



Talbot, Korvola & Warwick
Certified Public Accountants

CITY OF THE DALLES, OREGON

Report on Audit of General Purpose
Financial Statements and
Supplemental Information

Year Ended June 30, 1990

CITY OF THE DALLES, OREGON

OFFICIALS OF THE CITY

JUNE 30, 1990

CITY COUNCIL

	<u>Term Expires December 31,</u>
W.J. "Webb" Peterson, Mayor 1527 East 18th Street The Dalles, Oregon 97058	1990
Dewanda Clark 900 East 16th Street The Dalles, Oregon 97058	1993
Jim Parrish 717 East 21st Street The Dalles, Oregon 97058	1990
Merrit M. Probstfield 2911 Old Dufur Road East The Dalles, Oregon 97058	1993
Carolyn Wood 415 W. 15th The Dalles, Oregon 97058	1990
John Will 810 E. Scenic Drive The Dalles, Oregon 97058	1990

CITY ADMINISTRATION

Paul Koch	City Manager - Budget Officer (Through April 30, 1990)
William Keyser	Acting City Manager - Budget Officer (Effective May 1, 1990)
Barbara Schroeder	City Clerk
Frank Kaminski	General Services Director (Through April 16, 1990)
Don Gower	Finance Director (Effective March 1, 1990)
B.J. Matzen	City Attorney

CITY ADDRESS

City Hall
313 Court Street
The Dalles, Oregon 97058

CITY OF THE DALLES, OREGON

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Talbot, Korvola & Warwick

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

December 20, 1990

City Council
City of The Dalles
The Dalles, Oregon

We have audited the accompanying general purpose financial statements of the City of The Dalles, Oregon, as of June 30, 1990 and for the year then ended. These general purpose financial statements are the responsibility of the City of The Dalles' management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of The Dalles, Oregon, as of June 30, 1990, and the results of its operations and cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

INDEPENDENT AUDITOR'S REPORT (Continued)

City Council
City of The Dalles
December 20, 1990
Page Two

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information on pages 23 through 66 is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of the City of The Dalles, Oregon. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

TALBOT, KORVOLA & WARWICK
Certified Public Accountants

By Roger A. Korvola

GENERAL PURPOSE FINANCIAL STATEMENTS

CITY OF THE DALLES, OREGON
COMBINED BALANCE SHEET -
ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 1990

	Governmental Fund		
	General	Special Revenue	Debt Service
<u>ASSETS</u>			
Cash and cash equivalents	\$ 667,895	\$ 1,447,346	\$ 238,081
Investments	200,000	-	-
Property taxes receivable	546,608	8,959	70,489
Assessment liens receivable	-	-	-
Accounts receivable	196,796	32,818	530
Fines and forfeitures receivable	206,902	-	-
Inventories	-	-	-
Restricted assets - cash and cash equivalents	11,212	-	-
Fixed assets, net	-	-	-
Amount available for debt service	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-
Total assets	<u>\$ 1,829,413</u>	<u>\$ 1,489,123</u>	<u>\$ 309,100</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable	\$ 132,929	\$ 38,055	\$ 464
Accrued salaries, vacation and payroll taxes	2,293	-	-
Customer deposits and retainage	11,212	-	-
Compensated absences payable	-	-	-
Deferred revenues:			
Property taxes	519,530	8,437	66,181
Assessment and liens	-	-	-
Other	272,668	-	-
Note payable	-	-	-
General obligation bonds payable	-	-	-
Obligation under capital lease	-	-	-
Total liabilities	<u>938,632</u>	<u>46,492</u>	<u>66,645</u>
Fund equity:			
Contributed capital	-	-	-
Investment in general fixed assets	-	-	-
Retained earnings:			
Reserved for construction	-	-	-
Unreserved	-	-	-
Fund balances:			
Unreserved:			
Designated for debt service	-	-	242,455
Undesignated	890,781	1,442,631	-
Total fund equity	<u>890,781</u>	<u>1,442,631</u>	<u>242,455</u>
Total liabilities and fund equity	<u>\$ 1,829,413</u>	<u>\$ 1,489,123</u>	<u>\$ 309,100</u>

See notes to general purpose financial statements.

Types Capital Projects	Proprietary Fund Type	Account Groups		Totals (Memorandum Only)
	Enterprise	General Fixed Assets	General Long-Term Debt	
\$ 66,027	\$ 533,882	\$ -	\$ -	\$ 2,953,231
-	-	-	-	200,000
-	-	-	-	626,056
617,013	-	-	-	617,013
6,412	109,396	-	-	345,952
-	-	-	-	206,902
-	206,949	-	-	206,949
-	2,286,587	-	-	2,297,799
-	8,733,637	4,287,609	-	13,021,246
-	-	-	242,455	242,455
-	-	-	3,345,355	3,345,355
<u>\$ 689,452</u>	<u>\$11,870,451</u>	<u>\$ 4,287,609</u>	<u>\$ 3,587,810</u>	<u>\$24,062,958</u>

\$ 9,988	\$ 267,985	\$ -	\$ -	\$ 449,421
-	-	-	-	2,293
-	-	-	-	11,212
-	52,263	-	134,255	186,518
-	-	-	-	594,148
617,013	-	-	-	617,013
-	-	-	-	272,668
-	-	-	22,555	22,555
-	-	-	3,235,000	3,235,000
-	-	-	196,000	196,000
<u>627,001</u>	<u>320,248</u>	<u>-</u>	<u>3,587,810</u>	<u>5,586,828</u>
-	2,420,570	-	-	2,420,570
-	-	4,287,609	-	4,287,609
-	2,163,521	-	-	2,163,521
-	6,966,112	-	-	6,966,112
-	-	-	-	242,455
<u>62,451</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,395,863</u>
<u>62,451</u>	<u>11,550,203</u>	<u>4,287,609</u>	<u>-</u>	<u>18,476,130</u>
<u>\$ 689,452</u>	<u>\$11,870,451</u>	<u>\$ 4,287,609</u>	<u>\$ 3,587,810</u>	<u>\$24,062,958</u>

CITY OF THE DALLES, OREGON

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

YEAR ENDED JUNE 30, 1990

	<u>Governmental Fund Types</u>				<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
REVENUES:					
Taxes	\$ 1,855,497	\$ 308,289	\$ 271,977	\$ -	\$ 2,435,763
Special assessments	-	-	-	242,622	242,622
Intergovernmental	302,517	393,535	-	289,103	985,155
Fees, fines and forfeits	106,012	-	-	-	106,012
Charges for services	-	69,571	116,846	-	186,417
Interest on investments	77,564	86,734	20,954	-	185,252
Miscellaneous	665,309	-	-	-	665,309
Total revenues	<u>3,006,899</u>	<u>858,129</u>	<u>409,777</u>	<u>531,725</u>	<u>4,806,530</u>
EXPENDITURES:					
Current:					
General government	1,224,722	125,025	1,548	-	1,351,295
Public safety	1,477,414	1,526	-	-	1,478,940
Highways and streets	-	582,474	-	-	582,474
Culture and recreation	227,172	-	-	-	227,172
Capital outlay	196,000	116,307	-	306,679	618,986
Debt service:					
Bond principal	-	-	282,217	-	282,217
Interest	-	-	223,668	-	223,668
Total expenditures	<u>3,125,308</u>	<u>825,332</u>	<u>507,433</u>	<u>306,679</u>	<u>4,764,752</u>
Revenues over (under) expenditures	<u>(118,409)</u>	<u>32,797</u>	<u>(97,656)</u>	<u>225,046</u>	<u>41,778</u>
OTHER FINANCING SOURCES (USES):					
Operating transfers in	200,679	199,878	126,980	14,000	541,537
Operating transfers out	(228,585)	(42,411)	-	(11,259)	(282,255)
Proceeds from capital lease	196,000	-	-	-	196,000
Payment to escrow agent for refunded bonds	-	-	(1,033)	-	(1,033)
Total other financing sources (uses)	<u>168,094</u>	<u>157,467</u>	<u>125,947</u>	<u>2,741</u>	<u>454,249</u>
Revenues and other financing sources over expenditures and other financing uses	<u>49,685</u>	<u>190,264</u>	<u>28,291</u>	<u>227,787</u>	<u>496,027</u>
FUND BALANCES, June 30, 1989, as previously reported	<u>841,096</u>	<u>1,228,915</u>	<u>214,098</u>	<u>(165,336)</u>	<u>2,118,773</u>
Equity transfer due to reclassification of funds	<u>-</u>	<u>23,452</u>	<u>66</u>	<u>-</u>	<u>23,518</u>
FUND BALANCES, June 30, 1989, as restated	<u>841,096</u>	<u>1,252,367</u>	<u>214,164</u>	<u>(165,336)</u>	<u>2,142,291</u>
FUND BALANCES, June 30, 1990	<u>\$ 890,781</u>	<u>\$ 1,442,631</u>	<u>\$ 242,455</u>	<u>\$ 62,451</u>	<u>\$ 2,638,318</u>

See notes to general purpose financial statements.

CITY OF THE DALLES, OREGON
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
ALL GOVERNMENTAL FUND TYPES - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavor- able)	Budget	Actual	Variance Favorable (Unfavor- able)
REVENUES:						
Taxes	\$ 1,749,390	\$ 1,855,497	\$ 106,107	\$ 323,500	\$ 308,289	\$ (15,211)
Special assessments	-	-	-	-	-	-
Intergovernmental	264,639	302,517	37,878	617,500	393,535	(223,965)
Fees, fines and forfeits	83,142	106,012	22,870	-	-	-
Charges for services	-	-	-	9,550	69,571	60,021
Interest on investments	70,000	77,564	7,564	80,809	86,734	5,925
Miscellaneous	606,369	665,309	58,940	-	-	-
Total revenues	2,773,540	3,006,899	233,359	1,031,359	858,129	(173,230)
EXPENDITURES:						
Current:						
General government	1,563,229	1,224,722	338,507	333,624	125,025	208,599
Public safety	1,583,883	1,477,414	106,469	48,957	1,526	47,431
Highways and streets	-	-	-	729,071	582,474	146,597
Culture and recreation	241,818	227,172	14,646	-	-	-
Capital outlay	-	-	-	1,071,199	116,307	954,892
Debt service:						
Bond principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	3,388,930	2,929,308	459,622	2,182,851	825,332	1,357,519
Revenues over (under) expenditures	(615,390)	77,591	692,981	(1,151,492)	32,797	1,184,289
OTHER FINANCING SOURCES (USES):						
Operating transfers in	204,679	200,679	(4,000)	265,247	199,878	(65,369)
Operating transfers out	(243,585)	(228,585)	15,000	(40,938)	(42,411)	(1,473)
Proceeds from refunding bonds	-	-	-	-	-	-
Payment to escrow agent for refunded bonds	-	-	-	-	-	-
Total other financing sources (uses)	(38,906)	(27,906)	11,000	224,309	157,467	(66,842)
Revenues and other financing sources over (under) expenditures and other financing uses	(654,296)	49,685	703,981	(927,183)	190,264	1,117,447
FUND BALANCES, June 30, 1989, as previously reported	736,296	841,096	104,800	1,034,183	1,228,915	194,732
Equity transfer due to reclassification of funds	-	-	-	-	23,452	23,452
FUND BALANCES, June 30, 1989, as restated	736,296	841,096	104,800	1,034,183	1,252,367	218,184
FUND BALANCES, June 30, 1990	<u>\$ 82,000</u>	<u>\$ 890,781</u>	<u>\$ 808,781</u>	<u>\$ 107,000</u>	<u>\$ 1,442,631</u>	<u>\$ 1,335,631</u>

See notes to general purpose financial statements.

Debt Service Funds			Capital Projects Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 261,288	\$ 271,977	\$ 10,689	\$ -	\$ -	\$ -	\$ 2,334,178	\$ 2,435,763	\$ 101,585
-	-	-	176,000	242,622	66,622	176,000	242,622	66,622
3,180	3,180	-	359,000	289,103	(69,897)	1,244,319	988,335	(255,984)
-	-	-	-	-	-	83,142	106,012	22,870
113,580	113,666	86	-	-	-	123,130	183,237	60,107
15,700	20,954	5,254	-	-	-	166,509	185,252	18,743
-	-	-	-	-	-	606,369	665,309	58,940
<u>393,748</u>	<u>409,777</u>	<u>16,029</u>	<u>535,000</u>	<u>531,725</u>	<u>(3,275)</u>	<u>4,733,647</u>	<u>4,806,530</u>	<u>72,883</u>
2,000	1,548	452	326,880	-	326,880	2,225,733	1,351,295	874,438
-	-	-	-	-	-	1,632,840	1,478,940	153,900
-	-	-	-	-	-	729,071	582,474	146,597
-	-	-	-	-	-	241,818	227,172	14,646
-	-	-	210,861	306,679	(95,818)	1,282,060	422,986	859,074
232,217	282,217	(50,000)	-	-	-	232,217	282,217	(50,000)
267,986	223,668	44,318	-	-	-	267,986	223,668	44,318
<u>502,203</u>	<u>507,433</u>	<u>(5,230)</u>	<u>537,741</u>	<u>306,679</u>	<u>231,062</u>	<u>6,611,725</u>	<u>4,568,752</u>	<u>2,042,973</u>
<u>(108,455)</u>	<u>(97,656)</u>	<u>10,799</u>	<u>(2,741)</u>	<u>225,046</u>	<u>227,787</u>	<u>(1,878,078)</u>	<u>237,778</u>	<u>2,115,856</u>
126,980	126,980	-	14,000	14,000	-	610,906	541,537	(69,369)
-	-	-	(11,259)	(11,259)	-	(295,782)	(282,255)	13,527
394,560	267,280	(127,280)	-	-	-	394,560	267,280	(127,280)
(392,368)	(268,313)	124,055	-	-	-	(392,368)	(268,313)	124,055
<u>129,172</u>	<u>125,947</u>	<u>(3,225)</u>	<u>2,741</u>	<u>2,741</u>	<u>-</u>	<u>317,316</u>	<u>258,249</u>	<u>(59,067)</u>
20,717	28,291	7,574	-	227,787	227,787	(1,560,762)	496,027	2,056,789
74,000	214,098	140,098	-	(165,336)	(165,336)	1,844,479	2,118,773	274,294
-	66	66	-	-	-	-	23,518	23,518
74,000	214,164	140,164	-	(165,336)	(165,336)	1,844,479	2,142,291	297,812
<u>\$ 94,717</u>	<u>\$ 242,455</u>	<u>\$ 147,738</u>	<u>\$ -</u>	<u>\$ 62,451</u>	<u>\$ 62,451</u>	<u>\$ 283,717</u>	<u>\$ 2,638,318</u>	<u>\$ 2,354,601</u>

CITY OF THE DALLES, OREGON

COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS - PROPRIETARY FUND TYPE

YEAR ENDED JUNE 30, 1990

	<u>Enterprise</u>
OPERATING REVENUES:	
Service charges and fees	\$ 1,787,470
Rental income	<u>6,633</u>
Total operating revenues	<u>1,794,103</u>
OPERATING EXPENSES:	
Salaries and wages	934,448
Operating supplies	30,748
Professional services	214,829
Repairs and maintenance	81,716
Utilities	121,495
Operation and maintenance	248,977
General, administrative and engineering	60,516
Depreciation	<u>225,813</u>
Total operating expenses	<u>1,918,542</u>
Operating loss	(124,439)
NON-OPERATING INCOME:	
Interest earnings	<u>219,863</u>
Net income before operating transfers	95,424
NET OPERATING TRANSFERS OUT	<u>(296,124)</u>
Net loss	(200,700)
RETAINED EARNINGS, June 30, 1989	<u>9,330,333</u>
RETAINED EARNINGS, June 30, 1990	<u><u>\$ 9,129,633</u></u>

See notes to general purpose financial statements.

CITY OF THE DALLES, OREGON
COMBINED STATEMENT OF CASH FLOWS -
PROPRIETARY FUND TYPE
YEAR ENDED JUNE 30, 1990

	<u>Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Operating loss	\$ (124,439)
Adjustments to reconcile operating loss to net cash provided by operations:	
Depreciation	225,813
Decrease in accounts receivable	27,171
Increase in inventories	(117,801)
Increase in accounts payable	158,261
Decrease in compensated absences payable	<u>(9,164)</u>
Net cash provided by operations	<u>159,841</u>
CASH FLOWS USED IN NONCAPITAL FINANCING ACTIVITIES:	
Operating transfers in	18,338
Operating transfers out	<u>(314,462)</u>
Net cash used in noncapital financing activities	<u>(296,124)</u>
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition of fixed assets	(346,689)
Increase in contributed capital	<u>306,587</u>
Net cash used in capital and related financing activities	<u>(40,102)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest earnings	<u>219,863</u>
NET INCREASE IN CASH	43,478
CASH AND CASH EQUIVALENTS, June 30, 1989	<u>2,776,991</u>
CASH AND CASH EQUIVALENTS, June 30, 1990	<u><u>\$ 2,820,469</u></u>

See notes to general purpose financial statements.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1990

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the City of The Dalles, Oregon (the City) is presented to assist in understanding the City's general purpose financial statements. The following is a summary of the more significant policies:

Organization

The City of The Dalles operates under a charter adopted in 1899. The City Council, composed of the Mayor and five Council members, comprises the legislative branch of the government. Individual departments are under the direction of the City Manager, who is appointed by the Council. All significant activities and organizations with which the City exercises oversight responsibility have been included in the general purpose financial statements. The primary criteria considered by the City to determine oversight responsibility is financial interdependency, authority to appoint governing authority and management of the organization's ability to influence operations and accountability for fiscal matters. No entities meet this criteria for inclusion in these general purpose financial statements.

Fund Accounting

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain City functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into two categories: governmental and proprietary. The governmental category is divided into separate fund types.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

Governmental Fund Types:

General Fund - This fund accounts for the financial operations of the City not accounted for in any other fund. Principal sources of revenue are property taxes, franchise fees, hotel-motel tax and state shared revenues. Expenditures are primarily for general government operations, public safety and culture and recreation.

Special Revenue Funds - These funds account for revenue from specific sources that are legally restricted to expenditure for specified purposes. Principal revenue sources are property taxes, interest and an allocation of state gas tax proceeds. Major expenditures are for street maintenance, parks and capital improvements.

Debt Service Funds - These funds account for the payment of principal and interest on general long-term debt. The principal sources of revenue are property taxes, rental income and interest.

Capital Projects Funds - These funds account for resources used for the acquisition and construction of major capital facilities other than those financed by proprietary funds. The principal revenue sources are bond proceeds, special assessments, intergovernmental grants and interest earned on investments.

Proprietary Fund Type:

Enterprise Funds - These funds account for the acquisition, operation and maintenance of City facilities and services which are entirely or predominantly self-supporting through service charges to customers. Services accounted for through enterprise funds are water, wastewater and the airport.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

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 the proprietary fund type. Expenditures for the acquisition of general fixed assets are recorded in the various governmental fund types; the costs of such assets are capitalized in this account group.

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

Bases of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net assets.

The governmental fund types are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become measurable and available as net current assets and expenditures are recorded at the time liabilities are incurred, except for:

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bases of Accounting (Continued)

- o Interfund transactions which are recorded on the accrual basis.
- o Revenues for grants which are recorded as earned.
- o Interest on general long-term debt which is recorded when due.

Significant revenues which are measurable and available at June 30, 1990 under the modified accrual basis of accounting are as follows:

- o Property tax revenues which are collected within 60 days subsequent to year end.
- o Intergovernmental revenues, fines and forfeitures, franchise fees and others.

The proprietary fund type is accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded at the time they are earned and expenses are recorded at the time liabilities are incurred.

The bases of accounting described above are in accordance with generally accepted accounting principles.

Budgets

The City budgets all funds on the modified accrual basis of accounting, which complies with Oregon Local Budget Law. The ordinance authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. All funds, except the general fund, establish the levels of budgetary control at the personal services, materials and services, capital outlay, operating contingencies, debt service and all other requirements levels. For the general fund, appropriations are at the department level for administration, finance and general, planning and building, legal and judiciary, police, fire, ambulance, communications and library.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. A

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets (Continued)

supplemental budget requires hearings before the public, publications in newspapers and approval by the City Council. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the City Council. The City Council adopted one supplemental budget and approved several appropriation transfer resolutions during the year ended June 30, 1990. Appropriations lapse at year end.

Cash and Cash Equivalents

For financial reporting purposes, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are carried at cost, which approximates market value. Investments at June 30, 1990 consisted of certificates of deposit which matured through October 1990.

Receivables

Ad valorem property taxes are assessed on all taxable property as of January 1 preceding the beginning of the fiscal year. Property taxes become a lien on January 1 for personal property and on July 1 for real property. Property taxes are levied on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16, are considered delinquent.

Property taxes receivable which have been collected within 60 days subsequent to year end are considered measurable and available and are recognized as revenues. All other property taxes receivable are offset by deferred revenue because they are not deemed available to finance operations of the current period.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables (Continued)

Assessment liens receivable in the capital projects fund are recorded as receivables at the time property owners are assessed for property improvements. Assessment liens receivable are offset by deferred assessment lien revenues and, accordingly, have not been recorded as revenue. Assessment interest receivable is recorded as earned, but offset by deferred revenue until received.

Receivables of the proprietary fund types are recorded as revenue as earned, including services earned but not billed.

Receivables for federal and state grants, and state, county and local shared revenue are recorded as revenue in all fund types as earned.

Inventories

Inventories in the proprietary fund type are stated at the lower of cost (first-in, first-out basis) or market. The costs of governmental fund type inventories are recorded as expenditures when purchased.

Restricted Assets

Assets, whose use is restricted for construction by City Charter or the City Council, are segregated on the combined balance sheet.

Fixed Assets

Fixed assets in the General Fixed Assets Account Group are stated at cost or estimated cost when the original cost is not available. Purchases of these assets are recorded as expenditures in the governmental fund types and capitalized in the General Fixed Assets Account Group.

Maintenance and repairs are charged to expenditures in various governmental funds as incurred and not capitalized. Depreciation is not recorded on general fixed assets. Upon disposal, the General Fixed Assets Account Group is relieved of the related cost; proceeds from sales of general fixed assets are recorded as revenues in the appropriate governmental fund.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed Assets (Continued)

Expenditures for public domain fixed assets (streets, sidewalks, curbs and gutters, lighting systems and similar assets) that are immovable and of value only to the City as a governmental unit are reported as expenditures as incurred and are not capitalized.

Fixed assets in the proprietary fund type are stated at cost or estimated cost when the original cost is not available. Donated fixed assets are recorded at their estimated fair market value at the time received. Maintenance and repairs are expensed as incurred. Replacements which improve or extend the lives of property are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets. Upon disposal of such assets, the accounts are relieved of the related costs and accumulated depreciation and resulting gains or losses are reflected in income. Depreciation taken on contributed fixed assets is recorded as an expense of operations and charged to retained earnings. Estimated useful lives used in computing depreciation are:

Buildings and improvements	45 years
Water and sewer lines	45 years
Equipment	5-20 years

Long-Term Debt

All unmatured long-term debt is recorded in the General Long-Term Debt Account Group. Repayment of all General Long-Term Debt Account Group liabilities except, compensated absences payable is recorded in the debt service funds. Repayment of compensated absences payable will be made from the appropriate governmental fund.

Compensated Absences

Earned but unpaid vacation and holiday pay is recorded as an expense in the proprietary fund type when earned. In the governmental fund types, the amounts, if any, expected to be liquidated with expendable available resources, are accrued in the funds and the amounts payable from future resources are recorded in the General Long-Term Debt Account Group. Earned but unpaid sick pay does not accumulate and is recorded as an expense or expenditure when paid.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Capital

Contributed capital in the proprietary fund type represents the accumulation of contributions in the form of cash or other assets which generally do not have to be returned to the contributor. Such contributions are recorded directly to contributed capital and, accordingly, are not recognized as revenue. The following transactions are recorded as contributions in the proprietary funds:

- o Fixed assets contributed from other funds or the General Fixed Assets Account Group.
- o Fixed assets contributed from intergovernmental agencies.
- o Cash transfers of equity from other funds.
- o Proceeds of federal and state grants for acquisition of fixed assets.
- o Contributions from customers for the acquisition of fixed assets.

Retained Earnings Reserved for Construction

A portion of retained earnings in the proprietary funds has been segregated from unreserved retained earnings for amounts set aside for construction as designated by the City Council.

Totals (Memorandum Only) Columns

The totals column on the general purpose financial statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

FUND RECLASSIFICATION

Effective July 1, 1989, for financial reporting purposes, the Senior Center Grant Fund was reclassified from the Special Revenue Fund type to the Debt Service Fund type. This reclassification

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

FUND RECLASSIFICATION (Continued)

resulted in an increase of fund equity (elimination of fund deficit) in the Special Revenue Fund type of \$23,452, an increase in fund equity of the Debt Service Fund type of \$66, and an increase in notes payable in the General Long-Term Debt Account Group in the amount of \$23,518.

CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Cash Equivalents or Investments". In addition, cash and cash equivalents or investments are separately held by several of the City's funds.

Cash and cash equivalents and investments are comprised of the following at June 30, 1990:

Deposits with financial institutions	\$ 1,063,431
Deposits with County Treasurer	66,203
Local government investment pool	4,242,336
Petty cash	<u>1,350</u>
	<u>\$ 5,373,320</u>

Cash and cash equivalents and investments are reflected on the combined balance sheet as follows:

Cash and cash equivalents:	
Unrestricted	\$ 2,953,231
Restricted	2,297,799
Investments	200,000
Cash overdrafts included in accounts payable	<u>(77,710)</u>
	<u>\$ 5,373,320</u>

Deposits with financial institutions include bank demand deposits and time certificates of deposit. The total bank balances, as recorded in the banks' records at June 30, 1990, is \$1,446,609. These deposits were covered by federal depository insurance or were collateralized with securities held by financial institutions acting as the agents of the City in the City's name. Oregon Revised Statutes require the depository institution to maintain on deposit with a collateral pool manager securities having a value not less than 25% of the outstanding certificates of participation

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

CASH AND INVESTMENTS (Continued)

issued by the pool manager. However, under certain conditions the depository institution may be required to maintain collateral with a value of not less than 110%.

Cash with the county treasurer is held by the county's agent in investments in the City's name.

The Local government investment pool funds are not required to be categorized by risk in accordance with Governmental Accounting Standards Board Statement No. 3.

The City is restricted by State of Oregon statute in the types of investments in which it may invest excess cash balances. Authorized investments include general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, and the local government investment pool. As of June 30, 1990, and for the year then ended, the City was in compliance with the aforementioned State of Oregon statutes.

ASSESSMENT LIENS RECEIVABLE

Assessment liens receivable represent the uncollected amounts levied against benefited property for cost of local improvements. The assessments are fully offset by deferred revenue and are payable over a period of ten to twenty years and bear interest at 7% to 10%.

FIXED ASSETS

Fixed assets by major classes for the General Fixed Assets Account Group and Enterprise Funds comprise:

	<u>Enterprise Funds</u>	<u>General Fixed Assets</u>
Land and land improvements	\$3,879,311	\$ 281,900
Buildings and improvements	4,289,134	1,676,366
Wells and land improvements	1,749,860	-
Machinery and equipment	1,913,977	2,329,343
Accumulated depreciation	(3,098,645)	-
Total	<u>\$8,733,637</u>	<u>\$4,287,609</u>

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

FIXED ASSETS (Continued)

The changes in the General Fixed Assets Account Group for the year ended June 30, 1990 are as follows:

	<u>Land</u>	<u>Buildings and Improve- ments</u>	<u>Machinery and Equipment</u>	<u>Total</u>
Balance, June 30, 1989	\$ 281,900	\$1,660,038	\$2,009,924	\$3,951,862
Add expenditures from:				
General Fund	-	16,328	319,119	335,447
Special Revenue Funds	-	-	300	300
Balance, June 30, 1990	<u>\$ 281,900</u>	<u>\$1,676,366</u>	<u>\$2,329,343</u>	<u>\$4,287,609</u>

NOTE PAYABLE

During June 1986, the City entered into a loan agreement with the State of Oregon's Department of Energy, Small Scale Energy Loan Program, to finance the purchase of energy equipment for the Senior Citizens' Center. The balance of \$22,555 at June 30, 1990, is due in monthly payments of \$265, including interest at 9.35%. Transactions for the year ended June 30, 1990, are as follows:

	<u>Balance June 30, 1989</u>	<u>Payments</u>	<u>Balance June 30, 1990</u>
Note payable	<u>\$ 23,518</u>	<u>\$ (963)</u>	<u>\$ 22,555</u>

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

BONDS PAYABLE

Bond principal transactions for the year ended June 30, 1990 are as follows:

	Out- standing June 30, <u>1989</u>	<u>Redeemed</u>	Out- standing June 30, <u>1990</u>
<u>General Obligation Bonds</u>			
1988 Advance Refunding Bonds; interest ranges from 5.60% to 6.85%; payable from Debt Service Fund revenues	\$3,125,000	\$ 190,000	\$2,935,000
<u>General Obligation Revenue Supported Bonds</u>			
1978 State Office Building Revenue Bonds; interest ranges from 4.9% to 5.25%; original amount - \$1,150,000; payable from lease payments from State of Oregon	<u>390,000</u>	<u>90,000</u>	<u>300,000</u>
	<u>\$3,515,000</u>	<u>\$ 280,000</u>	<u>\$3,235,000</u>

In November 1988, the City defeased the 1980 Water Utility Improvement Bonds by placing the proceeds of new bonds in an irrevocable trust with an escrow agent to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's general purpose financial statements. As of June 30, 1990, the face amount of the defeased bonds is \$2,555,000.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

BONDS PAYABLE

Future maturities of bond principal and interest are as follows:

<u>Fiscal Year</u>	<u>1978 State Office Building Revenue Bonds</u>		<u>1988 Advance Refunding Bonds</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
1991	\$ 95,000	\$ 15,702	\$ 205,000	\$ 191,252	\$ 300,000	\$ 206,954
1992	100,000	10,762	215,000	178,953	315,000	189,715
1993	105,000	5,512	225,000	165,837	330,000	171,349
1994	-	-	240,000	151,888	240,000	151,888
1995	-	-	250,000	136,767	250,000	136,767
1996-2000	-	-	1,465,000	419,713	1,465,000	419,713
2001	-	-	335,000	22,947	335,000	22,947
	<u>\$ 300,000</u>	<u>\$ 31,976</u>	<u>\$2,935,000</u>	<u>\$1,267,357</u>	<u>\$3,235,000</u>	<u>\$1,299,333</u>

OBLIGATION UNDER CAPITAL LEASE

During April 1990, the City entered into a five-year lease purchase agreement for the purpose of financing the acquisition of a new computer system. The lease amount is \$196,000 with interest at 7.25% annually, payable in semi-annual installments commencing October 1, 1990.

Future payments under the lease are as follows:

<u>Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Payment</u>
10/1/90	\$ -	\$ 8,289	\$ 8,289
4/1/91	36,000	7,105	43,105
10/1/91	-	5,800	5,800
4/1/92	40,000	5,800	45,800
10/1/92	-	4,350	4,350
4/1/93	40,000	4,350	44,350
10/1/93	-	2,900	2,900
4/1/94	40,000	2,900	42,900
10/1/94	-	1,450	1,450
4/1/95	40,000	1,450	41,450
	<u>\$ 196,000</u>	<u>\$ 44,394</u>	<u>\$ 240,394</u>

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

COMPENSATED ABSENCES PAYABLE

Compensated absences payable transactions for the year ended June 30, 1990, are as follows:

	Balance June 30, 1989	Additions	Retire- ments	Balance June 30, 1990
Compensated absences payable	<u>\$ 193,352</u>	<u>\$ 186,518</u>	<u>\$ (193,352)</u>	<u>\$ 186,518</u>

PENSION PLAN

The City provides pension benefits for substantially all of its full-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate after one year of employment. Under terms of the plan, both the City and the employee are required to make contributions. In addition, the employees may make additional voluntary contributions. Beginning September 1, 1988, the City's contribution rate was 16.6% for primarily police and fire department employees and 7.5% for other employees. The mandatory employee contribution rate was 6% for all employees. The City pays both the employer and mandatory employee contributions. In addition, police and fire department employees may contribute up to an additional 2.4% of their compensation and other employees up to 10% of their compensation. All contributions to the plan are fully vested when made. The City's total payroll for the year ended June 30, 1990 was \$2,399,332. The City's payroll for employees covered by the plan was \$2,109,663. The City's employer and mandatory employee contribution for the year ended June 30, 1990 was \$299,635 or 14.2% of the year's covered payroll.

SEGMENT INFORMATION - ENTERPRISE FUNDS

The City's Enterprise Funds account for the acquisition, operation, and maintenance of water, wastewater and airport facilities which are supported by user charges. Segment information for the year ended June 30, 1990 is as follows:

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1990

SEGMENT INFORMATION - ENTERPRISE FUNDS (Continued)

	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Airport</u>	<u>Total</u>
Operating revenues	\$1,089,582	\$ 565,686	\$ 138,835	\$1,794,103
Depreciation	166,461	59,249	103	225,813
Operating income (loss)	(7,207)	(139,540)	22,308	(124,439)
Net income (loss)	(100,355)	(120,991)	20,646	(200,700)
Fixed asset additions	30,062	10,040	306,587	346,689
Net working capital (deficiency)	365,172	209,223	(44,416)	529,979
Total assets	8,720,009	2,025,686	1,124,756	11,870,451
Total equity	8,610,725	1,897,101	1,042,377	11,550,203

INDIVIDUAL FUND DISCLOSURES

For the year ended June 30, 1990, the following expenditures did not comply with Oregon Statutes since they exceeded budgeted appropriations as follows:

Ambulance Reserve Fund (a Special Revenue Fund) - capital outlay	\$ 995
Debt Service Fund	7,422
Airport Enterprise Fund - materials and services	4,353

As of June 30, 1990, funds with deficits in budgetary basis fund balances were as follows:

Capital Projects Fund - FAA	
Grant Improvement	\$ (3,484)
Enterprise Fund - Airport	(65,655)

SUPPLEMENTAL INFORMATION

GENERAL FUND

CITY OF THE DALLES, OREGON

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Taxes	\$ 1,749,390	\$ 1,855,497	\$ 106,107
Fines and forfeitures	83,142	106,012	22,870
Intergovernmental	264,639	302,517	37,878
Investment income	70,000	77,564	7,564
Other revenues	606,369	665,309	58,940
Total revenues	<u>2,773,540</u>	<u>3,006,899</u>	<u>233,359</u>
EXPENDITURES:			
General government	1,563,229	1,224,722	338,507
Public safety	1,583,883	1,477,414	106,469
Culture and recreation	241,818	227,172	14,646
Total expenditures	<u>3,388,930</u>	<u>2,929,308</u>	<u>459,622</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(615,390)</u>	<u>77,591</u>	<u>692,981</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	204,679	200,679	(4,000)
Operating transfers out	(243,585)	(228,585)	15,000
Total other financing sources (uses)	<u>(38,906)</u>	<u>(27,906)</u>	<u>11,000</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDI- TURES AND OTHER FINANCING USES	<u>(654,296)</u>	<u>49,685</u>	<u>703,981</u>
FUND BALANCE, June 30, 1989	<u>736,296</u>	<u>841,096</u>	<u>104,800</u>
FUND BALANCE, June 30, 1990	<u>\$ 82,000</u>	<u>\$ 890,781</u>	<u>\$ 808,781</u>

CITY OF THE DALLES, OREGON

GENERAL FUND

STATEMENT OF REVENUES -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Local:			
Property taxes:			
Current year taxes	\$ 1,574,390	\$ 1,564,876	\$ (9,514)
Prior year taxes	<u>175,000</u>	<u>290,621</u>	<u>115,621</u>
Total property taxes	1,749,390	1,855,497	106,107
Hotel-motel tax	158,000	173,402	15,402
Franchise fees	238,000	272,819	34,819
Ambulance services	115,000	104,201	(10,799)
Fines and forfeitures	83,142	106,012	22,870
Miscellaneous local revenue	<u>95,369</u>	<u>114,887</u>	<u>19,518</u>
Total local revenues	<u>2,438,901</u>	<u>2,626,818</u>	<u>187,917</u>
Intergovernmental:			
State for library	3,809	3,809	-
County for library	107,866	107,850	(16)
State liquor and amusement tax	65,500	66,618	1,118
State cigarette tax	36,464	35,366	(1,098)
State revenue sharing	48,000	50,145	2,145
Other intergovernmental revenue	<u>3,000</u>	<u>38,729</u>	<u>35,729</u>
Total intergovern- mental revenues	264,639	302,517	37,878
Investment income	70,000	77,564	7,564
Operating transfers in	<u>204,679</u>	<u>200,679</u>	<u>(4,000)</u>
TOTAL REVENUES	<u>\$ 2,978,219</u>	<u>\$ 3,207,578</u>	<u>\$ 229,359</u>

CITY OF THE DALLES, OREGON

GENERAL FUND

STATEMENT OF EXPENDITURES -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<u>BY APPROPRIATION CATEGORY:</u>			
GENERAL GOVERNMENT:			
Administration	\$ 251,811	\$ 230,906	\$ 20,905
Finance and general	711,715	663,826	47,889
Legal and judiciary	168,576	165,542	3,034
Community and economic development	211,983	153,308	58,675
Codes enforcement	26,123	11,140	14,983
Contingency	193,021	-	193,021
Operating transfers out	<u>243,585</u>	<u>228,585</u>	<u>15,000</u>
Total general government	<u>1,806,814</u>	<u>1,453,307</u>	<u>353,507</u>
PUBLIC SAFETY:			
Police	808,755	728,328	80,427
Fire	603,246	588,670	14,576
Ambulance	<u>171,882</u>	<u>160,416</u>	<u>11,466</u>
Total public safety	<u>1,583,883</u>	<u>1,477,414</u>	<u>106,469</u>
CULTURE AND RECREATION:			
Library	<u>241,818</u>	<u>227,172</u>	<u>14,646</u>
Total culture and recreation	<u>241,818</u>	<u>227,172</u>	<u>14,646</u>
TOTAL EXPENDITURES	<u>\$ 3,632,515</u>	<u>\$ 3,157,893</u>	<u>\$ 474,622</u>

SPECIAL REVENUE FUNDS

CITY OF THE DALLES, OREGON

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1990

	Street and Storm Sewer	Energy	Crime Prevention	Land Conserva- tion and Develop- ment	Fire Equipment Reserve	Ambulance Reserve
<u>ASSETS</u>						
Cash and cash equivalents	\$ 804,035	\$ 33,172	\$ 579	\$ 8,984	\$ 68,777	\$ 1,335
Property taxes receivable	-	-	-	-	-	-
Accounts receivable	27,794	-	-	-	-	-
Total assets	<u>\$ 831,829</u>	<u>\$ 33,172</u>	<u>\$ 579</u>	<u>\$ 8,984</u>	<u>\$ 68,777</u>	<u>\$ 1,335</u>
<u>LIABILITIES AND FUND EQUITY</u>						
Liabilities:						
Accounts payable	\$ 12,476	\$ -	\$ 20	\$ -	\$ -	\$ -
Deferred revenue	-	-	-	-	-	-
Total liabilities	<u>12,476</u>	<u>-</u>	<u>20</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund equity (deficit):						
Fund balances (deficit):						
Unreserved:						
Undesignated	<u>819,353</u>	<u>33,172</u>	<u>559</u>	<u>8,984</u>	<u>68,777</u>	<u>1,335</u>
Total fund equity (deficit)	<u>819,353</u>	<u>33,172</u>	<u>559</u>	<u>8,984</u>	<u>68,777</u>	<u>1,335</u>
Total liabilities and fund equity	<u>\$ 831,829</u>	<u>\$ 33,172</u>	<u>\$ 579</u>	<u>\$ 8,984</u>	<u>\$ 68,777</u>	<u>\$ 1,335</u>

Public Works Reserve	Parks Reserve	Unemploy- ment Insurance Reserve	Vietnam Memorial	Kelly Avenue Landslide	Street and Bridge Replace- ment	Tourist Promotion	FAA Grant Master Plan	Total
\$ 88,918	\$ 1,341	\$ 73,776	\$ 1,929	\$ 208,893	\$ 98,684	\$ 54,923	\$ 2,000	\$1,447,346
-	-	-	-	8,959	-	-	-	8,959
-	-	-	100	4,924	-	-	-	32,818
<u>\$ 88,918</u>	<u>\$ 1,341</u>	<u>\$ 73,776</u>	<u>\$ 2,029</u>	<u>\$ 222,776</u>	<u>\$ 98,684</u>	<u>\$ 54,923</u>	<u>\$ 2,000</u>	<u>\$1,489,123</u>
\$ -	\$ -	\$ -	\$ -	\$ 13,003	\$ -	\$ 12,556	\$ -	\$ 38,055
-	-	-	-	8,437	-	-	-	8,437
-	-	-	-	21,440	-	12,556	-	46,492
88,918	1,341	73,776	2,029	201,336	98,684	42,367	2,000	1,442,631
88,918	1,341	73,776	2,029	201,336	98,684	42,367	2,000	1,442,631
<u>\$ 88,918</u>	<u>\$ 1,341</u>	<u>\$ 73,776</u>	<u>\$ 2,029</u>	<u>\$ 222,776</u>	<u>\$ 98,684</u>	<u>\$ 54,923</u>	<u>\$ 2,000</u>	<u>\$1,489,123</u>

CITY OF THE DALLES, OREGON

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1990

	Street and Storm Sewer	Energy	Crime Prevention	Land Conserva- tion and Develop- ment	Fire Equipment Reserve	Ambulance Reserve
REVENUES:						
Taxes	\$ 303,044	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	367,136	-	-	2,500	-	-
Charges for services	69,571	-	-	-	-	-
Interest on investments	47,587	2,430	187	470	5,057	-
Total revenues	787,338	2,430	187	2,970	5,057	-
EXPENDITURES:						
General government	-	-	-	-	-	-
Public safety	-	-	1,526	-	-	-
Highways and streets	582,474	-	-	-	-	-
Capital outlay	-	-	-	-	-	51,922
Total expenditures	582,474	-	1,526	-	-	51,922
Revenues over (under) expenditures	204,864	2,430	(1,339)	2,970	5,057	(51,922)
OTHER FINANCING SOURCES (USES):						
Operating transfers in	39,000	-	-	-	-	-
Operating transfers out	(36,271)	-	-	-	-	-
Total other financing sources (uses)	2,729	-	-	-	-	-
Revenues and other financing sources over (under) expenditures and other financing uses	207,593	2,430	(1,339)	2,970	5,057	(51,922)
FUND BALANCES, June 30, 1989	611,760	30,742	1,898	6,014	63,720	53,257
FUND BALANCES, June 30, 1990	\$ 819,353	\$ 33,172	\$ 559	\$ 8,984	\$ 68,777	\$ 1,335

Public Works Reserve	Parks Reserve	Unemploy- ment Insurance Reserve	Vietnam Memorial	Kelly Avenue Landslide	Street and Bridge Replac- ment	Tourist Promotion	FAA Grant Master Plan	Total
\$ -	\$ -	\$ -	\$ -	\$ 5,245	\$ -	\$ -	\$ -	\$ 308,289
-	-	-	-	23,899	-	-	-	393,535
-	-	-	-	-	-	-	-	69,571
6,546	-	6,037	188	16,228	2,004	-	-	86,734
6,546	-	6,037	188	45,372	2,004	-	-	858,129
-	-	8,514	-	-	-	116,511	-	125,025
-	-	-	-	-	-	-	-	1,526
-	-	-	-	-	-	-	-	582,474
-	16,189	-	-	48,246	-	-	-	116,307
-	16,139	8,514	-	48,246	-	116,511	-	825,332
6,546	(16,139)	(2,477)	188	(2,874)	2,004	(116,511)	-	32,797
-	-	-	-	-	-	158,878	2,000	199,878
-	-	-	-	-	(6,140)	-	-	(42,411)
-	-	-	-	-	(6,140)	158,878	2,000	157,467
6,546	(16,139)	(2,477)	188	(2,874)	(4,136)	42,367	2,000	190,264
82,372	17,480	76,253	1,841	204,210	102,820	-	-	1,252,367
<u>\$ 88,918</u>	<u>\$ 1,341</u>	<u>\$ 73,776</u>	<u>\$ 2,029</u>	<u>\$ 201,336</u>	<u>\$ 98,684</u>	<u>\$ 42,367</u>	<u>\$ 2,000</u>	<u>\$1,442,631</u>

CITY OF THE DALLES, OREGON

STREET AND STORM SEWER FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Taxes	\$ 306,000	\$ 303,044	\$ (2,956)
Intergovernmental	327,000	367,136	40,136
Charges and services	7,500	69,571	62,071
Interest on investments	<u>11,000</u>	<u>47,587</u>	<u>36,587</u>
Total revenue	<u>651,500</u>	<u>787,338</u>	<u>135,838</u>
EXPENDITURES:			
Personal services	296,647	279,791	16,856
Materials and services	147,585	95,227	52,358
Capital outlay	274,671	207,456	67,215
Debt service	-	-	-
Contingency	<u>10,168</u>	<u>-</u>	<u>10,168</u>
Total expenditures	<u>729,071</u>	<u>582,474</u>	<u>146,597</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(77,571)</u>	<u>204,864</u>	<u>282,435</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	74,369	39,000	(35,369)
Operating transfers out	<u>(34,798)</u>	<u>(36,271)</u>	<u>(1,473)</u>
Total other financing sources (uses)	<u>39,571</u>	<u>2,729</u>	<u>(36,842)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDI- TURES AND OTHER FINANCING USES	<u>(38,000)</u>	<u>207,593</u>	<u>245,593</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>145,000</u>	<u>611,760</u>	<u>466,760</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ 107,000</u>	<u>\$ 819,353</u>	<u>\$ 712,353</u>

CITY OF THE DALLES, OREGON

ENERGY FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 2,271	\$ 2,430	\$ 159
Total revenues	<u>2,271</u>	<u>2,430</u>	<u>159</u>
EXPENDITURES:			
Contingency	<u>30,654</u>	<u>-</u>	<u>30,654</u>
Total expenditures	<u>30,654</u>	<u>-</u>	<u>30,654</u>
REVENUES OVER (UNDER) EXPENDITURES	(28,383)	2,430	30,813
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>28,383</u>	<u>30,742</u>	<u>2,359</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 33,172</u>	<u>\$ 33,172</u>

CITY OF THE DALLES, OREGON

CRIME PREVENTION FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Gifts and grants	\$ 2,050	\$ 30	\$ (2,020)
Interest on investments	<u>-</u>	<u>157</u>	<u>157</u>
Total revenues	<u>2,050</u>	<u>187</u>	<u>(1,863)</u>
EXPENDITURES:			
Materials and services	<u>3,550</u>	<u>1,526</u>	<u>2,024</u>
Total expenditures	<u>3,550</u>	<u>1,526</u>	<u>2,024</u>
REVENUES OVER (UNDER) EXPENDITURES	(1,500)	(1,339)	161
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>1,500</u>	<u>1,898</u>	<u>398</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 559</u>	<u>\$ 559</u>

CITY OF THE DALLES, OREGON

LAND CONSERVATION AND DEVELOPMENT FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Grants	\$ 2,500	\$ 2,500	\$ -
Interest on investments	<u>-</u>	<u>470</u>	<u>470</u>
Total revenues	<u>2,500</u>	<u>2,970</u>	<u>470</u>
EXPENDITURES:			
Contractual services	2,000	-	2,000
Materials and services	<u>500</u>	<u>-</u>	<u>500</u>
Total expenditures	<u>2,500</u>	<u>-</u>	<u>2,500</u>
REVENUES OVER EXPENDITURES	-	2,970	2,970
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>-</u>	<u>6,014</u>	<u>6,014</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 8,984</u>	<u>\$ 8,984</u>

CITY OF THE DALLES, OREGON

FIRE EQUIPMENT RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 3,363	\$ 5,057	\$ 1,694
Total revenues	<u>3,363</u>	<u>5,057</u>	<u>1,694</u>
EXPENDITURES:			
Capital outlay	<u>45,407</u>	<u>-</u>	<u>45,407</u>
Total expenditures	<u>45,407</u>	<u>-</u>	<u>45,407</u>
REVENUES OVER (UNDER) EXPENDITURES	(42,044)	5,057	47,101
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>42,044</u>	<u>63,720</u>	<u>21,676</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 68,777</u>	<u>\$ 68,777</u>

CITY OF THE DALLES, OREGON

AMBULANCE RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 3,700	\$ -	\$ (3,700)
Total revenues	<u>3,700</u>	<u>-</u>	<u>(3,700)</u>
EXPENDITURES:			
Capital outlay	<u>50,927</u>	<u>51,922</u>	<u>(995)</u>
Total expenditures	<u>50,927</u>	<u>51,922</u>	<u>(995)</u>
REVENUES OVER (UNDER) EXPENDITURES	(47,227)	(51,922)	(4,695)
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>47,227</u>	<u>53,257</u>	<u>6,030</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 1,335</u>	<u>\$ 1,335</u>

CITY OF THE DALLES, OREGON

PUBLIC WORKS RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 4,600	\$ 6,546	\$ 1,946
Total revenues	<u>4,600</u>	<u>6,546</u>	<u>1,946</u>
EXPENDITURES:			
Capital outlay	<u>92,946</u>	<u>-</u>	<u>92,946</u>
Total expenditures	<u>92,946</u>	<u>-</u>	<u>92,946</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(88,346)</u>	<u>6,546</u>	<u>94,892</u>
OTHER FINANCING SOURCES:			
Operating transfers in	<u>30,000</u>	<u>-</u>	<u>(30,000)</u>
Total other financing sources	<u>30,000</u>	<u>-</u>	<u>(30,000)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPEN- DITURES	<u>(58,346)</u>	<u>6,546</u>	<u>64,892</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>58,346</u>	<u>82,372</u>	<u>24,026</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 88,918</u>	<u>\$ 88,918</u>

CITY OF THE DALLES, OREGON

PARKS RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 1,395	\$ -	\$ (1,395)
Total revenues	<u>1,395</u>	<u>-</u>	<u>(1,395)</u>
EXPENDITURES:			
Capital outlay	<u>18,830</u>	<u>16,139</u>	<u>2,691</u>
Total expenditures	<u>18,830</u>	<u>16,139</u>	<u>2,691</u>
REVENUES OVER (UNDER) EXPENDITURES	(17,435)	(16,139)	1,296
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>17,435</u>	<u>17,480</u>	<u>45</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 1,341</u>	<u>\$ 1,341</u>

CITY OF THE DALLES, OREGON
UNEMPLOYMENT INSURANCE RESERVE FUND
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 7,400	\$ 6,037	\$ (1,363)
Total revenues	<u>7,400</u>	<u>6,037</u>	<u>(1,363)</u>
EXPENDITURES:			
Materials and services	<u>100,702</u>	<u>8,514</u>	<u>92,188</u>
Total expenditures	<u>100,702</u>	<u>8,514</u>	<u>92,188</u>
REVENUES OVER (UNDER) EXPENDITURES	(93,302)	(2,477)	90,825
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>93,302</u>	<u>76,253</u>	<u>(17,049)</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 73,776</u>	<u>\$ 73,776</u>

CITY OF THE DALLES, OREGON

VIETNAM MEMORIAL FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Gifts and donations	\$ 100	\$ 100	\$ -
Interest on investments	<u>90</u>	<u>88</u>	<u>(2)</u>
Total revenues	<u>190</u>	<u>188</u>	<u>(2)</u>
EXPENDITURES:			
Materials and services	100	-	100
Capital outlay	<u>1,820</u>	<u>-</u>	<u>1,820</u>
Total expenditures	<u>1,920</u>	<u>-</u>	<u>1,920</u>
REVENUES OVER (UNDER) EXPENDITURES	(1,730)	188	1,918
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>1,730</u>	<u>1,841</u>	<u>111</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 2,029</u>	<u>\$ 2,029</u>

CITY OF THE DALLES, OREGON

KELLY AVENUE LANDSLIDE FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Taxes	\$ 17,500	\$ 5,245	\$ (12,255)
Intergovernmental	250,000	23,899	(226,101)
Interest on investments	<u>41,000</u>	<u>16,228</u>	<u>(24,772)</u>
Total revenues	<u>308,500</u>	<u>45,372</u>	<u>(263,128)</u>
EXPENDITURES:			
Capital outlay	<u>843,016</u>	<u>48,246</u>	<u>794,770</u>
Total expenditures	<u>843,016</u>	<u>48,246</u>	<u>794,770</u>
REVENUES OVER (UNDER) EXPENDITURES	(534,516)	(2,874)	531,642
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>534,516</u>	<u>204,210</u>	<u>(330,306)</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 201,336</u>	<u>\$ 201,336</u>

CITY OF THE DALLES, OREGON

STREET AND BRIDGE REPLACEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ <u>5,100</u>	\$ <u>2,004</u>	\$ <u>(3,096)</u>
Total revenues	<u>5,100</u>	<u>2,004</u>	<u>(3,096)</u>
EXPENDITURES:			
Capital outlay	<u>63,660</u>	<u>-</u>	<u>63,660</u>
Total expenditures	<u>63,660</u>	<u>-</u>	<u>63,660</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(58,560)</u>	<u>2,004</u>	<u>60,564</u>
OTHER FINANCING USES:			
Operating transfers out	<u>(6,140)</u>	<u>(6,140)</u>	<u>-</u>
Total other financing uses	<u>(6,140)</u>	<u>(6,140)</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(64,700)</u>	<u>(4,136)</u>	<u>60,564</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>64,700</u>	<u>102,820</u>	<u>38,120</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 98,684</u>	<u>\$ 98,684</u>

CITY OF THE DALLES, OREGON

TOURIST PROMOTION FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 790	\$ -	\$ (790)
Total revenues	<u>790</u>	<u>-</u>	<u>(790)</u>
EXPENDITURES:			
Personal services	32,884	27,398	5,486
Materials and services	116,784	89,113	27,671
Capital outlay	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Total expenditures	<u>159,668</u>	<u>116,511</u>	<u>43,157</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(158,878)</u>	<u>(116,511)</u>	<u>42,367</u>
OTHER FINANCING SOURCES:			
Operating transfers in	<u>158,878</u>	<u>158,878</u>	<u>-</u>
Total other financing sources	<u>158,878</u>	<u>158,878</u>	<u>-</u>
REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	<u>-</u>	<u>42,367</u>	<u>42,367</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 42,367</u>	<u>\$ 42,367</u>

CITY OF THE DALLES, OREGON

FAA GRANT MASTER PLAN FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Intergovernmental	<u>\$ 38,000</u>	<u>\$ -</u>	<u>\$ (38,000)</u>
Total revenues	<u>38,000</u>	<u>-</u>	<u>(38,000)</u>
EXPENDITURES:			
Contractual services	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Total expenditures	<u>40,000</u>	<u>-</u>	<u>40,000</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,000)</u>	<u>-</u>	<u>(2,000)</u>
OTHER FINANCING SOURCES:			
Operating transfers in	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Total other financing sources	<u>2,000</u>	<u>2,000</u>	<u>-</u>
REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	<u>-</u>	<u>2,000</u>	<u>2,000</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u><u>\$ -</u></u>	<u><u>\$ 2,000</u></u>	<u><u>\$ 2,000</u></u>

DEBT SERVICE FUNDS

CITY OF THE DALLES, OREGON

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1990

	Debt Service	Water Bond Debt	Senior Center Grant Debt Service	Total
<u>ASSETS</u>				
Cash and cash equivalents	\$ 95,283	\$ 142,798	\$ -	\$ 238,081
Property taxes receivable	-	70,489	-	70,489
Accounts receivable	-	-	530	530
Total assets	<u>\$ 95,283</u>	<u>\$ 213,287</u>	<u>\$ 530</u>	<u>\$ 309,100</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts payable	-	-	464	464
Deferred revenue - property taxes	-	66,181	-	66,181
Total liabilities	-	66,181	464	66,645
Fund equity:				
Fund balances:				
Unreserved:				
Designated for debt service	95,283	147,106	66	242,455
Total fund equity	95,283	147,106	66	242,455
Total liabilities and fund equity	<u>\$ 95,283</u>	<u>\$ 213,287</u>	<u>\$ 530</u>	<u>\$ 309,100</u>

CITY OF THE DALLES, OREGON

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1990

	Debt Service	Water Bond Debt	Senior Center Grant Debt Service	Total
REVENUES:				
Taxes	\$ -	\$ 271,977	\$ -	\$ 271,977
Charges for services	113,580	86	3,180	116,846
Interest on investments	10,684	10,270	-	20,954
Total revenues	124,264	282,333	3,180	409,777
EXPENDITURES:				
Debt service:				
Bond principal	90,000	190,000	2,217	282,217
Interest	20,337	202,368	963	223,668
Trustee fees	1,548	-	-	1,548
Total expenditures	111,885	392,368	3,180	507,433
REVENUES OVER (UNDER) EXPENDITURES	12,379	(110,035)	-	(97,656)
OTHER FINANCING SOURCES (USES):				
Operating transfers in	-	126,980	-	126,980
Proceeds from refunding bonds	-	267,280	-	267,280
Payment to escrow agent for refunded bonds	-	(268,313)	-	(268,313)
Total other financing sources (uses)	-	125,947	-	125,947
REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	12,379	15,912	-	28,291
FUND BALANCES, June 30, 1989, as previously reported	82,904	131,194	-	214,098
Equity transfer due to reclassification of funds	-	-	66	66
FUND BALANCES, June 30, 1989, as restated	82,904	131,194	66	214,164
FUND BALANCES, June 30, 1990	<u>\$ 95,283</u>	<u>\$ 147,106</u>	<u>\$ 66</u>	<u>\$ 242,455</u>

CITY OF THE DALLES, OREGON

DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Rentals	\$ 113,580	\$ 113,580	\$ -
Interest on investments	<u>11,600</u>	<u>10,684</u>	<u>(916)</u>
Total revenues	<u>125,180</u>	<u>124,264</u>	<u>(916)</u>
EXPENDITURES:			
Debt service:			
Principal	90,000	90,000	-
Interest	12,463	20,337	(7,874)
Trustee fees	<u>2,000</u>	<u>1,548</u>	<u>452</u>
Total expenditures	<u>104,463(1)</u>	<u>111,885</u>	<u>(7,422)</u>
REVENUES OVER EXPENDITURES	20,717	12,379	(8,338)
FUND BALANCE, June 30, 1989	<u>74,000</u>	<u>82,904</u>	<u>8,904</u>
FUND BALANCE, June 30, 1990	<u>\$ 94,717</u>	<u>\$ 95,283</u>	<u>\$ 566</u>

(1) Legally adopted appropriation level.

CITY OF THE DALLES, OREGON

WATER BOND DEBT FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Taxes	\$ 261,288	\$ 271,977	\$ 10,689
Interest on investments	4,100	10,270	6,170
Charges and services	-	86	86
Total revenues	<u>265,388</u>	<u>282,333</u>	<u>16,945</u>
EXPENDITURES:			
Debt service:			
Principal	140,000	190,000	(50,000)
Interest	<u>254,560</u>	<u>202,368</u>	<u>52,192</u>
Total expenditures	<u>394,560(1)</u>	<u>392,368</u>	<u>2,192</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(129,172)</u>	<u>(110,035)</u>	<u>19,137</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	126,980	126,980	-
Proceeds from refunding bonds	394,560	267,280	(127,280)
Payment to escrow agent for refunded bonds	<u>(392,368)</u>	<u>(268,313)</u>	<u>124,055</u>
Total other financing sources (uses)	<u>129,172</u>	<u>125,947</u>	<u>(3,225)</u>
REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	-	15,912	15,912
FUND BALANCE, June 30, 1989	<u>-</u>	<u>131,194</u>	<u>131,194</u>
FUND BALANCE, June 30, 1990	<u>\$ -</u>	<u>\$ 147,106</u>	<u>\$ 147,106</u>

(1) Legally adopted appropriation level.

CITY OF THE DALLES, OREGON

SENIOR CENTER GRANT DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Intergovernmental	<u>\$ 3,180</u>	<u>\$ 3,180</u>	<u>\$ -</u>
Total revenues	<u>3,180</u>	<u>3,180</u>	<u>-</u>
EXPENDITURES:			
Debt service:			
Principal	<u>2,217</u>	<u>2,217</u>	<u>-</u>
Interest	<u>963</u>	<u>963</u>	<u>-</u>
Total expenditures	<u>3,180</u>	<u>3,180</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>-</u>	<u>66</u>	<u>66</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 66</u>	<u>\$ 66</u>

CAPITAL PROJECTS FUNDS

CITY OF THE DALLES, OREGON

CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1990

	<u>Capital Projects</u>	<u>FAA Grant Improve- ment</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 66,027	\$ -	\$ 66,027
Assessments receivable	617,013	-	617,013
Accounts receivable	<u>-</u>	<u>6,412</u>	<u>6,412</u>
Total assets	<u>\$ 683,040</u>	<u>\$ 6,412</u>	<u>\$ 689,452</u>
<u>LIABILITIES AND FUND EQUITY</u>			
Liabilities:			
Accounts payable	\$ 92	\$ 9,896	\$ 9,988
Deferred revenue - assess- ments and liens	<u>617,013</u>	<u>-</u>	<u>617,013</u>
Total liabilities	<u>617,105</u>	<u>9,896</u>	<u>627,001</u>
Fund equity (deficit):			
Undesignated	<u>65,935</u>	<u>(3,484)</u>	<u>62,451</u>
Total fund equity (deficit)	<u>65,935</u>	<u>(3,484)</u>	<u>62,451</u>
Total liabilities and fund equity (deficit)	<u>\$ 683,040</u>	<u>\$ 6,412</u>	<u>\$ 689,452</u>

CITY OF THE DALLES, OREGON

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1990

	<u>Capital Projects</u>	<u>FAA Grant Improve- ment</u>	<u>Total</u>
REVENUES:			
Assessment collections	\$ 242,622	\$ -	\$ 242,622
Intergovernmental	<u>-</u>	<u>289,103</u>	<u>289,103</u>
Total revenues	<u>242,622</u>	<u>289,103</u>	<u>531,725</u>
EXPENDITURES:			
Contractual services	-	269,828	269,828
Materials and services	92	-	92
Capital outlay	<u>-</u>	<u>36,759</u>	<u>36,759</u>
Total expenditures	<u>92</u>	<u>306,587</u>	<u>306,679</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>242,530</u>	<u>(17,484)</u>	<u>225,046</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	14,000	14,000
Operating transfers out	<u>(11,259)</u>	<u>-</u>	<u>(11,259)</u>
Total other financing sources (uses)	<u>(11,259)</u>	<u>14,000</u>	<u>2,741</u>
REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND FINANCING USES	231,271	(3,484)	227,787
FUND BALANCES (DEFICIT), June 30, 1989 (budgetary basis)	<u>(165,336)</u>	<u>-</u>	<u>(165,336)</u>
FUND BALANCES (DEFICIT), June 30, 1990 (budgetary basis)	<u>\$ 65,935</u>	<u>\$ (3,484)</u>	<u>\$ 62,451</u>

CITY OF THE DALLES, OREGON

CAPITAL PROJECTS FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Assessment collections - non-bonded:			
Principal	\$ 10,000	\$ 98,368	\$ 88,368
Interest	1,000	19,218	18,218
Assessment collections - bonded:			
Principal	115,000	96,394	(18,606)
Interest	<u>50,000</u>	<u>28,642</u>	<u>(21,358)</u>
Total revenues	<u>176,000</u>	<u>242,622</u>	<u>66,622</u>
EXPENDITURES:			
Contractual services	4,000	-	4,000
Materials and services	1,200	92	1,108
Capital outlay	<u>159,541</u>	<u>-</u>	<u>159,541</u>
Total expenditures	<u>164,741</u>	<u>92</u>	<u>164,649</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>11,259</u>	<u>242,530</u>	<u>231,271</u>
OTHER FINANCING USES:			
Operating transfers out	<u>(11,259)</u>	<u>(11,259)</u>	<u>-</u>
Total other financing uses	<u>(11,259)</u>	<u>(11,259)</u>	<u>-</u>
REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	-	231,271	231,271
FUND BALANCE (DEFICIT), June 30, 1989 (budgetary basis)	<u>-</u>	<u>(165,336)</u>	<u>(165,336)</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 65,935</u>	<u>\$ 65,935</u>

CITY OF THE DALLES, OREGON

FAA GRANT IMPROVEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Intergovernmental	<u>\$ 359,000</u>	<u>\$ 289,103</u>	<u>\$ (69,897)</u>
Total revenues	<u>359,000</u>	<u>289,103</u>	<u>(69,897)</u>
EXPENDITURES:			
Contractual services	<u>321,680</u>	<u>269,828</u>	<u>51,852</u>
Capital outlay	<u>51,320</u>	<u>36,759</u>	<u>14,561</u>
Total expenditures	<u>373,000</u>	<u>306,587</u>	<u>66,413</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(14,000)</u>	<u>(17,484)</u>	<u>(3,484)</u>
OTHER FINANCING SOURCES:			
Operating transfers in	<u>14,000</u>	<u>14,000</u>	<u>-</u>
Total other financing sources	<u>14,000</u>	<u>14,000</u>	<u>-</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDI- TURES	<u>-</u>	<u>(3,484)</u>	<u>(3,484)</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE (DEFICIT), June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ (3,484)</u>	<u>\$ (3,484)</u>

ENTERPRISE FUNDS

CITY OF THE DALLES, OREGON

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1990

	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Airport</u>	<u>Total</u>
<u>ASSETS</u>				
Current assets:				
Cash and cash equivalents	\$ 238,950	\$ 294,932	\$ -	\$ 533,882
Accounts receivables	68,054	24,619	16,723	109,396
Inventories	167,452	18,257	21,240	206,949
Total current assets	474,456	337,808	37,963	850,227
Restricted cash and cash equivalents	1,587,074	699,513	-	2,286,587
Fixed assets:				
Land and land improvements	2,794,513	-	1,084,798	3,879,311
Buildings and improvements	2,857,621	1,396,403	35,110	4,289,134
Machinery and equipment	1,223,059	664,628	26,290	1,913,977
Wells and land improvements	1,749,860	-	-	1,749,860
Accumulated depreciation	8,625,053 (1,966,574)	2,061,031 (1,072,666)	1,146,198 (59,405)	11,832,282 (3,098,645)
	6,658,479	988,365	1,086,793	8,733,637
Total assets	<u>\$ 8,720,009</u>	<u>\$ 2,025,686</u>	<u>\$ 1,124,756</u>	<u>\$11,870,451</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Current liabilities:				
Accounts payable	\$ 75,102	\$ 110,504	\$ 82,379	\$ 267,985
Compensated absences payable	34,182	18,081	-	52,263
Total current liabilities	109,284	128,585	82,379	320,248
Fund equity:				
Contributed capital	905,800	913,183	601,587	2,420,570
Retained earnings:				
Reserved for construction	1,557,555	605,966	-	2,163,521
Unreserved	6,147,370	377,952	440,790	6,966,112
Total fund equity	8,610,725	1,897,101	1,042,377	11,550,203
Total liabilities and fund equity	<u>\$ 8,720,009</u>	<u>\$ 2,025,686</u>	<u>\$ 1,124,756</u>	<u>\$11,870,451</u>

CITY OF THE DALLES, OREGON

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS

YEAR ENDED JUNE 30, 1990

	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Airport</u>	<u>Total</u>
OPERATING REVENUES:				
Service charges and fees	\$ 1,089,582	\$ 565,686	\$ 132,202	\$ 1,787,470
Rental income	-	-	6,633	6,633
Total operating revenues	<u>1,089,582</u>	<u>565,686</u>	<u>138,835</u>	<u>1,794,103</u>
OPERATING EXPENSES:				
Salaries and wages	632,891	296,966	4,591	934,448
Operating supplies	204	29,458	1,086	30,748
Professional services	68,907	129,878	16,044	214,829
Repairs and maintenance	58,002	20,388	3,326	81,716
Utilities	66,033	49,044	6,418	121,495
Operation and maintenance	64,683	108,744	75,550	248,977
General, administrative and engineering	39,608	11,499	9,409	60,516
Depreciation	<u>166,461</u>	<u>59,249</u>	<u>103</u>	<u>225,813</u>
Total operating expenses	<u>1,096,789</u>	<u>705,226</u>	<u>116,527</u>	<u>1,918,542</u>
Operating income (loss)	(7,207)	(139,540)	22,308	(124,439)
NON-OPERATING INCOME:				
Interest earnings	<u>146,562</u>	<u>73,301</u>	<u>-</u>	<u>219,863</u>
Net income (loss) before operating transfers	<u>139,355</u>	<u>(66,239)</u>	<u>22,308</u>	<u>95,424</u>
OPERATING TRANSFERS:				
Transfers in	-	-	18,338	18,338
Transfers out	<u>(239,710)</u>	<u>(54,752)</u>	<u>(20,000)</u>	<u>(314,462)</u>
Net operating transfers	<u>(239,710)</u>	<u>(54,752)</u>	<u>(1,662)</u>	<u>(296,124)</u>
Net income (loss)	(100,355)	(120,991)	20,646	(200,700)
RETAINED EARNINGS,				
June 30, 1989	<u>7,805,280</u>	<u>1,104,909</u>	<u>420,144</u>	<u>9,330,333</u>
RETAINED EARNINGS,				
June 30, 1990	<u>\$ 7,704,925</u>	<u>\$ 983,918</u>	<u>\$ 440,790</u>	<u>\$ 9,129,633</u>

CITY OF THE DALLES, OREGON

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 1990

	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Airport</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income (loss)	\$ (7,207)	\$ (139,540)	\$ 22,308	\$ (124,439)
Adjustments to reconcile operating income (loss) to net cash provided by operations:				
Depreciation	166,461	59,249	103	225,813
(Increase) decrease in accounts receivable	4,649	33,987	(11,465)	27,171
(Increase) decrease in inventories	(107,187)	5,955	(16,569)	(117,801)
Increase in accounts payable	46,454	104,522	7,285	158,261
Decrease in compensated absences payable	(5,088)	(4,076)	-	(9,164)
Net cash provided by operations	<u>98,082</u>	<u>60,097</u>	<u>1,662</u>	<u>159,841</u>
CASH FLOWS USED IN NONCAPITAL FINANCING ACTIVITIES:				
Operating transfers in	-	-	18,338	18,338
Operating transfers out	(239,710)	(54,752)	(20,000)	(314,462)
Net cash used in noncapital financing activities	<u>(239,710)</u>	<u>(54,752)</u>	<u>(1,662)</u>	<u>(296,124)</u>
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of fixed assets	(30,062)	(10,040)	(306,587)	(346,689)
Increase in contributed capital	-	-	306,587	306,587
Net cash used in capital and related financing activities	<u>(30,062)</u>	<u>(10,040)</u>	<u>-</u>	<u>(40,102)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest earnings	<u>146,562</u>	<u>73,301</u>	<u>-</u>	<u>219,863</u>
NET INCREASE (DECREASE) IN CASH	<u>(25,128)</u>	<u>68,606</u>	<u>-</u>	<u>43,478</u>
CASH AND CASH EQUIVALENTS, June 30, 1989	<u>1,851,152</u>	<u>925,839</u>	<u>-</u>	<u>2,776,991</u>
CASH AND CASH EQUIVALENTS, June 30, 1990	<u>\$1,826,024</u>	<u>\$ 994,445</u>	<u>\$ -</u>	<u>\$2,820,469</u>

CITY OF THE DALLES, OREGON

WATER UTILITY FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Charges and services	\$ 1,044,800	\$ 1,087,139	\$ 42,339
Interest on investments	<u>15,000</u>	<u>18,110</u>	<u>3,110</u>
Total revenues	<u>1,059,800</u>	<u>1,105,249</u>	<u>45,449</u>
EXPENDITURES:			
Water distribution	551,834	465,043	86,791
Water treatment	749,081	533,813	215,268
Contingency	<u>30,000</u>	<u>-</u>	<u>30,000</u>
Total expenditures	<u>1,330,915</u>	<u>998,856</u>	<u>332,059</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(271,115)</u>	<u>106,393</u>	<u>377,508</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	178,845	-	(178,845)
Operating transfers out	<u>(112,730)</u>	<u>(112,730)</u>	<u>-</u>
Total other financing sources (uses)	<u>66,115</u>	<u>(112,730)</u>	<u>(178,845)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDI- TURES AND OTHER FINANCING USES	<u>(205,000)</u>	<u>(6,337)</u>	<u>198,663</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>205,000</u>	<u>233,575</u>	<u>28,575</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 227,238</u>	<u>\$ 227,238</u>

CITY OF THE DALLES, OREGON

WATER ASSET REPLACEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 5,600	\$ 8,153	\$ 2,553
Total revenues	<u>5,600</u>	<u>8,153</u>	<u>2,553</u>
EXPENDITURES:			
Capital outlay	<u>77,310</u>	<u>-</u>	<u>77,310</u>
Total expenditures	<u>77,310</u>	<u>-</u>	<u>77,310</u>
REVENUES OVER (UNDER) EXPENDITURES	(71,710)	8,153	79,863
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>71,710</u>	<u>102,891</u>	<u>31,181</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 111,044</u>	<u>\$ 111,044</u>

CITY OF THE DALLES, OREGON

WATER CAPITAL RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Charges and services	\$ 3,000	\$ 2,443	\$ (557)
Interest on investments	<u>17,680</u>	<u>627</u>	<u>(17,053)</u>
Total revenues	<u>20,680</u>	<u>3,070</u>	<u>(17,610)</u>
EXPENDITURES:			
Capital outlay	<u>195,489</u>	<u>6,825</u>	<u>188,664</u>
Total expenditures	<u>195,489</u>	<u>6,825</u>	<u>188,664</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(174,809)</u>	<u>(3,755)</u>	<u>171,054</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	100,000	-	(100,000)
Operating transfers out	<u>(178,845)</u>	<u>-</u>	<u>178,845</u>
Total other financing sources (uses)	<u>(78,845)</u>	<u>-</u>	<u>78,845</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDI- TURES AND OTHER FINANCING (USES)	<u>(253,654)</u>	<u>(3,755)</u>	<u>249,899</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>253,654</u>	<u>8,029</u>	<u>(245,625)</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 4,274</u>	<u>\$ 4,274</u>

CITY OF THE DALLES, OREGON

WATER CAPITAL IMPROVEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Charges and services	\$ 126,980	\$ -	\$ (126,980)
Interest on investments	96,000	119,672	23,672
Total revenues	222,980	119,672	(103,308)
EXPENDITURES:			
Capital outlay	76,700	61,896	14,804
Contingency	1,549,083	-	1,549,083
Total expenditures	1,625,783	61,896	1,563,887
REVENUES OVER (UNDER) EXPENDITURES	(1,402,803)	57,776	1,460,579
OTHER FINANCING USES:			
Operating transfers out	(126,980)	(126,980)	-
Total other financing uses	(126,980)	(126,980)	-
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(1,529,783)	(69,204)	1,460,579
FUND BALANCE, June 30, 1989 (budgetary basis)	1,529,783	1,511,441	(18,342)
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 1,442,237</u>	<u>\$ 1,442,237</u>

CITY OF THE DALLES, OREGON

WASTEWATER FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Charges and services	\$ 565,000	\$ 554,606	\$ (10,394)
Interest on investments	<u>10,500</u>	<u>17,326</u>	<u>6,826</u>
Total revenues	<u>575,500</u>	<u>571,932</u>	<u>(3,568)</u>
EXPENDITURES:			
Wastewater treatment	317,295	276,501	40,794
Wastewater collection	221,668	185,223	36,445
Contingency	<u>109,985</u>	<u>-</u>	<u>109,985</u>
Total expenditures	<u>648,948</u>	<u>461,724</u>	<u>187,224</u>
REVENUES OVER EXPENDITURES	<u>(73,448)</u>	<u>110,208</u>	<u>183,656</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	15,000	15,000	-
Operating transfers out	<u>(89,752)</u>	<u>(89,752)</u>	<u>-</u>
Total other financing sources (uses)	<u>(74,752)</u>	<u>(74,752)</u>	<u>-</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDI- TURES AND OTHER FINANCING USES	<u>(148,200)</u>	<u>35,456</u>	<u>183,656</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>148,200</u>	<u>249,327</u>	<u>101,127</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 284,783</u>	<u>\$ 284,783</u>

CITY OF THE DALLES, OREGON
WASTEWATER TREATMENT RESERVE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS
YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavor- able)
REVENUES:			
Interest on investments	\$ 24,000	\$ 26,028	\$ 2,028
Total revenues	<u>24,000</u>	<u>26,028</u>	<u>2,028</u>
EXPENDITURES:			
Capital outlay	<u>341,000</u>	<u>78,030</u>	<u>262,970</u>
Total expenditures	<u>341,000</u>	<u>78,030</u>	<u>262,970</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(317,000)</u>	<u>(52,002)</u>	<u>264,998</u>
OTHER FINANCING SOURCES:			
Operating transfers in	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total other financing sources	<u>15,000</u>	<u>15,000</u>	<u>-</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDI- TURES	<u>(302,000)</u>	<u>(37,002)</u>	<u>264,998</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>302,000</u>	<u>328,818</u>	<u>26,818</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 291,816</u>	<u>\$ 291,816</u>

CITY OF THE DALLES, OREGON

WASTEWATER COLLECTION REPLACEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 4,000	\$ 6,624	2,624
Total revenues	4,000	6,624	2,624
EXPENDITURES:			
Capital outlay	83,500	-	83,500
Total expenditures	83,500	-	83,500
REVENUES OVER (UNDER) EXPENDITURES	(79,500)	6,624	86,124
OTHER FINANCING SOURCES:			
Operating transfers in	20,000	20,000	-
Total other financing sources	20,000	20,000	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	(59,500)	26,624	86,124
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>59,500</u>	<u>83,531</u>	<u>24,031</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 110,155</u>	<u>\$ 110,155</u>

CITY OF THE DALLES, OREGON

SPECIAL SEWER RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Charges and services	\$ 6,000	\$ 11,350	\$ 5,350
Interest on investments	10,600	11,250	650
Total revenues	16,600	22,600	6,000
EXPENDITURES:			
Capital outlay	149,844	110,308	39,536
Total expenditures	149,844	110,308	39,536
REVENUES OVER (UNDER) EXPENDITURES	(133,244)	(87,708)	45,536
FUND BALANCE, June 30, 1989 (budgetary basis)	133,244	142,009	8,765
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 54,301</u>	<u>\$ 54,301</u>

CITY OF THE DALLES, OREGON

CORPS OF ENGINEERS SEWER FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Interest on investments	\$ 13,100	\$ 12,073	\$ (1,027)
Total revenues	<u>13,100</u>	<u>12,073</u>	<u>(1,027)</u>
EXPENDITURES:			
Capital outlay	<u>162,435</u>	<u>-</u>	<u>162,435</u>
Total expenditures	<u>162,435</u>	<u>-</u>	<u>162,435</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(149,335)</u>	<u>12,073</u>	<u>161,408</u>
OTHER FINANCING USES:			
Operating transfers out	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Total other financing uses	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(164,335)</u>	<u>(2,927)</u>	<u>161,408</u>
FUND BALANCE, June 30, 1989 (budgetary basis)	<u>164,335</u>	<u>152,621</u>	<u>(11,714)</u>
FUND BALANCE, June 30, 1990 (budgetary basis)	<u>\$ -</u>	<u>\$ 149,694</u>	<u>\$ 149,694</u>

CITY OF THE DALLES, OREGON

AIRPORT FUND

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1990

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
REVENUES:			
Charges and services (net of sales taxes)	\$ 111,420	\$ 132,202	\$ 20,782
Rental income	17,107	6,633	(10,474)
Intergovernmental revenue - grants	<u>3,500</u>	<u>-</u>	<u>(3,500)</u>
Total revenues	<u>132,027</u>	<u>138,835</u>	<u>6,808</u>
EXPENDITURES:			
Personal services	6,200	4,591	1,609
Contractual services	16,160	16,044	116
Materials and services	<u>108,005</u>	<u>112,358</u>	<u>(4,353)</u>
Total expenditures	<u>130,365</u>	<u>132,993</u>	<u>(2,628)</u>
REVENUES OVER EXPENDITURES	<u>1,662</u>	<u>5,842</u>	<u>4,180</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	18,338	18,338	-
Operating transfers out	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,662)</u>	<u>(1,662)</u>	<u>-</u>
REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	-	4,180	4,180
FUND BALANCE (DEFICIT), June 30, 1989 (budgetary basis)			
	<u>-</u>	<u>(69,835)</u>	<u>(69,835)</u>
FUND BALANCE (DEFICIT), June 30, 1990 (budgetary basis)			
	<u>\$ -</u>	<u>\$ (65,655)</u>	<u>\$ (65,655)</u>

ADDITIONAL SCHEDULES

CITY OF THE DALLES, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS

YEAR ENDED JUNE 30, 1989

	<u>Tax Year</u>	<u>Uncollected June 30, 1989</u>	<u>Levy as Extended by Assessor</u>	<u>Discounts Allowed</u>
<u>GENERAL FUND:</u>				
Current	1989-90	\$ -	\$ 1,831,497	\$ (33,419)
Prior	1988-89	262,033	-	-
	1987-88	154,086	-	-
	1986-87	93,008	-	-
	1985-86	24,842	-	-
	1984-85	5,242	-	-
	1983-84			
	and prior	14,738	-	-
Total Prior		553,949	-	-
Total General Fund		553,949	1,831,497	(33,419)
<u>WATER BOND DEBT FUND:</u>				
Current	1989-90	-	265,573	(4,846)
Prior	1988-89	28,791	-	-
	1987-88	23,457	-	-
	1986-87	17,695	-	-
	1985-86	6,284	-	-
	1984-85	(4,525)	-	-
	1983-84			
	and prior	824	-	-
Total Prior		72,526	-	-
Total Water Bond Debt Fund		72,526	265,573	(4,846)
<u>KELLY AVENUE LANDSLIDE FUND:</u>				
Prior	1987-88	13,158	-	-
Total Kelly Avenue Landslide Fund		13,158	-	-
TOTAL ALL FUNDS		\$ 639,633	\$ 2,097,070	\$ (38,265)

<u>Interest</u>	<u>Adjustments</u>	<u>Collections</u>	<u>Uncollected June 30, 1990</u>
\$ 1,150	\$ (7,293)	\$ (1,582,767)	\$ 209,168
9,137	(2,903)	(104,548)	163,719
10,642	(1,671)	(58,133)	104,924
20,513	(492)	(76,592)	36,437
4,186	(280)	(14,106)	14,642
931	(96)	(2,640)	3,437
<u>188</u>	<u>(210)</u>	<u>(435)</u>	<u>14,281</u>
<u>45,597</u>	<u>(5,652)</u>	<u>(256,454)</u>	<u>337,440</u>
<u>46,747</u>	<u>(12,945)</u>	<u>(1,839,221)</u>	<u>546,608</u>
<u>166</u>	<u>(1,057)</u>	<u>(229,506)</u>	<u>30,330</u>
1,004	(319)	(11,487)	17,989
1,620	(255)	(8,849)	15,973
3,904	(86)	(14,578)	6,935
1,058	(71)	(3,566)	3,705
311	(32)	(882)	(5,128)
<u>54</u>	<u>(65)</u>	<u>(128)</u>	<u>685</u>
<u>7,951</u>	<u>(828)</u>	<u>(39,490)</u>	<u>40,159</u>
<u>8,117</u>	<u>(1,885)</u>	<u>(268,996)</u>	<u>70,489</u>
<u>909</u>	<u>(143)</u>	<u>(4,965)</u>	<u>8,959</u>
<u>909</u>	<u>(143)</u>	<u>(4,965)</u>	<u>8,959</u>
<u>\$ 55,773</u>	<u>\$ (14,973)</u>	<u>\$ (2,113,182)</u>	<u>\$ 626,056</u>

CITY OF THE DALLES, OREGON
SCHEDULE OF BONDED DEBT TRANSACTIONS
YEAR ENDED JUNE 30, 1990

		<u>Bond</u>		
	<u>Interest Rate</u>	<u>Outstanding at June 30, 1989</u>	<u>Issued</u>	<u>Matured</u>
<u>GENERAL OBLIGATION BONDS</u>				
1988 Advance Refunding Bonds	5.60% to 6.85%	\$ 3,125,000	\$ -	\$ 190,000
 <u>GENERAL OBLIGATION REVENUE SUPPORTED BONDS</u>				
1978 State Office Building Revenue Bonds	4.9% to 5.25%	<u>390,000</u>	<u>-</u>	<u>90,000</u>
TOTAL ALL BONDS		<u>\$ 3,515,000</u>	<u>\$ -</u>	<u>\$ 280,000</u>

<u>Principal</u>		<u>Interest</u>			
<u>Redeemed</u>	<u>Outstanding at June 30, 1990</u>	<u>Outstanding at June 30, 1989</u>	<u>Matured</u>	<u>Redeemed</u>	<u>Outstanding at June 30, 1990</u>
\$ 190,000	\$ 2,935,000	\$ -	\$ 202,368	\$ 202,368	\$ -
<u>90,000</u>	<u>300,000</u>	<u>-</u>	<u>20,338</u>	<u>20,338</u>	<u>-</u>
<u>\$ 280,000</u>	<u>\$ 3,235,000</u>	<u>\$ -</u>	<u>\$ 222,706</u>	<u>\$ 222,706</u>	<u>\$ -</u>

CITY OF THE DALLES, OREGON

SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS

JUNE 30, 1990

<u>Fiscal Year</u>	<u>1988 Advance Refunding Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1990-91	\$ 205,000	\$ 191,252	\$ 396,252
1991-92	215,000	178,953	393,953
1992-93	225,000	165,837	390,837
1993-94	240,000	151,888	391,888
1994-95	250,000	136,767	386,767
1995-96	265,000	120,768	385,768
1996-97	280,000	103,542	383,542
1997-98	290,000	85,063	375,063
1998-99	310,000	65,632	375,632
1999-2000	320,000	44,708	364,708
2000-2001	<u>335,000</u>	<u>22,947</u>	<u>357,947</u>
	<u>\$ 2,935,000</u>	<u>\$ 1,267,357</u>	<u>\$ 4,202,357</u>

1978 State Office Building

Revenue Bonds

<u>Principal</u>	<u>Interest</u>	<u>Total</u>
\$ 95,000	\$ 15,702	\$ 110,702
100,000	10,762	110,762
105,000	5,512	110,512
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>\$ 300,000</u>	<u>\$ 31,976</u>	<u>\$ 331,976</u>

Total Outstanding Issues

<u>Principal</u>	<u>Interest</u>	<u>Total</u>
\$ 300,000	\$ 206,954	\$ 506,954
315,000	189,715	504,715
330,000	171,349	501,349
240,000	151,888	391,888
250,000	136,767	386,767
265,000	120,768	385,768
280,000	103,542	383,542
290,000	85,063	375,063
310,000	65,632	375,632
320,000	44,708	364,708
335,000	22,947	357,947
<u>\$3,235,000</u>	<u>\$1,299,333</u>	<u>\$4,534,333</u>

AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY FEDERAL AND STATE REGULATIONS

Talbot, Korvola & Warwick

Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

December 20, 1990

City Council
City of The Dalles
The Dalles, Oregon

We have audited the general purpose financial statements of the City of The Dalles, Oregon for the year ended June 30, 1990, and have issued our report thereon dated December 20, 1990.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

In planning and performing our audit of the general purpose financial statements of the City of The Dalles for the year ended June 30, 1990, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

The management of the City of The Dalles is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS (Continued)**

Page 2

with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

- o Cash receipts/revenue
- o Cash disbursements/purchases
- o Payroll

For all of the control categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE RELATED MATTERS NOTED IN A FINANCIAL
STATEMENT AUDIT CONDUCTED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS (Continued)
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This report is intended for the information of the City Council, management, and federal and state agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Talbot, Korvola & Warwick

Certified Public Accountants

Talbot, Korvola & Warwick

Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

December 20, 1990

City Council
City of The Dalles
The Dalles, Oregon

We have audited the general purpose financial statements of the City of The Dalles, Oregon as of and for the year ended June 30, 1990, and have issued our report thereon dated December 20, 1990.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the City of The Dalles is the responsibility of the City's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

The results of our tests indicate that, with respect to the items tested, the City complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe the the City had not complied, in all material respects, with those provisions.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS (Continued)
Page 2

This report is intended for the information of the City Council, management, and federal and state agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROLS
(ACCOUNTING AND ADMINISTRATIVE) - BASED ON A STUDY
AND EVALUATION MADE AS A PART OF AN AUDIT OF THE
GENERAL PURPOSE FINANCIAL STATEMENTS AND THE
ADDITIONAL TESTS REQUIRED BY THE SINGLE AUDIT ACT**

December 20, 1990

City Council
City of The Dalles
The Dalles, Oregon

We have audited the general purpose financial statements of the City of The Dalles, Oregon for the year ended June 30, 1990, and have issued our report thereon dated December 20, 1990. As part of our audit, we made a study and evaluation of the internal control systems, including applicable internal administrative controls, used in administering federal financial assistance programs to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, the Single Audit Act of 1984, and the provisions of OMB Circular A-128, "Audits of State and Local Governments." For the purpose of this report, we have classified the significant internal accounting and administrative controls used in administering federal financial assistance programs in the following categories:

- o Cash management
- o Types of services allowed or not allowed
- o Eligibility
- o Reporting

The management of the City of The Dalles, is responsible for establishing and maintaining internal control systems used in administering federal financial assistance programs. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control systems used in administering federal financial assistance programs are to provide management with reasonable, but not absolute, assurance that, with respect to federal financial assistance programs,

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROLS
(ACCOUNTING AND ADMINISTRATIVE) - BASED ON A STUDY
AND EVALUATION MADE AS A PART OF AN AUDIT OF THE
GENERAL PURPOSE FINANCIAL STATEMENTS AND THE
ADDITIONAL TESTS REQUIRED BY THE SINGLE AUDIT ACT (Continued)**

Page 2

resource use is consistent with laws, regulations, and policies; resources are safeguarded against waste, loss, and misuse; and reliable data are obtained, maintained, and fairly disclosed in reports.

Because of inherent limitations in any system of internal accounting and administrative controls used in administering federal financial assistance programs, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the systems to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study included all of the applicable control categories listed in the first paragraph. During the year ended June 30, 1990, the City of The Dalles, had no major federal financial assistance programs and expended 94.8% of its total federal financial assistance under the nonmajor federal financial assistance program of the Federal Aviation Administration Airport Improvement Grant. With respect to internal control systems used in administering these nonmajor federal financial assistance programs, our study and evaluation included considering the types of errors and irregularities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether the necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses.

With respect to the internal control systems used solely in administering the other nonmajor federal financial assistance programs of the City of The Dalles, our study and evaluation was limited to a preliminary review of the systems to obtain an understanding of the control environment and the flow of transactions through the accounting system. Our study and evaluation of the internal control systems used solely in administering these nonmajor federal financial assistance programs of the City of The Dalles did not extend beyond this preliminary review phase.

Our study and evaluation was more limited than would be necessary to express an opinion on the internal control systems used in administering the federal financial assistance programs of the City of The Dalles. Accordingly, we do not express an opinion on the

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROLS
(ACCOUNTING AND ADMINISTRATIVE) - BASED ON A STUDY
AND EVALUATION MADE AS A PART OF AN AUDIT OF THE
GENERAL PURPOSE FINANCIAL STATEMENTS AND THE
ADDITIONAL TESTS REQUIRED BY THE SINGLE AUDIT ACT (Continued)
Page 3

internal control systems used in administering the federal financial assistance programs of the City of The Dalles.

Also, our audit, made in accordance with the standards mentioned in the first paragraph, would not necessarily disclose material weaknesses in the internal control systems, for which our study and evaluation was limited to a preliminary review of the systems, as discussed in the fifth paragraph of this report.

However, our study and evaluation and our audit disclosed no conditions that we believe result in more than a relatively low risk that errors or irregularities in amounts that would be material to a federal financial assistance program may occur and not be detected within a timely period.

These conditions were considered in determining the nature, timing and extent of the audit tests to be applied in (1) our audit of the 1990 general purpose financial statements and (2) our audit and review of the City's compliance with laws and regulations noncompliance with which we believe could have a material effect on the allowability of program expenditures for federal financial assistance programs. This report does not affect our reports on the general purpose financial statements and on the City's compliance with laws and regulations dated December 20, 1990.

This report is intended solely for the use of the City Council, management, and federal and state agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the City of The Dalles, is a matter of public record.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO NONMAJOR FEDERAL FINANCIAL ASSISTANCE PROGRAM TRANSACTIONS

December 20, 1990

City Council
City of The Dalles
The Dalles, Oregon

In connection with our audit of the 1990 general purpose financial statements of the City of The Dalles, Oregon, and with our study and evaluation of the City's internal control systems used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended June 30, 1990.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed and eligibility that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City had not complied, in all material respects, with those requirements.

This report is intended for the information of the City Council, management, and federal and state agencies. This restriction is not intended to limit the distribution of this report which is a matter of public record.

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INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

December 20, 1990

City Council
City of The Dalles
The Dalles, Oregon

We have audited the general purpose financial statements of the City of The Dalles for the year ended June 30, 1990, and have issued our report thereon dated December 20, 1990. These general purpose financial statements are the responsibility of the City of The Dalles' management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements of the City of The Dalles taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements.

**INDEPENDENT AUDITOR'S REPORT ON SCHEDULE
OF FEDERAL FINANCIAL ASSISTANCE (Continued)**

Page 2

The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

Talbot, Korvola & Warwick

Certified Public Accountants

CITY OF THE DALLES, OREGON

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 1990

<u>Grantor</u>	<u>Federal CFDA Number</u>	<u>Contract Period</u>
<u>FEDERAL AVIATION ADMINISTRATION</u>		
Airport Improvement Grant	20.106	09/19/89- 10/31/89
<u>HUD COMMUNITY DEVELOPEMENT BLOCK GRANT</u>		
State of Oregon Community Development Program	14.228	02/17/87- 12/31/89
TOTAL FEDERAL FINANCIAL ASSISTANCE		

<u>Contract Amount</u>	<u>Grant Receivable at July 1, 1989</u>	<u>Cash Collec- tions</u>	<u>Expendi- tures</u>	<u>Grant Receivable at June 30, 1990</u>
\$ 291,030	\$ 13,095	\$ 267,823	\$ 261,140	\$ 6,412
454,000	<u>9,715</u>	<u>18,975</u>	<u>14,184</u>	<u>4,924</u>
	<u>\$ 22,810</u>	<u>\$ 286,798</u>	<u>\$ 275,324</u>	<u>\$ 11,336</u>

CITY OF THE DALLES, OREGON
STATE REGULATION DISCLOSURES

ACCOUNTING RECORDS

We found that the accounting records of the City were maintained in a generally satisfactory manner.

ADEQUACY OF COLLATERAL SECURING DEPOSITORY BALANCES

ORS Chapter 295 provides that each depository throughout the period of its possession of public fund deposits shall maintain on deposit with its custodians, at its own expense, securities having a value not less than 25% of the certificates of participation issued by the pool manager for funds in excess of those insured by the Federal Deposit Insurance Corporation. Under certain conditions the depository institution may be required to maintain collateral with a value of not less than 110%.

Our review of the adequacy of collateral securing depository balances indicated the collateral was sufficient during the year ended June 30, 1990.

INVESTMENTS

Our review of deposit and investment balances indicated that the City was in compliance with ORS 294, as it pertains to investment of public funds, during the year ended June 30, 1990.

LEGAL REQUIREMENTS RELATING TO DEBT

During the audit, nothing came to our attention that caused us to believe the City was not in compliance with statutory requirements.

BUDGET COMPLIANCE

The City appears to have complied with Local Budget Law (ORS 294.305 to 294.520) in the preparation and adoption of its budgets and tax levies for fiscal years 1990 and 1991. The City complied with Local Budget Law in the execution of its 1990 budget, except for the overexpenditure of its appropriations as follows:

CITY OF THE DALLES, OREGON

STATE REGULATION DISCLOSURES (Continued)

BUDGET COMPLIANCE (Continued)

Ambulance Reserve Fund (a Special Revenue Fund) - capital outlay	\$	995
Debt Service Fund		7,422
Airport Enterprise Fund - materials and services		4,353

INSURANCE POLICIES AND FIDELITY BONDS

We have reviewed the City's insurance and fidelity bond coverage at June 30, 1990. We ascertained that such policies appeared to be in force and comply with legal requirements relating to insurance and 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, 1990.

PUBLIC CONTRACTS

The City's procedures for awarding public contracts were reviewed and found to be in compliance with ORS Chapter 279.

TALBOT, KORVOLA & WARWICK
Certified Public Accountants

By Roger A. Korvola

