's share | 59,807 | 164,616 |
| Sale of warrants | 422,000 | 814,506 |
| Total Revenues | <u>1,289,297</u> | <u>1,806,612</u> |
| <u>Expenditures:</u> | | |
| Contractors | 547,979 | 1,026,678 |
| Engineering | 19,357 | 159,047 |
| Legal and Administrative | 573 | 3,756 |
| Right of Way Easements | - | 573 |
| Contingencies | 22,130 | 22,725 |
| Warrant interest | 58,987 | 107,423 |
| Repay warrants | 749,767 | 814,505 |
| Total Expenditures | <u>1,398,793</u> | <u>2,134,707</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

EASTSIDE WATER CONSTRUCTION FUND

Statement of Revenues, Expenditures and Beginning Balance Compared
with Budget Estimates for the Year Ended June 30, 1980

| | Budget | Actual | Variance Favorable (Unfavorable) |
|---|----------------|------------------|--|
| Beginning Balance | - | (546,367) | (546,367) |
| <u>Revenues:</u> | | | |
| Property owner's share | 95,000 | 59,807 | (35,193) |
| City share | 20,000 | - | (20,000) |
| Federal Grant | 400,000 | 807,490 | 407,490 |
| Sale of warrants | 200,000 | 422,000 | 222,000 |
| Other | 15,000 | - | (15,000) |
| Total Revenues | 730,000 | 1,289,297 | 559,297 |
| <u>TOTAL REVENUES AND BEGINNING BALANCE</u> | <u>730,000</u> | <u>742,930</u> | <u>12,930</u> |
| <u>Expenditures:</u> | | | |
| Contractual services | 300,000 | 547,979 | (247,979) |
| Engineering & Inspection | 55,000 | 19,357 | 35,643 |
| Administration and Legal | 15,000 | 573 | 14,427 |
| Easements | 1,000 | - | 1,000 |
| Project contingencies | 20,000 | 22,130 | (2,130) |
| Warrants and interest | 339,000 | 825,394 | (486,394) |
| <u>TOTAL EXPENDITURES</u> | <u>730,000</u> | <u>1,415,433</u> | <u>(685,433)</u> |

"See Auditor's Comments and Notes to Financial Statements"

NOTES TO FINANCIAL STATEMENTS

CITY OF THE DALLES, OREGON
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

The following is a summary of significant accounting policies utilized by the City in preparation of the accompanying financial statements:

Bases of Accounting

The following funds are maintained using the modified accrual basis of accounting:

- General Fund
- Special revenue funds
- Bonded Debt (Debt Service) Fund

Under such modified accrual basis of accounting, revenues are recorded as received in cash, except for revenues susceptible to accrual, and expenditures are recorded when the liability for them is incurred except for:

- Interfund transactions for services which are recorded on the accrual basis.

- Interest expense on general obligation bonds which is recorded on its due date.

- Earned but unpaid vacations which are recorded as expenditures when paid.

The following funds are accounted for utilizing the accrual basis of accounting:

- Enterprise funds
- Special assessment funds

Under the accrual basis of accounting, revenues are recorded at the time they are earned and expenditures are recorded at the time liabilities are incurred. The bases of accounting described above are in accordance with generally accepted accounting principles.

Investments

Investments are carried at cost, which approximates market.

CITY OF THE DALLES, OREGON
NOTES TO FINANCIAL STATEMENTS, Continued

1. Summary of Significant Accounting Policies, Continued:

Property Taxes Receivable

All uncollected property taxes are shown in the balance sheet as assets but are offset by a reserve and, accordingly, are not included in revenues.

Accounts and Loans Receivable and Federal and State Grants Receivable

Revenues which are susceptible to accrual in the general and special revenue funds include accounts receivable and federal and state grants receivable. These receivables are shown in the balance sheet as assets and are included in revenues. Federal and state grant revenues are recognized when the related reimbursable grant expenditures are incurred.

Inventory of Materials and Supplies

The City accounts for materials and supplies using the purchases method of accounting. Under this method, materials and supplies are expensed when purchased.

Enterprise Fund Fixed Assets

Fixed assets are capitalized at cost. Depreciation is computed using the straight-line method over the assets' estimated useful lives (five to fifty years). No depreciation is taken in the year the assets are acquired. Normal maintenance and repairs are charged to operations as incurred. Expenditures for major additions, improvements and replacements are capitalized. Gains or losses from sales or retirements of enterprise funds' fixed assets are included in operations.

General Fixed Assets

General fixed assets are stated at cost. Fixed assets are charged to expenditures in the budgetary funds as purchased and capitalized in the General Fixed Assets Account Group. Proceeds from sales of general fixed assets are recorded as General Fund revenue. Depreciation is not computed on fixed assets in the General Fixed Assets Account Group.

CITY OF THE DALLES, OREGON
NOTES TO FINANCIAL STATEMENTS, Continued

1. Summary of Significant Accounting Policies, Continued:

Budget

An annual budget is prepared for the general and special revenue funds in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon Local Budget Law. Budget amounts shown in the basic financial statements include the original budget amounts and all appropriation transfer amounts approved by the City Council. The debt service fund is not budgeted as a separate fund although it should be.

2. Organization and Operation:

The City of The Dalles, under its charter of 1899, is governed by an elected mayor and four councilmembers who comprise the City Council. The City has adopted the manager-council form of government with the manager the chief executive officer and the council acting as a legislative body. The City Clerk-Treasurer is the financial officer and all financial transactions are handled by his office. The City's financial operations are accounted for in the following funds and account groups:

General Fund

The General Fund accounts for the ordinary activities of the City which are not accounted for in any other fund.

Special Revenue Funds

Street and Storm Sewer Fund - This fund accounts for revenues from motor vehicle fee apportionments from the State of Oregon and expenditures as specified under Article IX, Section 3 of the Constitution of the State of Oregon. Other revenues include those from the newly enacted City fuel license tax, which became effective May 1, 1980, and various interfund transfers and interdepartmental revenues. Motor Vehicle fees from the State are not accounted for in a separate fund as they are in some municipalities. Expenditures for street maintenance and construction exceed these license fees each year.

City engineering costs are no longer accounted for as a separate department of the General Fund. Rather, engineering costs are now charged equally to the Water, Sewer, and Street and Storm Sewer Funds. Also, revenues from engineering department fees that previously had been included in General Fund revenue are now shared equally by the above three funds.

CITY OF THE DALLES, OREGON
NOTES TO FINANCIAL STATEMENTS, Continued

2. Organization and Operation, Continued:

Federal Revenue Sharing Fund - This fund accounts for revenue sharing funds received from the United States Government and the expenditure thereof.

Airport Fund - This fund accounts for revenues derived from rentals from the operator of the airport and the Federal Aviation Administration, and a City aviation gas tax (2 cents per gallon). Expenditures are for basic maintenance and capital outlay incurred in providing airport services to the general public.

Parks and Recreation Fund - This fund accounts for revenues derived from a special three-year levy and expenditure thereof.

Unemployment Reserve Fund - This fund accounts for revenues derived from transfers from other funds to provide for possible unemployment claims under the Unemployment Compensation Act and expenditures thereof. No transfers were made this year as the carryover balance was sufficient to meet claims.

L.C.D.C. Grant Fund - This fund accounts for revenues from grant funds received from the Oregon Land Conservation and Development Commission and the expenditure thereof.

Tourist Promotion Fund - This fund accounts for revenues derived from a 5% tax on transient room rentals and expenditures for tourist promotion by The Chamber of Commerce.

Equipment Reserve Funds - These funds account for the accumulation of resources to provide for the replacement of equipment. Resources of these funds are provided by transfers from other funds.

Bonded Debt (Debt Service) Fund

The Bonded Debt (Debt Service) Fund accounts for monies provided for the payment of general obligation bond principal and interest not specifically payable by other funds, and bond principal and interest on the State Office Building Revenue Bonds. For 1979-80, the balance of the State Office Building Construction Fund was transferred to the Debt Service Fund and is reserved for bond redemption.

Enterprise Funds

The Sewer and Water Funds account for the acquisition, operation and maintenance of the municipal sewer and water systems.

CITY OF THE DALLES, OREGON
NOTES TO FINANCIAL STATEMENTS, Continued

2. Organization and Operation, Continued:

Special Assessment Funds

Improvement Fund - This fund accounts for the construction and financing of specific street and sewer projects, the collection of assessments from the benefited property owners and payment of principal and interest on Bancroft Improvement Bonds.

Capital Projects Funds

The Eastside Water Construction Fund was set up to account for the cost of constructing new water mains and a reservoir in the east side of the City. It is financed from U.S. grants, property owner assessments, sale of warrants, and transfers from the Water Fund. The assessments are collected by the Improvement Fund and turned over to this fund.

The State Office Building Construction Fund accounts for the receipts from the sale of bonds and the costs of construction of an office building on City land. The State of Oregon has agreed to lease the building for 15 years for an annual rental that will amortize the bond principal and interest, and to pay certain other operating costs. The City will pay for exterior and structural maintenance costs. The building was completed in January, 1979 and the remaining cash transferred to the Debt Service Fund in 1979-80.

Account Groups

General Fixed Assets Account Group - This account group accounts for the City's investment in fixed assets, with the exception of those assets held by enterprise funds.

General Long-Term Debt Account Group - This account group accounts for the amount of unmatured long-term indebtedness not recorded in the enterprise and special assessment funds and is backed by the full faith and credit of the City.

SUPPLEMENTARY SCHEDULES

CITY OF THE DALLES, OREGONSummary Statement of Cash and Security Therefor
as of June 30, 1980

Cash in banks:

| | | | |
|--|----------------|-----------|-----|
| U.S. National Bank of Oregon, The Dalles | | | |
| Branch - Payroll Account | 8,000 | | |
| All Funds - time deposits | <u>100,000</u> | 108,000 | (1) |
| First National Bank of Oregon, The Dalles | | | |
| Branch - General checking account (overdrawn) | | (165,465) | (2) |
| The Oregon Bank, The Dalles Branch | | | |
| Clerk's refund account (checking) | 1,071 | | |
| Trustee Account - State Office Bldg. | 39,452 | | |
| All Funds & time deposits | <u>160,000</u> | 200,523 | (3) |
| The Columbia River Banking Co., The Dalles, Oregon | | | |
| All Funds - time deposits | | 50,000 | (4) |

| | <u>Undeposited Receipts</u> | <u>Change Fund</u> | |
|---------------------------------|---------------------------------|------------------------|----------------|
| Cash on hand: | | | |
| Clerk's office | 544 | 90 | |
| Police Department | 320 | 70 | |
| Engineering Department | 5,380 | - | |
| Library Department | 121 | - | |
| Petty cash | - | 140 | |
| Recreation fund | 5,145 | - | |
| Water & sewer collections | <u>4,368</u> | <u>-</u> | |
| Total Cash on hand and in Banks | 15,878 | 300 | <u>16,178</u> |
| | | | <u>209,236</u> |

Security Deposits: Evidenced by Certificates of Deposit
in the collateral pool of the Oregon State Treasurer

| | |
|------------------------------------|----------------|
| (1) U.S. National Bank of Oregon | <u>500,000</u> |
| (2) First National Bank of Oregon | <u>500,000</u> |
| (3) The Oregon Bank | <u>300,000</u> |
| (4) The Columbia River Banking Co. | <u>125,000</u> |

In addition, each bank has F.D.I.C. protection of \$40,000 on checking accounts and \$100,000 on Time Deposits, and the Savings and Loan banks have deposit protection of \$100,000.

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON

Statement of Taxes Assessed, Received and Receivable
as of June 30, 1980

| Year of Levy | Receivable 7/1/79 | Refunds and Adjustments | Collections | Interest | Receivable 6/30/80 |
|----------------|----------------------|-------------------------------|-------------|----------|-----------------------|
| 1974-75 | 389 | (210) | 244 | 65 | - |
| 1975-76 | 5,504 | (456) | 7,209 | 2,166 | 5 |
| 1976-77 | 13,811 | (287) | 11,928 | 2,903 | 4,499 |
| 1977-78 | 19,250 | (191) | 8,317 | 1,386 | 12,128 |
| 1978-79 | 75,398 | (88) | 55,553 | 1,718 | 21,475 |
| Balance 7/1/79 | 114,352 | (1,232) | 83,251 | 8,238 | 38,107 |
| 1979-80 Levy | 833,482 | (1,086) | 747,558 | 434 | 85,272 |
| Totals | 947,834 | (2,318) | 830,809 | 8,672 | 123,379 |

Less: Discounts given 18,374-
 Refunds given 11,118-
 Plus: Foreclosure proceeds 1,459
 Misc. adjustments 374

Total Cash Collections 803,150

Summary by Funds:

| | | | | | |
|-----------------|---------|---------|---------|-------|---------|
| General Fund | 788,467 | (1,960) | 691,290 | 7,409 | 102,626 |
| Recreation Fund | 159,367 | (358) | 139,519 | 1,263 | 20,753 |
| Totals | 947,834 | (2,318) | 830,809 | 8,672 | 123,379 |

Collections Net

| | Current Levy | Prior Year Taxes | Total Taxes | Interest | Total Revenues |
|-----------------|-----------------|---------------------|----------------|----------|-------------------|
| General Fund | 606,485 | 54,494 | 660,979 | 7,409 | 668,388 |
| Recreation Fund | 122,639 | 10,860 | 133,499 | 1,263 | 134,762 |
| Totals | 729,124 | 65,354 | 794,478 | 8,672 | 803,150 |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON
Statement of Bond Transactions
for the Fiscal Year Ended June 30, 1980

| | Balances Outstanding 7/1/79 | Issued | Paid or Redeemed | Balances Outstanding 6/30/80 |
|-------------------------------------|-----------------------------------|----------|---------------------|------------------------------------|
| <u>General Fund:</u> | | | | |
| Library 1-1-65 | <u>78,000</u> | <u>-</u> | <u>13,000</u> | <u>65,000</u> |
| <u>Sewage Treatment Plant Fund:</u> | | | | |
| Storm Sewer 7-1-73 | <u>32,000</u> | <u>-</u> | <u>10,000</u> | <u>22,000</u> |
| <u>Water Fund:</u> | | | | |
| Water 3-1-67 | <u>315,000</u> | <u>-</u> | <u>35,000</u> | <u>280,000</u> |
| <u>Improvement Fund:</u> | | | | |
| 32nd Bluff 10-1-70 | <u>13,000</u> | <u>-</u> | <u>5,000</u> | <u>8,000</u> |
| <u>State Office Building Fund:</u> | | | | |
| Revenue Bonds 5-1-78 | <u>1,100,000</u> | <u>-</u> | <u>55,000</u> | <u>1,045,000</u> |
| Total All Funds | <u>1,538,000</u> | <u>-</u> | <u>118,000</u> | <u>1,420,000</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON
Statement of Future Requirements
for Bond and Interest Payments
June 30, 1980

| | | | | |
|--|-----------------|----------------|-----------------|----------------|
| <u>General Fund:</u> | <u>Date Due</u> | <u>Bonds</u> | <u>Interest</u> | <u>Total</u> |
| General Obligation Library | 7-1-80 | - | 1,105 | 1,105 |
| Bond of 1968 | 1-1-81 | 13,000 | 1,105 | 14,105 |
| Due Fiscal | 1980-81 | 13,000 | 2,210 | 15,210 |
| Due Fiscal | 1981-82 | 13,000 | 1,768 | 14,768 |
| Due Fiscal | 1982-83 | 13,000 | 1,326 | 14,326 |
| Due Fiscal | 1983-84 | 13,000 | 884 | 13,884 |
| Due Fiscal | 1984-85 | 13,000 | 442 | 13,442 |
| <u>Total Requirements</u> | | | | |
| <u>General Fund</u> | | <u>65,000</u> | <u>6,630</u> | <u>71,630</u> |
| <u>Water Fund:</u> | | | | |
| General Obligation Water | | | | |
| Bonds of 1967 | 9-1-80 | - | 4,985 | 4,985 |
| | 3-1-81 | 35,000 | 4,985 | 39,985 |
| Due Fiscal | 1980-81 | 35,000 | 9,970 | 44,970 |
| Due Fiscal | 1981-82 | 35,000 | 8,745 | 43,745 |
| Due Fiscal | 1982-83 | 40,000 | 7,520 | 47,520 |
| Due Fiscal | 1983-84 | 40,000 | 6,120 | 46,120 |
| Due Fiscal | 1984-85 | 40,000 | 4,680 | 44,680 |
| Due Fiscal | 1985-86 | 45,000 | 3,240 | 48,240 |
| Due Fiscal | 1986-87 | 45,000 | 1,620 | 46,620 |
| <u>Total Requirements - Water Fund</u> | | <u>280,000</u> | <u>41,895</u> | <u>321,895</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON
Statement of Future Requirements
for Bond and Interest Payments
June 30, 1980

| <u>Sewage Treatment Plant Fund:</u> | <u>Date Due</u> | <u>Bonds</u> | <u>Interest</u> | <u>Total</u> |
|-------------------------------------|-----------------|---------------|-----------------|---------------|
| General Obligation Sewer | | | | |
| Bonds of 7-1-73 | 7-1-80 | 11,000 | 523 | 11,523 |
| | 1-1-81 | - | 261 | 261 |
| Due Fiscal | 1980-81 | 11,000 | 784 | 11,784 |
| Due Fiscal | 1981-82 | 11,000 | 261 | 11,261 |
| <u>Total Requirements</u> | | | | |
| <u>Sewage Treatment Fund</u> | | <u>22,000</u> | <u>1,045</u> | <u>23,045</u> |
| <u>Improvement Fund:</u> | | | | |
| 32nd Bluff Improvement | 10-1-80 | 4,000 | 224 | 4,224 |
| | 4-1-81 | - | 112 | 112 |
| Due Fiscal | 1980-81 | 4,000 | 336 | 4,336 |
| Due Fiscal | 1981-82 | 4,000 | 112 | 4,112 |
| <u>Total Requirements</u> | | | | |
| <u>Improvement Fund</u> | | <u>8,000</u> | <u>448</u> | <u>8,448</u> |

"See Auditor's Comments and Notes to Financial Statements"

CITY OF THE DALLES, OREGON
Statement of Future Requirements
for Bond and Interest Payments
June 30, 1980

| <u>State Office Building Fund:</u> | <u>Date Due</u> | <u>Bonds</u> | <u>Interest</u> | <u>Total</u> |
|--|-----------------|------------------|-----------------|------------------|
| Revenue Bonds of 5-1-78 | 5-1-79 | - | 490 | 490 |
| | 11-1-79 | - | 616 | 616 |
| | 5-1-80 | - | 1,006 | 1,006 |
| | 11-1-80 | - | 27,409 | 27,409 |
| | 5-1-81 | <u>60,000</u> | <u>27,409</u> | <u>87,409</u> |
| Due Fiscal | 1980-81 | 60,000 | 56,930 | 116,930 |
| Due Fiscal | 1981-82 | 60,000 | 50,768 | 110,768 |
| Due Fiscal | 1982-83 | 65,000 | 47,318 | 112,317 |
| Due Fiscal | 1983-84 | 70,000 | 43,580 | 113,580 |
| Due Fiscal | 1984-85 | 70,000 | 40,255 | 110,255 |
| Due Fiscal | 1985-86 | 75,000 | 36,895 | 111,895 |
| Due Fiscal | 1986-87 | 80,000 | 33,220 | 113,220 |
| Due Fiscal | 1987-88 | 85,000 | 29,220 | 114,220 |
| Due Fiscal | 1988-89 | 90,000 | 24,928 | 114,928 |
| Due Fiscal | 1989-90 | 90,000 | 20,338 | 110,338 |
| Due Fiscal | 1990-91 | 95,000 | 15,702 | 110,702 |
| Due Fiscal | 1991-92 | 100,000 | 10,762 | 110,762 |
| Due Fiscal | 1992-93 | <u>105,000</u> | <u>5,512</u> | <u>110,512</u> |
| Total Requirements | | | | |
| <u>State Office Building Fund</u> | | <u>1,045,000</u> | <u>415,428</u> | <u>1,460,428</u> |

"See Auditor's Comments and Notes to Financial Statements"

AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS

CITY OF THE DALLES, OREGON
AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS

Oregon Administrative Rules 165-30-100 through 165-30-295 of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required comments and disclosures related to our examination of such statements and schedules are set forth following.

CITY OF THE DALLES, OREGON
AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS

I. Internal Accounting Control:

We have examined the financial statements of the City of The Dalles, Oregon for the year ended June 30, 1980, and have issued our report thereon dated September 19, 1980. As part of our examination, we made a study and evaluation of the City's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purposes of such evaluation are to establish a basis for reliance on the system of internal accounting control in determining the nature, timing and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements and to assist the auditor in planning and performing his examination of the financial statements.

The objective of internal accounting control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions and that the degree of compliance with the procedures may deteriorate.

Our examination of the financial statements made in accordance with generally accepted auditing standards, including the study and evaluation of the City's system of internal accounting control for the year ended June 30, 1980, that was made for the purposes set forth in the first paragraph above, would not necessarily disclose all weaknesses in the system because it was based on selective tests of accounting records and related data.

CITY OF THE DALLES, OREGON
AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS, Continued

I. Internal Accounting Control, Continued:

The Internal Control system could be improved by separating the cashier function from the account receivable posting function, but staff limitations seem to preclude this.

We have made some specific recommendations in a separate management letter.

II. Accounting Records:

The accounting records are kept on a Burroughs automatic bookkeeping machine and are quite adequate considering the limitations of the equipment. If the water and sewer flat rate billings were not posted on the machine, or if some of the posting were done at night, the machine could be used for additional purposes.

III. Adequacy of Collateral Securing Depository Balances:

We examined certificates of participation issued by the City's depositories stating that eligible securities have been pledged by them for the purpose of complying with the provisions of ORS 295.

We compared the City's deposits with the total collateral certificates of participation and the amount insured by F.D.I.C. This comparison revealed that collateral was sufficient during the fiscal year to comply with ORS 295, with the exception of January, February and March when the Columbia River Banking Company collateral was short by over \$40,000.

IV. Indebtedness:

The general obligation indebtedness of the City is in compliance with the limitation imposed by ORS 287.004 and 223.295.

V. Budgets and Budgeting Practices:

The City's budgets for fiscal years June 30, 1980 and June 30, 1981 were reviewed. Except as mentioned below, the City has complied with statutory provisions in the preparation and adoption of budgets for the year under audit and the ensuing year:

CITY OF THE DALLES, OREGON
AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS, Continued

V. Budgets and Budgeting Practices, Continued:

ORS 294.435(4) stipulates that no greater expenditure of public money shall be made for any specific purpose than the amount appropriated therefor. Expenditures exceeded appropriations for several funds, although such expenditures were for the purpose for which the funds were established.

ORS 294.460(1) stipulates that the payment of any loans not repaid in the year in which the loan is made shall be budgeted as a requirement in the ensuing year. Although there are interfund loans, the City has not budgeted any loan repayments.

ORS 294.396 stipulates that the budget message and the budget document shall be prepared a sufficient length of time in advance to allow adoption of the budget by the close of the current fiscal year. The budget resolutions appropriating funds for 1979-80 and 1980-81 were adopted after June 30 of the respective years.

CETA grant funds are used to reduce expenses instead of being budgeted as receipts and expenditures. Also, See Other Comments, IX(E).

The Bonded (Debt Service) Debt Fund is not a separately budgeted fund. The expenditures are appropriated in the General Fund and are shown as transfers to the Debt Service Fund.

VI. Tax Levies:

The tax levies as certified to the Wasco County Assessor are as follows:

| | <u>1978-79</u> | <u>1979-80</u> |
|---|-------------------|-------------------|
| General Fund - within 6% limitation | \$ 624,860* | \$ 663,453* |
| Annexation increase | 323 | 12,642 |
| Parks and Recreation Levy | 139,814 | 139,814 |
| Bonded Debt (Debt Service) Fund not subject to 6% limitation | <u>15,867</u> | <u>15,431</u> |
| | <u>\$ 780,864</u> | <u>\$ 831,340</u> |

* 106% of largest levy of the prior three years, constituting General Fund tax base as provided by Article XI, Section 11, Oregon Constitution.

CITY OF THE DALLES, OREGON
AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS, Continued

VII. Programs Funded from Outside Sources:

A. Federal and State Grants:

We reviewed and tested, to the extent deemed appropriate, transactions and reports of the federal and state programs in which the City participates. We did not consider the scope of our audit engagement required us to make a complete audit examination of each project and our audit opinion on the City's basic financial statements does not cover each individual grant. Each grant is subject to audit by the grantor agency and any adjustments may become a liability of the appropriate fund.

Based on our tests of the accounting records and examination of reports to grantor agencies, we were in general satisfied as to the propriety of accounting for such expenditures and revenues for the fiscal year ended June 30, 1980, subject to any adjustments subsequently required as a result of audits performed by the grantor agencies.

B. Federal Revenue Sharing:

We reviewed and tested the City's participation in the Federal Revenue Sharing Program for financial compliance as prescribed in the audit guide issued by the Office of Revenue Sharing. The review disclosed no conditions which we considered to be matters of noncompliance.

VIII. Insurance and Fidelity Bonds:

We have examined the City's insurance and fidelity bond coverage at June 30, 1980. We ascertained that such policies appeared to be in force and comply with legal requirements relating to fidelity bond coverage. We are not competent by training to comment on the adequacy of the insurance policies covering City-owned property at June 30, 1980.

CITY OF THE DALLES, OREGON
AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS, Continued

IX. Other Comments:

A. In April 1977 the City contracted with U.S. Appraisal Co. to appraise the City's fixed assets for insurance purposes. This appraisal updated in March, 1980, did not cover automotive and movable equipment, but by using this appraisal and other listings prepared for insurance purposes a starting place is available for setting up Fixed Asset records. As noted in our report letter, the City has no Fixed Asset ledger, and consequently, no effective control over fixed assets.

B. The City's retirement plan for employees is a money purchase plan in which the City matches contributions made by employees. There is no unfunded liability.

C. The gas tax refund claims to recover gas taxes paid to the State of Oregon on gas used by the City were prepared this year and refunds of \$1,963 received.

D. Pending litigation involving the City, will, according to counsel, have no adverse impact upon City finances. In fact, the only pending case pertains to a claim for compensation from the U.S. Corps of Engineers for bonnevillie Dam pool fluctuation damages. The major question is the amount of compensation to be paid the City by the Corps of Engineers.

E. As mentioned above under "Budgets", CETA grant funds were used to reduce expenditures instead of being accounted for as a separate fund. The City is a "secondary" recipient of CETA funds through the Mid-Columbia Economic Development District, and/or the Mid-Columbia Council of Governments.

If a separate fund had been set up for C.E.T.A. employees, the breakdown would be as follows:

| <u>General Fund Departments:</u> | <u>Regular Salaries</u> | <u>Payroll Expenses</u> | <u>Total</u> |
|----------------------------------|-----------------------------|-----------------------------|---------------|
| Administration | 780 | 97 | 877 |
| Planning | 184 | 110 | 294 |
| Police | 1,017 | 211 | 1,228 |
| Fire | 13,377 | 2,662 | 16,039 |
| Ambulance | 1,303 | 271 | 1,574 |
| Communications | 6,153 | 1,310 | 7,463 |
| Library | 2,760 | 367 | 3,127 |
| Total CETA Receipts | <u>25,574</u> | <u>5,028</u> | <u>30,602</u> |