



1993 - 1994

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

The Dalles, Oregon  
For Fiscal Year Ended June 30, 1994

# **CITY OF THE DALLES, OREGON**

## **Comprehensive Annual Financial Report**

**Year Ended June 30, 1994**

**Prepared by:  
Finance Department**

**Donald W. Gower  
Finance Director/Treasurer**

CITY OF THE DALLES, OREGON

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## **Introductory Section**





## CITY of THE DALLES

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THE DALLES, OREGON 97058

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City Council  
City of The Dalles  
The Dalles, Oregon 97058

August 16, 1994

The comprehensive Annual Financial Report of the City of The Dalles, Oregon, for the year ended June 30, 1994, is submitted herewith. This report presents a comprehensive and detailed picture of The Dalles' financial transactions during 1993-94 and the financial condition of the various funds and account groups at June 30, 1994. The report was prepared by the City's Finance Department. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the City. To the best of our knowledge and belief, the report is accurate and complete in all material respects, including all funds, account groups, and financial transactions, and is presented fairly to disclose the financial position and the results of operations of the City at June 30, 1994, and for the year then ended. Further, it is our belief that all disclosures necessary to enable the reader to gain an understanding of the City's financial operations have been included. The organization and content of this report, including the financial statements, supplementary information and statistical tables, follow the standards for annual financial reporting recommended by the Governmental Accounting Standards Board.

This report is divided into three sections:

The first section is an introductory section, which contains this letter of transmittal, the City officials and officers, and an organizational chart of the City.

The second section is the financial section. This section consists of the Independent Auditor's Report, the general purpose financial statements which disclose fully and fairly the City's financial position as of June 30, 1994, and the results of its operations for the year then ended. This is followed by supplemental information containing individual fund and combining statements, general fixed assets, other schedules, and audit comments and disclosures required by the Minimum Standards for Audits of Oregon Municipal Corporations.

The third section contains statistical information of interest to bond rating agencies, dealers in municipal securities, investors and citizens who are interested in financial statistics of the City.

## **CITY HISTORY AND GEOGRAPHICAL AREA**

The City of The Dalles, Oregon, is situated in the north-central part of Oregon on the Columbia River, the nation's second largest river. It is the county seat and the largest community in Wasco County. The Dalles is one of Oregon's most historic cities and was known earlier in its history as the town at the end of the Oregon Trail. Archaeologic evidence suggests the area has been inhabited more or less continuously for more than 10,000 years. The City was first incorporated by the Oregon Territorial Government in 1857 as "Dalles City" and was made the county seat shortly thereafter. The City's strategic river location, bordered by the Cascade Mountains, provides an ideal distribution or manufacturing setting with available riverside locations and bulk, container and international shipping options. It has historically been an economic hub of the Pacific Northwest, linking major transportation routes between Eastern and Southern Oregon and Washington State. It offers residents the pleasures of rural living while providing the advantages of access to metropolitan amenities in Portland, only 80 miles to the west.

In accordance with the City Charter of 1899, revised in 1994, the City of The Dalles is governed by a City Council. This Council consists of an elected mayor and five council members. The City operates under a council-manager form of government.

## **ECONOMIC CONDITIONS**

The City has a population currently estimated at 11,325, but the City serves a trading area of about 70,000 persons. Principal economic activities are agriculture, aluminum smelting and alloys, healthcare, tourism, government, and retail services.

The major agricultural product of the City is sweet cherries. The Dalles is a primary producer for both domestic and overseas markets. There are in excess of 6,000 acres of sweet cherry trees around the City. Wheat is another important agricultural product with 50,000 acres currently in cultivation in The Dalles area. Additional agricultural products include cattle, hay and other tree fruits.

Northwest Aluminum Company, the largest manufacturing employer in the City, recently completed a new \$16 million smelter facility. The new facility has allowed the firm, which has produced primary metals, to move into the production of secondary metals and has increased employment.

Tourism is a growing industry for the City. The Dalles has an excellent and diverse natural resource base. These include the Columbia River and its gorge, not only from the scenic and aesthetic perspective, but also because of water, transportation and power generation. The designated Columbia River Gorge Scenic Area is also a natural resource asset as are the views of the Cascade Mountains and the Columbia Plateau from parts of The Dalles.

The City is a strategic home base for year-round recreation. Water sport enthusiasts will find boating, excellent fishing, and one of the finest windsurfing areas in the United States on the Columbia River. To the east are substantial opportunities to camp, fish, hike, and sight-see. To the west, ski enthusiasts will have the opportunity to challenge the ski slopes of magnificent Mt. Hood; and there are numerous resorts that lie on Mt. Hood and at its base.

Architectural and engineering design work for the Columbia Gorge National Scenic Area Discovery Center is scheduled for 1994-95. The site for the Center is along the Columbia River bordering the city. Adjacent to this, an Oregon Trail Center is projected. Thousands of visitors are expected annually at these attractions.

Mid-Columbia Medical Center is the major hospital in the Mid-Columbia Region of Oregon and Washington. It is also the major trauma center in the region. This first class medical facility has attracted numerous health care professionals to The Dalles area.

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

The Dalles was selected as the site for a 150 bed Veterans' long-term nursing and care home during 1993-94. Design work for this project is expected during 1994-95 with construction beginning in 1995-96. 106 jobs are anticipated upon completion.

The Dalles is the major shopping center in the Mid-Columbia area. Two large retail outlets recently opened. A 14 acre shopping mall is in the planning stage with preliminary construction anticipated in the spring of 1995. The City was awarded a grant for renewal of a portion of the downtown business area. Completion of this phase is expected during 1994-95.

On November 6, 1990, the Oregon voters approved a State constitutional limit on property taxes for schools and non-school government operations. Under the provisions of the limitation, taxes are separated into those for public school systems and those for other

local government operations. The limitation specifies the maximum allowable tax to be imposed for all non-school local governments at \$10 for each \$1000 of real market value. If the total allowable levies for all non-school governments exceed \$10 per \$1000 of real market value, only \$10 is imposed and collections are distributed to the pertinent local governments on a pro rata basis, thereby reducing the allowable taxes to the limitation. The limitation reduced the 1993-94 property tax levy of the City by \$375,071. The estimated reduction for the 1994-95 year will be \$428,313.

The City has revised certain fees and charges of the general fund to enhance revenues other than property taxes and through prudent budgeting is operating on a fiscally sound basis. The general fund balance increased \$44,033 during the 1993-94 fiscal year.

## **MAJOR INITIATIVES**

### **Utilities Master Plan**

A master plan addressing the current and future needs of the water and wastewater utilities was completed, and adopted by the City Council, during 1991-92. Environmental concerns are addressed in this comprehensive report. Major renovation and construction at the existing sewer treatment plant, including an additional clarifier, was completed at year end. The City has contracted for wastewater treatment operations at the City Treatment Plant. Sanitary/storm sewer separation in the downtown business area continued during 1993-94 with completion scheduled next year.

Water system improvements scheduled for 1993-94 included complete metering of the water system to be completed during 1994-95. Meters had been installed at approximately 85% of the residential services at year end. An additional 3MG terminal reservoir is budgeted for 1994-95.

### **Street Master Plan.**

A Street Master Plan study was initiated during 1991-92 and was completed during 1993-94. Future needs as well as scheduled repair and preventive maintenance is addressed by this program. Reconstruction of some streets was completed in 1993-94 with additional reconstruction budgeted for 1994-95.

### Airport Master Plan

An Airport Master Plan study was authorized by City Council. This comprehensive long-term improvement plan for all future development of The Dalles Municipal Airport and its property was completed during 1992-93. The City has been approved for a grant by the F.A.A. for taxiway extensions and other improvements.

### Comprehensive Management and Growth Study

City Council authorized the Oregon State University Extension Sea Grant Program to conduct this study during 1991-92. This comprehensive study was presented to the City during 1992. It addresses the major community strengths and assets of material resources, geography, administration and management, development, finance, and community character. The study also addresses opportunities for improvement which include the areas of administration, management, community development, community services, finances, appearance and atmosphere, community change, tourism entrepreneurship, and intergovernmental relations. Some of the suggestions for improvement have been put in place and initial planning has commenced on others. It is anticipated the study will have a sizeable impact on the City's future direction.

## **FINANCIAL INFORMATION**

### Accounting System and Budgetary Controls

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenue being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's proprietary fund type are maintained using the accrual basis of accounting. The assets and liabilities of the agency fund are accounted for using the modified accrual basis of accounting.

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

of internal controls which are incorporated in the accounting system. We believe our internal accounting controls adequately safeguard the assets and provide reasonable assurance of proper recording of all financial transactions.

A budget is prepared and legally adopted by the City Council for each fund, except the Deferred Compensation Agency Fund. All changes to the budget must be approved by the City Council. These budgets are all prepared on the modified accrual basis of accounting, 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, operation contingencies, debt service and all other requirements levels. For the general fund, appropriations are at the department level for city council, city manager, city clerk, legal and judiciary, finance, personnel, community and economic development, police, fire, ambulance, risk management, library, City Hall, and other uses.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. A supplemental budget requires hearings before the public, publications in newspapers and approval by the City Council. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the City Council. The City Council approved several appropriation transfer resolutions during the year ended June 30, 1994. Appropriations lapse at year end.

The City has established a procurement policy for the purchases of goods and services. All items purchased by the City require a purchase order. Purchase orders are initiated at the department level and are reviewed at the finance office. Purchase orders greater than \$7,500 require the approval of the City Manager and those greater than \$15,000 require approval from the City Council.

### Cash Management

The City has a cash management policy which allows investing of cash funds which are in excess of immediate need. This policy coincides with Oregon statutes restricting the types of investments that may be made by municipalities. Primary importance is placed on the safety of principal and then on the maximization of interest income. The City commingles cash and investments and allocates interest earnings based upon monthly cash balances in the various funds.

## General Government Functions

Major functions included are general government, public safety (police, fire and ambulance), highways and streets, culture and recreation, capital outlay, debt services, and other financing sources and uses. The functions are accounted for in the generic fund types of General, Special Revenue, Debt Service and Capital Projects Funds.

## Revenues/Other Financing Sources

Revenues for general government functions totaled \$5,316,950 compared to \$5,628,653 in 1992-93, a decrease of \$311,703. General property taxes accounted for 38.5 percent of general revenue compared to 35.9 percent in 1992-93. The following table compares revenue and other financing sources for 1993-94 and 1992-93.

REVENUE SOURCES	Amount of Revenue	Percentage of Total	Increase (Decrease) from Prior Year	Percent of Increase (Decrease)
Taxes: Property	\$ 2,048,318	25.7 %	\$ 27,451	1.4 %
Other	<u>647,927</u>	<u>8.1 %</u>	<u>48,625</u>	<u>8.1 %</u>
	2,696,245	33.8 %	76,076	2.9 %
Franchise fees	219,477	2.7 %	28,873	15.1 %
Intergovernmental	1,147,154	14.4 %	(671,515)	(36.9) %
Charges for Services	411,252	5.1 %	6,175	1.5 %
Fines & Forfeits	101,474	1.3 %	19,726	24.1 %
Interest on Investments	101,433	1.3 %	(43,441)	(30.0) %
Special Assessments	118,505	1.5 %	10,809	10.0 %
Miscellaneous	<u>521,410</u>	<u>6.5 %</u>	<u>261,594</u>	<u>100.7 %</u>
	\$ 5,316,950	66.6 %	\$ (311,703)	(5.5) %
Other Financing Sources	<u>2,662,035</u>	<u>33.4 %</u>	<u>1,390,439</u>	109.3 %
Total Resources	<u>\$ 7,978,985</u>	<u>100.0 %</u>	<u>\$ 1,078,736</u>	15.6 %

The tabulation shows that property taxes were a major revenue source in 1993-94. A comparative tabulation of property taxes by fund is shown below:

	1993-94	Percent of Total	1992-93	Percent of Total
General Fund	\$ 1,647,588	80.4 %	\$ 1,645,892	81.4 %
Water Bond Debt Fund	387,337	18.9 %	361,720	17.9 %
Columbia Gateway Urban Renewal Agency	<u>13,393</u>	<u>.7 %</u>	<u>13,255</u>	<u>.7 %</u>
Total	<u>\$ 2,048,318</u>	<u>100.0 %</u>	<u>\$ 2,020,867</u>	<u>100.0 %</u>

Property tax collections were stable when compared to 1992-93. The increase in other taxes resulted from increased collections of motel and local gas tax collections.

Franchise fees increased during the year due to new franchise agreements enacted.

The large decrease in intergovernmental revenues over the previous year is attributable to grants for housing rehabilitation and Oregon Trail Celebration received during the previous year.

Review and revision of charges and fees for services resulted in the substantial increase in these revenues.

The increase in fines and forfeiture revenues resulted from increased collection efforts.

Decreasing interest rates on investments accounts for the substantial decrease in interest earnings during the year.

There was a concerted effort during 1990-92 to bring the special assessments receivable current. There was a small increase in revenues due to early pay-offs of some assessments.

The issue of \$1,690,000 of refunding bonds is reflected in the significant increase in other financing sources.

#### Expenditures/Other Financing Uses

Expenditures for general government fund types decreased \$3,067,339 from \$9,084,242 in 1992-93 to \$6,016,903 in 1993-94. The following table compares expenditures by major functions and other financing uses for 1993-94 and 1992-93.

	Amount of Expenditure	Percentage of Total	Increase (Decrease) from Prior Year	Percent of Increase (Decrease)
General Government	\$ 1,586,710	19.5 %	\$ (438,058)	(21.6) %
Public Safety	2,030,700	24.9 %	139,474	7.4 %
Highway and Streets	740,212	9.1 %	6,189	.8 %
Culture and Recreation	297,728	3.7 %	14,084	5.0 %
Capital Outlay	921,545	11.3 %	(262,450)	(22.2) %
Debt Service	<u>440,008</u>	<u>5.4 %</u>	<u>(2,526,578)</u>	<u>(85.2) %</u>
	\$ 6,016,903	73.9 %	\$ (3,067,339)	(33.8) %
Other Financing Uses	<u>2,129,883</u>	<u>26.1 %</u>	<u>1,234,596</u>	138.0 %
Total Uses	<u>\$ 8,146,786</u>	<u>100.0 %</u>	<u>\$ (1,832,743)</u>	<u>(18.4) %</u>

NOTE: This table includes expenditures of all general government fund types including general, special revenue, debt service, capital projects funds and component unit.



The general government expenditures of the General Fund increased \$49,591 or 4.1 percent. Cessation of the Oregon Trail Celebration resulted in a \$242,224 decrease in the Tourist Promotion Fund. There was a \$260,568 reduction in the Special Grants Fund as the housing rehabilitation program ended.

Public safety expenditures for police, fire and ambulance increased 7.4 percent compared to a 10.3 percent increase during 1992-93.

Tourist Promotion Fund capital outlay decreased \$621,091 compared to 1992-93. The 1992-93 expenditures were for the Oregon Trail Celebration. Street and Storm Sewer Fund capital outlay increased \$281,857 and Street and Bridge Replacement Fund \$101,403.

The 1992-93 defeasement of Columbia Gateway Urban Renewal Agency Bonds, which were defeased using cash and investments on hand, account for the huge decrease in debt service expenditures during 1993-94.

The substantial increase in other financing uses is due to the defeasement of a portion of the outstanding water bonds. The source of the funding for this defeasement was the issuing of refunding bonds in the amount of \$1,690,000.

The Special Revenue Funds account for revenue derived from specific sources which are restricted to finance particular functions or activities. Funds included in this fund category are the Street and Storm Sewer Fund, Tourist Promotion, Ambulance Reserve, Public Works Reserve, Unemployment Insurance Reserve, Vietnam Memorial, Street and Bridge Replacement, Energy, Fire Equipment Reserve, Special Grants, Parks Reserve, and State Office Building. The results of operations include revenues and other sources of \$1,609,207 and expenditures and other uses of \$1,850,837.

The Capital Projects funds includes the Special Assessments, Capital Projects and F.A.A. Grant Improvement Funds. The results of operations include revenues and other sources of \$243,078 and expenditures and other uses of \$202,760.

### Enterprise Funds

#### Water Utility

Gross revenues of the water utility increased from \$1,954,983 in 1992-93 to \$2,158,830 in 1993-94, or \$203,847. A comparative tabulation of gross revenue is shown on the next page:

	1993-94	1992-93	Increase (Decrease)
Service Charges and Fees	\$ 2,031,039	\$ 1,835,214	\$ 195,825
Interest Earnings	76,384	117,430	(41,046)
Other Non-operating Income	<u>51,407</u>	<u>2,339</u>	<u>49,068</u>
Totals	<u>\$ 2,158,830</u>	<u>\$ 1,954,983</u>	<u>\$ 203,847</u>

Gross revenues of the Water Utility increased because of rate increases effective the beginning of the year. Interest earnings decreased because of the lower interest rates in effect during 1993-94 and use of funds for capital construction.

A comparative tabulation of operating expenses including transfers to the general fund for services provided is shown below:

	1993-94	1992-93	Increase (Decrease)
Salaries and Wages	\$ 799,773	\$ 647,593	\$ 152,180
Operations and Maintenance	419,048	389,305	29,743
General, Administration	76,353	100,204	(23,851)
Depreciation	240,484	177,986	62,498
Transfers to Other Funds	<u>254,262</u>	<u>188,953</u>	<u>65,309</u>
Totals	<u>\$ 1,789,920</u>	<u>\$ 1,504,041</u>	<u>\$ 285,879</u>

### Wastewater Utility

Gross revenues of the wastewater utility increased from \$1,636,788 in 1992-93 to \$1,694,404 in 1993-94, or \$57,616. A comparative tabulation of gross revenues is shown below:

	1993-94	1992-93	Increase (Decrease)
Service Charges and Fees	\$ 1,599,673	\$ 1,560,464	\$ 39,209
Interest Earnings	60,178	72,191	(12,013)
Other Non-operating Income	<u>34,553</u>	<u>4,133</u>	<u>30,420</u>
Totals	<u>\$ 1,694,404</u>	<u>\$ 1,636,788</u>	<u>\$ 57,616</u>

A rate increase at the beginning of the year accounts for the increase in revenues. This rate increase is in accordance with the utility master plan to improve and replace the utility plant in service.

A comparative tabulation of operating expenses, including transfers to the general fund for services provided, is shown on the next page:

	1993-94	1992-93	Increase (Decrease)
Salaries and Wages	\$ 261,587	\$ 486,593	\$ (225,006)
Operation and Maintenance	516,616	221,281	295,335
General Administration	31,231	52,605	(21,374)
Depreciation	91,155	72,678	18,477
Transfer to General Fund	<u>\$ 152,546</u>	<u>\$ 145,771</u>	<u>\$ 6,775</u>
Totals	<u>\$ 1,053,135</u>	<u>\$ 978,928</u>	<u>\$ 74,207</u>

The sewer treatment operation was contracted out during 1993-94 accounting for the decrease in salaries and wages and the increase in operation and maintenance.

### Airport

Gross revenues decreased from \$91,588 in 1992-93 to \$14,687 in 1993-94, or \$76,901. A comparative tabulation is shown below:

	1993-94	1992-93	Increase (Decrease)
Service Charges and Fees	\$ 1,657	\$ 65,754	\$ (64,097)
Rental Income	10,655	10,460	195
Other Non-operating Income	<u>2,375</u>	<u>15,374</u>	<u>(12,999)</u>
Sub total	\$ 14,687	\$ 91,588	\$ (76,901)

During 1992-93 the City contracted with a fixed base operator to manage and operate the airport. The City sold the fuel and other inventory items to the F.B.O. at cost. This accounts for the major decrease in revenues and expenditures for 1993-94.

A comparative tabulation of operating expenses is shown below:

	1993-94	1992-93	Increase (Decrease)
Salaries and Wages	\$ -	\$ 4,003	\$ (4,003)
Operation and Maintenance	25,554	70,057	(44,503)
General Administration	11,313	5,712	5,601
Depreciation	<u>414</u>	<u>316</u>	<u>98</u>
Total	<u>\$ 37,281</u>	<u>\$ 80,088</u>	<u>\$ (42,807)</u>

### Agency Fund

Deferred compensation of current and former City employees is accounted for in this fund. A qualified deferred compensation plan is available to all City employees. The fund had a net increase of \$18,733 in assets and liabilities during 1993-94.

### Account Groups

The General Fixed Assets Account Group records all those fixed assets of the City used in the performance of general government functions and excludes the fixed assets of Enterprise Funds. As of June 30, 1994, the general fixed assets of the City amounted to \$4,477,493. This amount represents the original cost, estimated historical cost, or donated value of the assets and is considerably less than their present value. Depreciation of general fixed assets is not recognized in the City's accounting system.

The General Long-Term Obligation Account Group records all debt and other obligations which will be repaid from governmental resources. Long-term obligations in this account group consist of unmatured general obligation bonds, capitalized lease obligations, long-term loans, and accrued compensated absences.

## **DEBT ADMINISTRATION**

Long-term indebtedness totaled \$2,639,505 as of June 30, 1994. This total is represented by the following:

<u>City of The Dalles:</u>	
1993 Advance Refunding General Obligation Bonds	\$ 1,650,000
1988 Advance Refunding General Obligation Bonds	515,000
Note Payable to Oregon Department of Energy	17,500
Capital leases	286,510
Compensated Absences Payable	<u>170,495</u>
Total	\$ 2,639,505

The City's long-term debt per capita is \$233.07 based upon an estimated population of 11,325, as of June 30, 1994.

The ratio of the City's long-term debt to the assessed valuation as of June 30, 1994, is approximately 3/4 of one percent.

## **RISK MANAGEMENT**

The City continued to review and evaluate its risk management program during 1993-94. A city-wide safety program with regular committee meetings and inspections is in force. A risk manager was employed in 1992-93.

The City maintains property and liability insurance coverage. The City will continue to evaluate loss potential, risk retention, and insurance coverage to achieve optimum levels of risk management.

The City does not engage in risk financing activities where the risk is retained (self-insurance) by the City at this time.

## **OTHER INFORMATION**

### Independent Audit

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

### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of The Dalles, Oregon, for its comprehensive annual financial report for the fiscal year ended June 30, 1993. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.


In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standard. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The City of The Dalles, Oregon, has received a Certificate of Achievement for the fiscal year ended June 30, 1993. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### Acknowledgments

The preparation of this report on a timely basis has been accomplished through the diligent efforts of the entire staff of the Finance Department. I should like to express my appreciation to all members of this department who assisted and contributed to its preparation. I also thank the Mayor and members of City Council for their interest and support in planning and conducting the financial operations of the City.

Respectfully submitted,

A handwritten signature in cursive script that reads "Donald W. Gower".

Donald W. Gower  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of The Dalles,  
Oregon

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1993

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Arnold H. Hahn*

President

*Jeffrey L. Esser*

Executive Director

CITY OF THE DALLES, OREGON

OFFICIALS OF THE CITY

JUNE 30, 1994

CITY COUNCIL

	<u>Term Expires</u> <u>December 31</u>
L.D. "Les" Cochenour, Mayor 319 West 20th Street The Dalles, Oregon 97058	1994
Jon Bailey 1300 East 11th Street The Dalles, Oregon 97058	1996
Mary Ann Davis 1814 East 14th Street The Dalles, Oregon 97058	1996
Bill Holt P.O. Box 1212 The Dalles, Oregon 97058	1994
Dr. Raymond Koch 2904 Old Dufur Road The Dalles, Oregon 97058	1994
Carolyn Wood 415 West 15th Street The Dalles, Oregon 97058	1994

CITY ADMINISTRATION

William B. Elliott  
Julie Krueger  
Donald W. Gower  
Gene E. Parker

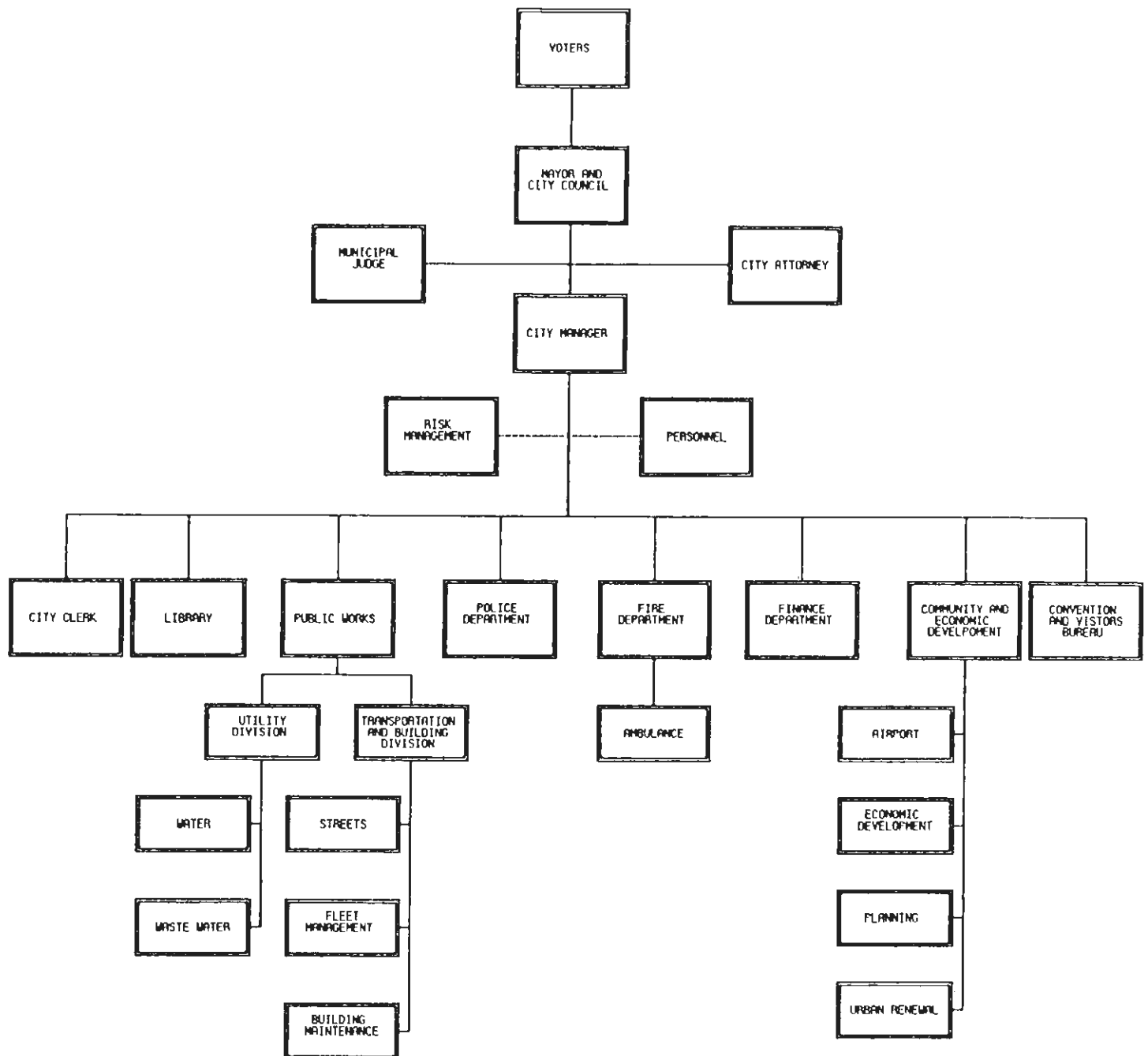
City Manager - Budget Officer  
City Clerk  
Finance Director/Treasurer  
City Attorney

CITY ADDRESS

City Hall  
313 Court Street  
The Dalles, Oregon 97058



# CITY OF THE DALLES, OREGON ORGANIZATION CHART





## **Financial Section**

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Talbot, Korvola & Warwick  
Certified Public Accountants

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6420 S.W. Macadam, Suite 300  
Portland, Oregon 97201-3519  
(503) 452-7172, FAX (503) 452-7174

**INDEPENDENT AUDITOR'S REPORT**

August 16, 1994

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 and for the year ended June 30, 1994, as listed in the financial section of the table of contents. 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 general purpose 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 in the first paragraph present fairly, in all material respects, the financial position of the City of The Dalles, Oregon, as of June 30, 1994, 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.

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 27 through 70 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 presented in all material respects in relation to the general purpose financial statements taken as a whole.

INDEPENDENT AUDITOR'S REPORT (Continued)

City Council  
City of The Dalles  
August 16, 1994  
Page 2

The information listed in the statistical section of the table of contents has not been audited by us and, accordingly, we express no opinion on it.

**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, 1994**

	<b>Governmental Fund Types</b>			
	<b>General</b>	<b>Special Revenue</b>	<b>Debt Service</b>	<b>Capital Projects</b>
<b>ASSETS AND OTHER DEBITS</b>				
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 682,191	\$ 1,182,554	\$ 93,674	\$ 635,260
Receivables	1,156,549	162,501	91,691	82,234
Inventories	-	-	-	-
Restricted assets - cash and cash equivalents	-	-	-	-
Deferred compensation assets	-	-	-	-
Assets held for sale	-	-	-	31,500
Fixed assets, net	-	-	-	-
<b>OTHER DEBITS:</b>				
Amount available for debt service	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 1,838,740</b>	<b>\$ 1,345,055</b>	<b>\$ 185,365</b>	<b>\$ 748,994</b>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 57,883	\$ 222,278	\$ -	\$ 8,245
Customer deposits	540	-	-	12,789
Retainage payable	-	7,219	-	5,853
Compensated absences payable	41,624	6,621	-	-
Current liabilities payable from restricted assets:				
Accounts payable	-	-	-	-
Retainage	-	-	-	-
Deferred compensation payable	-	-	-	-
Deferred revenues:				
Property taxes	389,830	-	88,024	-
Assessment liens	-	-	-	113,734
Other	556,723	-	-	-
Note payable	-	-	-	-
General obligation bonds payable	-	-	-	-
Obligations under capital leases	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>1,046,600</b>	<b>236,118</b>	<b>88,024</b>	<b>140,621</b>
<b>FUND EQUITY AND OTHER CREDITS:</b>				
<b>OTHER CREDITS:</b>				
Investment in general fixed assets	-	-	-	-
<b>FUND EQUITY:</b>				
Contributed capital	-	-	-	-
Retained earnings:				
Reserved for construction	-	-	-	-
Unreserved	-	-	-	-
Fund balances:				
Reserved:				
Reserved for debt service	-	-	97,341	-
Unreserved:				
Undesignated	792,140	1,108,937	-	608,373
<b>TOTAL FUND EQUITY AND OTHER CREDITS</b>	<b>792,140</b>	<b>1,108,937</b>	<b>97,341</b>	<b>608,373</b>
<b>TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>	<b>\$ 1,838,740</b>	<b>\$ 1,345,055</b>	<b>\$ 185,365</b>	<b>\$ 748,994</b>
See notes to general purpose financial statements.				

Proprietary Fund Type Enterprise	Fiduciary Fund Type Agency	Account Groups		Totals City of The Dalles (Memorandum Only)	Component Unit-Columbia Gateway Urban Renewal Agency	Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations			
\$ 764,785	\$ -	\$ -	\$ -	\$ 3,358,464	\$ 86,685	\$ 3,445,149
176,688	-	-	-	1,669,663	14,973	1,684,636
192,521	-	-	-	192,521	-	192,521
2,719,139	-	-	-	2,719,139	-	2,719,139
-	122,232	-	-	122,232	-	122,232
-	-	-	-	31,500	-	31,500
11,663,622	-	4,477,493	-	16,141,115	-	16,141,115
-	-	-	97,341	97,341	-	97,341
-	-	-	2,542,164	2,542,164	-	2,542,164
<u>\$15,516,755</u>	<u>\$ 122,232</u>	<u>\$ 4,477,493</u>	<u>\$ 2,639,505</u>	<u>\$26,874,139</u>	<u>\$ 101,658</u>	<u>\$26,975,797</u>
\$ 97,765	\$ -	\$ -	\$ -	\$ 386,171	\$ 2,989	\$ 389,160
28,328	-	-	-	41,657	-	41,657
9,963	-	-	-	23,035	-	23,035
60,320	-	-	170,495	279,060	-	279,060
76,410	-	-	-	76,410	-	76,410
61,843	-	-	-	61,843	-	61,843
-	122,232	-	-	122,232	-	122,232
-	-	-	-	477,854	14,175	492,029
-	-	-	-	113,734	-	113,734
-	-	-	-	556,723	-	556,723
-	-	-	17,500	17,500	-	17,500
-	-	-	2,165,000	2,165,000	-	2,165,000
-	-	-	286,510	286,510	-	286,510
<u>334,629</u>	<u>122,232</u>	<u>-</u>	<u>2,639,505</u>	<u>4,607,729</u>	<u>17,164</u>	<u>4,624,893</u>
-	-	4,477,493	-	4,477,493	-	4,477,493
2,535,232	-	-	-	2,535,232	-	2,535,232
2,580,886	-	-	-	2,580,886	-	2,580,886
10,066,008	-	-	-	10,066,008	-	10,066,008
-	-	-	-	97,341	-	97,341
-	-	-	-	2,509,450	84,494	2,593,944
<u>15,182,126</u>	<u>-</u>	<u>4,477,493</u>	<u>-</u>	<u>22,266,410</u>	<u>84,494</u>	<u>22,350,904</u>
<u>\$15,516,755</u>	<u>\$ 122,232</u>	<u>\$ 4,477,493</u>	<u>\$ 2,639,505</u>	<u>\$26,874,139</u>	<u>\$ 101,658</u>	<u>\$26,975,797</u>



**CITY OF THE DALLES, OREGON**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
YEAR ENDED JUNE 30, 1994**

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
<b>REVENUES:</b>			
Taxes	\$ 1,903,290	\$ 392,224	\$ 387,337
Special assessments	-	-	-
Intergovernmental	520,738	626,416	-
Franchise fees	219,477	-	-
Fines and forfeits	101,474	-	-
Charges for services	359,777	51,475	-
Interest on investments	26,803	46,435	3,693
Miscellaneous	273,095	166,982	3,180
Total revenues	<u>3,404,654</u>	<u>1,283,532</u>	<u>394,210</u>
<b>EXPENDITURES:</b>			
Current:			
General government	1,227,379	320,839	-
Public safety	2,030,700	-	-
Highways and streets	-	740,212	-
Culture and recreation	297,728	-	-
Capital outlay	187,207	596,322	-
Debt service:			
Principal	-	-	281,512
Interest	-	-	123,524
Refunding bond issuance costs	-	-	34,270
Trustee fees	-	-	702
Total expenditures	<u>3,743,014</u>	<u>1,657,373</u>	<u>440,008</u>
Revenues over (under) expenditures	<u>(338,360)</u>	<u>(373,841)</u>	<u>(45,798)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	610,572	253,445	-
Proceeds of capital lease	15,266	72,230	-
Proceeds of refunding bonds	-	-	1,685,488
Payment to refunded bond escrow agent	-	-	(1,647,640)
Operating transfers out	<u>(243,445)</u>	<u>(193,464)</u>	<u>-</u>
Total other financing sources (uses)	<u>382,393</u>	<u>132,211</u>	<u>37,848</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>44,033</u>	<u>(241,630)</u>	<u>(7,950)</u>
<b>FUND BALANCES, July 1, 1993, as previously reported</b>	760,269	1,322,996	105,291
Cumulative effect of changes in accounting principles	<u>(12,162)</u>	<u>27,571</u>	<u>-</u>
<b>FUND BALANCES, July 1, 1993, as restated</b>	<u>748,107</u>	<u>1,350,567</u>	<u>105,291</u>
<b>FUND BALANCES, June 30, 1994</b>	<u>\$ 792,140</u>	<u>\$ 1,108,937</u>	<u>\$ 97,341</u>

See notes to general purpose financial statements.

<u>Capital Projects</u>	<u>Totals City of The Dalles (Memorandum Only)</u>	<u>Component Unit- Columbia Gateway Urban Renewal Agency</u>	<u>Totals (Memorandum Only)</u>
\$ -	\$ 2,682,851	\$ 13,394	\$ 2,696,245
118,505	118,505	-	118,505
-	1,147,154	-	1,147,154
-	219,477	-	219,477
-	101,474	-	101,474
-	411,252	-	411,252
21,386	98,317	3,116	101,433
<u>78,153</u>	<u>521,410</u>	<u>-</u>	<u>521,410</u>
<u>218,044</u>	<u>5,300,440</u>	<u>16,510</u>	<u>5,316,950</u>
19,410	1,567,628	19,082	1,586,710
-	2,030,700	-	2,030,700
-	740,212	-	740,212
-	297,728	-	297,728
138,016	921,545	-	921,545
-	281,512	-	281,512
-	123,524	-	123,524
-	34,270	-	34,270
-	<u>702</u>	<u>-</u>	<u>702</u>
<u>157,426</u>	<u>5,997,821</u>	<u>19,082</u>	<u>6,016,903</u>
<u>60,618</u>	<u>(697,381)</u>	<u>(2,572)</u>	<u>(699,953)</u>
25,034	889,051	-	889,051
-	87,496	-	87,496
-	1,685,488	-	1,685,488
-	(1,647,640)	-	(1,647,640)
<u>(45,334)</u>	<u>(482,243)</u>	<u>-</u>	<u>(482,243)</u>
<u>(20,300)</u>	<u>532,152</u>	<u>-</u>	<u>532,152</u>
<u>40,318</u>	<u>(165,229)</u>	<u>(2,572)</u>	<u>(167,801)</u>
568,055	2,756,611	87,066	2,843,677
-	15,409	-	15,409
<u>568,055</u>	<u>2,772,020</u>	<u>87,066</u>	<u>2,859,086</u>
<u>\$ 608,373</u>	<u>\$ 2,606,791</u>	<u>\$ 84,494</u>	<u>\$ 2,691,285</u>

**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, 1994**

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavor- able)	Budget	Actual	Variance Favorable (Unfavor- able)
<b>REVENUES:</b>						
Taxes	\$ 1,865,400	\$ 1,903,290	\$ 37,890	\$ 367,815	\$ 392,224	\$ 24,409
Special assessments	-	-	-	-	-	-
Intergovernmental	500,925	520,738	19,813	1,377,187	626,416	(750,771)
Franchise fees	203,000	219,477	16,477	-	-	-
Fines and forfeits	82,400	101,474	19,074	-	-	-
Charges for services	328,325	359,777	31,452	7,263	51,475	44,212
Interest on investments	40,000	26,803	(13,197)	56,357	46,435	(9,922)
Miscellaneous	164,042	273,095	109,053	185,446	166,982	(18,464)
Total revenues	<u>3,184,092</u>	<u>3,404,654</u>	<u>220,562</u>	<u>1,994,068</u>	<u>1,283,532</u>	<u>(710,536)</u>
<b>EXPENDITURES:</b>						
Current:						
General government	1,300,193	1,224,098	76,095	452,731	320,704	132,027
Public safety	2,130,471	2,027,259	103,212	-	-	-
Highways and streets	-	-	-	855,929	743,440	112,489
Culture and recreation	292,080	297,804	(5,724)	-	-	-
Capital outlay	184,983	171,940	13,043	1,818,523	524,092	1,294,431
Contingency	417,523	-	417,523	193,563	-	193,563
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Refunding bond issuance costs	-	-	-	-	-	-
Trustee fees	-	-	-	-	-	-
Total expenditures	<u>4,325,250</u>	<u>3,721,101</u>	<u>604,149</u>	<u>3,320,746</u>	<u>1,588,236</u>	<u>1,732,510</u>
Revenues over (under) expenditures	<u>(1,141,158)</u>	<u>(316,447)</u>	<u>824,711</u>	<u>(1,326,678)</u>	<u>(304,704)</u>	<u>1,021,974</u>
<b>OTHER FINANCING SOURCES (USES):</b>						
Operating transfers in	823,103	610,572	(212,531)	431,325	253,445	(177,880)
Proceeds of refunding bonds	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-
Operating transfers out	(243,445)	(243,445)	-	(382,995)	(193,464)	189,531
Total other financing sources (uses)	<u>579,658</u>	<u>367,127</u>	<u>(212,531)</u>	<u>48,330</u>	<u>59,981</u>	<u>11,651</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(561,500)</u>	<u>50,680</u>	<u>612,180</u>	<u>(1,278,348)</u>	<u>(244,723)</u>	<u>1,033,625</u>
<b>FUND BALANCES, July 1, 1993, as previously reported</b>	561,500	760,269	198,769	1,278,348	1,322,996	44,648
Cumulative effect of changes in accounting principles	-	22,815	22,815	-	37,284	37,284
<b>FUND BALANCES, July 1, 1993, as restated</b>	<u>561,500</u>	<u>783,084</u>	<u>221,584</u>	<u>1,278,348</u>	<u>1,360,280</u>	<u>81,932</u>
<b>FUND BALANCES, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 833,764</u>	<u>\$ 833,764</u>	<u>\$ -</u>	<u>\$ 1,115,557</u>	<u>\$ 1,115,557</u>

See notes to general purpose financial statements.

Debt Service Funds			Capital Projects Funds			Totals City of The Dalles (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 363,442	\$ 387,337	\$ 23,895	\$ -	\$ -	\$ -	\$ 2,596,657	\$ 2,682,851	\$ 86,194
-	-	-	94,830	118,505	23,675	94,830	118,505	23,675
-	-	-	688,083	-	(688,083)	2,566,195	1,147,154	(1,419,041)
-	-	-	-	-	-	203,000	219,477	16,477
-	-	-	-	-	-	82,400	101,474	19,074
3,000	3,693	693	20,000	21,386	1,386	335,588	411,252	75,664
3,180	3,180	-	2,005,833	78,153	(1,927,680)	119,357	98,317	(21,040)
						2,358,501	521,410	(1,837,091)
<u>369,622</u>	<u>394,210</u>	<u>24,588</u>	<u>2,808,746</u>	<u>218,044</u>	<u>(2,590,702)</u>	<u>8,356,528</u>	<u>5,300,440</u>	<u>(3,056,088)</u>
-	-	-	300,750	19,410	281,340	2,053,674	1,564,212	489,462
-	-	-	-	-	-	2,130,471	2,027,259	103,212
-	-	-	-	-	-	855,929	743,440	112,489
-	-	-	-	-	-	292,080	297,804	(5,724)
-	-	-	2,930,099	138,016	2,792,083	4,933,605	834,048	4,099,557
-	-	-	37,500	-	37,500	648,586	-	648,586
266,468	281,512	(15,044)	-	-	-	266,468	281,512	(15,044)
153,600	123,524	30,076	-	-	-	153,600	123,524	30,076
46,896	34,270	12,626	-	-	-	46,896	34,270	12,626
2,000	702	1,298	-	-	-	2,000	702	1,298
<u>468,964</u>	<u>440,008</u>	<u>28,956</u>	<u>3,268,349</u>	<u>157,426</u>	<u>3,110,923</u>	<u>11,383,309</u>	<u>5,906,771</u>	<u>5,476,538</u>
<u>(99,342)</u>	<u>(45,798)</u>	<u>53,544</u>	<u>(459,603)</u>	<u>60,618</u>	<u>520,221</u>	<u>(3,026,781)</u>	<u>(606,331)</u>	<u>2,420,450</u>
1,690,000	1,685,488	(4,512)	25,034	25,034	-	1,279,462	889,051	(390,411)
-	-	-	-	-	-	1,690,000	1,685,488	(4,512)
(1,627,565)	(1,647,640)	(20,075)	-	-	-	(1,627,565)	(1,647,640)	(20,075)
-	-	-	(73,334)	(45,334)	28,000	(699,774)	(482,243)	217,531
<u>62,435</u>	<u>37,848</u>	<u>(24,587)</u>	<u>(48,300)</u>	<u>(20,300)</u>	<u>28,000</u>	<u>642,123</u>	<u>444,656</u>	<u>(197,467)</u>
<u>(36,907)</u>	<u>(7,950)</u>	<u>28,957</u>	<u>(507,903)</u>	<u>40,318</u>	<u>548,221</u>	<u>(2,384,658)</u>	<u>(161,675)</u>	<u>2,222,983</u>
105,291	105,291	-	507,903	568,055	60,152	2,453,042	2,756,611	303,569
-	-	-	-	-	-	-	60,099	60,099
105,291	105,291	-	507,903	568,055	60,152	2,453,042	2,816,710	363,668
<u>\$ 68,384</u>	<u>\$ 97,341</u>	<u>\$ 28,957</u>	<u>\$ -</u>	<u>\$ 608,373</u>	<u>\$ 608,373</u>	<u>\$ 68,384</u>	<u>\$ 2,655,035</u>	<u>\$ 2,586,651</u>

CITY OF THE DALLES, OREGON

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

YEAR ENDED JUNE 30, 1994

	<u>Enterprise</u>
<b>OPERATING REVENUES:</b>	
Service charges and fees	\$ 3,632,369
Rental income	10,655
Other operating income	<u>51,702</u>
Total operating revenues	<u>3,694,726</u>
<b>OPERATING EXPENSES:</b>	
Personal services	1,061,360
Operations and maintenance	961,218
General administration	118,897
Depreciation	<u>332,053</u>
Total operating expenses	<u>2,473,528</u>
Operating income	<u>1,221,198</u>
<b>NON-OPERATING INCOME (EXPENSE):</b>	
Interest earnings	137,425
Loss on disposition of fixed assets	(1,825)
Other non-operating income	<u>37,595</u>
Total non-operating income, net	<u>173,195</u>
Net income before operating transfers	<u>1,394,393</u>
<b>OPERATING TRANSFERS:</b>	
Transfers in	630,000
Transfers out	<u>(1,036,808)</u>
Net operating transfers	<u>(406,808)</u>
Net income	<u>987,585</u>
<b>RETAINED EARNINGS, July 1, 1993,</b>	<u>11,659,309</u>
<b>RETAINED EARNINGS, June 30, 1994,</b>	<u>12,646,894</u>

See notes to general purpose financial statements.

CITY OF THE DALLES, OREGON

STATEMENT OF CASH FLOWS -  
PROPRIETARY FUND TYPE

YEAR ENDED JUNE 30, 1994

	<u>Enterprise</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Operating income	\$ 1,221,198
Adjustments to reconcile operating income to net cash provided by operations:	
Depreciation	332,053
Change in operating assets and liabilities:	
Receivables	(2,130)
Inventories	5,859
Accounts payable	(165,792)
Customer deposits	6,243
Retainage payable	9,963
Compensated absences payable	16,080
Current liabilities payable from restricted assets	<u>(145,475)</u>
Net cash provided by operations	<u>1,277,999</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>	
Operating transfers in	630,000
Operating transfers out	<u>(1,036,808)</u>
Net cash used in noncapital financing activities	<u>(406,808)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Proceeds from sale of fixed assets	3,395
Capital related penalties received	34,200
Acquisition of fixed assets	<u>(1,964,418)</u>
Net cash used in capital and related financing activities	<u>(1,926,823)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest earnings	<u>137,425</u>
Net cash provided by investing activities	<u>137,425</u>
<b>NET DECREASE IN CASH</b>	<b>(918,207)</b>
<b>CASH AND CASH EQUIVALENTS, July 1, 1993</b>	<b><u>4,402,131</u></b>
<b>CASH AND CASH EQUIVALENTS, June 30, 1994</b>	<b><u>\$ 3,483,924</u></b>

See notes to general purpose financial statements.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1994

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

**The City:**

The City of The Dalles, Oregon (the City) is organized under the general laws of the State of Oregon. The City Council, composed of the mayor and five Council members, comprises the legislative branch of the City. Individual departments are under the direction of the City Manager, who is appointed by the City Council. As required by generally accepted accounting principles, these financial statements present the City and its component unit, Columbia Gateway Urban Renewal Agency (the Agency) for which the City is considered to be financially accountable. The Agency, a discretely presented component unit is reported in a separate column in the combined financial statements to emphasize it is legally separate from the City. Both the City, and the Agency have June 30 year ends.

There are various other governmental agencies and special service districts which provide services within the City's boundaries. However, the City is not financially accountable for any of these entities and accordingly their financial information is not included in these financial statements.

**Discretely Presented Component Unit:**

The Agency was formed to undertake urban renewal projects and activities pursuant to the City's redevelopment plan. The Board of Directors of the Agency consists of the Mayor and the five elected City Council members, and an additional five non-council members appointed by the City Council. The City is required to certify to the County Assessor any incremental taxes which are to be levied for the benefit of the Agency. The City has the ability to significantly influence the operations and provide a financial benefit to the Agency. The Agency is presented as a governmental fund type.

Financial statements for the Agency may be obtained at the City's administrative offices, 313 Court Street, The Dalles, Oregon 97058.

Measurement Focus, Basis of Accounting and Basis of Presentation

The accounts of the City are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

related, legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The City has the following fund types and account groups:

**Governmental Fund Types:**

Governmental funds - Governmental funds are used to account for the City's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (i.e. when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term obligations which is recognized when due, and certain compensated absences which are recognized when the obligation is expected to be liquidated with expendable available financial resources.

Property taxes, franchise fees, state shared revenues, transient room taxes and local fuel taxes are susceptible to accrual. Other receipts become measurable and available when cash is received by the City and are recognized as revenue at that time.

Entitlement revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Governmental funds include the following fund types:

General Fund

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another



CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

**Governmental Fund Types (Continued):**

General Fund (Continued)

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

- The Special Revenue Funds account for revenue sources that are legally restricted to expenditure for specific purposes (not including major capital projects). Principal revenue sources are taxes, interest and an allocation of state gas tax proceeds. Major expenditures are for street maintenance, tourism promotion and capital improvements.

Debt Service Funds

- The Debt Service Funds account for the payment of principal and interest on general long-term debt not being financed by proprietary funds. The principal sources of revenue are property taxes and interest.

Capital Projects Funds

- The Capital Projects Funds account for the acquisition and construction of major capital projects other than those being financed by proprietary funds. The principal revenue sources are special assessments and interest earned on investments.

**Proprietary Fund Type:**

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The City applies all applicable Financial Accounting Standards Board (FASB) pronouncements in accounting and reporting for its proprietary operations.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

**Proprietary Fund Type (Continued):**

The City's proprietary operations are Enterprise Funds.

Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City Council has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. Services accounted for through Enterprise Funds are water utility, waste water utility, and the airport.

**Fiduciary Fund Type:**

Fiduciary Funds account for assets held by the City as an agent on behalf of others. The City maintains an Agency Fund which is custodial in nature and does not present results of operations or have a measurement focus. The Agency Fund is accounted for using the modified accrual basis of accounting and accounts for deferred compensation amounts payable to employees.

**General Fixed Assets Account Group:**

The General Fixed Assets Account Group is used to account for fixed assets not accounted for in the Enterprise Funds.

**General Long-Term Obligations Account Group:**

The General Long-Term Obligations Account Group is used to account for general long-term debt, capital leases, notes payable and the long-term portion of compensated absences that are not specific liabilities of the Enterprise Funds.

**Assets, Liabilities and Equity**

**Deposits and Investments:**

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

Oregon Revised Statutes authorize the City to invest in general obligations of the U.S. Government and its agencies, certain bonded

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Equity (Continued)

**Deposits and Investments (Continued):**

obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, and the local government investment pool. Investments are stated at cost, except for investments in the Deferred Compensation Agency Fund which are reported at market value.

**Receivables and Payables:**

Property taxes are assessed on all taxable property as of July 1, the beginning of the fiscal year, and become a lien on that date. 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.

Assessment liens receivable in the Special Assessments 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 for federal and state grants, and state, county and local shared revenue are recorded as revenue in all fund types as earned. No allowance for doubtful accounts is necessary.

Receivables of the Enterprise Funds are recorded as revenue in all funds as earned. The allowance for doubtful accounts is established on a specific identification basis.

**Inventories:**

Inventories in the Enterprise Funds 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.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Equity (Continued)

**Restricted Assets:**

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

**Fixed Assets:**

Fixed assets used in Governmental Fund Types of the City are recorded in the General Fixed Asset Account Group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the General Fixed Assets Account Group are not depreciated.

Public domain (infrastructure) general fixed assets (e.g., roads, bridges, sidewalks, storm sewers and other assets that are immovable and of value only to the City) are not capitalized.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the General Fixed Assets Account Group or capitalized in the Enterprise Funds.

Property, plant and equipment in the Enterprise Funds of the City are recorded at cost. Property, plant and equipment donated to these Enterprise Fund operations are recorded at their estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized in the Enterprise Funds as projects are constructed. Interest incurred during the construction phase of Enterprise Fund fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Upon disposal of property, plant and equipment in the Enterprise Funds, 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.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Equity (Continued)

**Fixed Assets (Continued):**

Property, plant and equipment are depreciated in the Enterprise Funds of the City using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	45
Plant in service	45
Machinery and Equipment	5-20

**Compensated Absences:**

It is the City's policy to permit employees to accumulate earned but unused vacation and holiday pay and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Vacation and holiday pay is accrued when incurred in the Enterprise Funds and reported as a fund liability. Vacation and holiday pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the Governmental Fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Obligations Account Group. No expenditure is reported for these amounts.

**Long-Term Obligations:**

The City reports long-term debt of Governmental Funds at face value in the General Long-Term Obligations Account Group. Certain other Governmental Fund obligations, such as capital leases, notes payable and compensated absences, not expected to be financed with current available financial resources are also reported in the General Long-Term Obligations Account Group. Long-term debt and other obligations financed by Enterprise Funds are reported as liabilities in the appropriate funds.

For Governmental Fund Types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Equity (Continued)

**Fund Equity:**

Reservations of fund balance represent amounts that are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Contributed capital in the Enterprise Funds represent 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 Enterprise Funds:

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

**Memorandum Only Total Columns:**

Total columns on the general purpose financial statements are captioned "Totals Memorandum Only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations or cash flows in accordance with generally accepted accounting principles.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with the modified accrual basis of accounting for all funds except the Deferred Compensation Agency Fund. All annual appropriations lapse at June 30.

The City begins its budgeting process by appointing Budget Committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The City Council adopts the budget, makes appropriations, and declares the tax levy no later than June 30.

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. All changes and amendments to the budget require the approval of the City Council. The Council made supplemental budgetary appropriations during the year, including a \$1,699,460 increase in the Water Bond Debt Fund budget related to an advance refunding of outstanding bonds.

Budget/G.A.A.P. Reconciliation

The following schedule reconciles the amounts on the Combined Statement of Revenues, Expenditures and Changes in Fund Balances to the amounts on the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual:

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Revenues and other financing sources over (under) expenditures and other financing uses on a GAAP basis	\$ 44,033	\$ (241,630)

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budget/G.A.A.P. Reconciliation (Continued)

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Add expenditures required by GAAP not recorded under budgetary basis:		
Capital leases	15,266	72,230
Changes in current portion of compensated absences	6,647	3,093
Less GAAP resources not recorded under budgetary basis:		
Capital leases	<u>(15,266)</u>	<u>(72,230)</u>
Revenues and other financing sources over (under) expenditures and other financing uses on a budgetary basis	<u>\$ 50,680</u>	<u>\$ (244,723)</u>

Component Unit Budget and Actual

The following summarizes revenues, expenditures and changes in fund balance - budget and actual - budgetary basis of the Agency, the City's discretely presented component unit, for the year ended June 30, 1994:

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Property taxes	\$ -	\$ 13,394	\$ 13,394
Interest on investments	<u>1,200</u>	<u>3,116</u>	<u>1,916</u>
Total revenues	<u>1,200</u>	<u>16,510</u>	<u>15,310</u>
Expenditures:			
Materials and services	<u>83,200</u>	<u>19,082</u>	<u>64,118</u>
Total expenditures	<u>83,200</u>	<u>19,082</u>	<u>64,118</u>
Expenditures over revenues	(82,000)	(2,572)	79,428
Fund balance, July 1, 1993	<u>82,000</u>	<u>87,066</u>	<u>5,066</u>
Fund balance, June 30, 1994	<u>\$ -</u>	<u>\$ 84,494</u>	<u>\$ 84,494</u>



CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

Deposits and Investments

At year end, the City's carrying amount of deposits was \$16,319 and the bank balance was \$374,635. These deposits were fully covered by federal depository insurance and collateral pledged by the depository to secure the deposit of public funds. 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 issued by the pool manager.

The carrying amount of deposits and bank balance for the Agency, the City's discretely presented component unit, was \$2,452, all of which was covered by federal depository insurance.

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

A reconciliation of cash and investments as shown on the combined balance sheet is as follows:

	<u>City</u>	<u>Agency</u>
Cash and cash equivalents:		
Petty cash	\$ 1,650	\$ -
Deposits with financial institutions	16,319	2,452
Deposits with County Treasurer	37,925	1,060
Local government investment pool	<u>6,021,709</u>	<u>83,173</u>
	<u>\$6,077,603</u>	<u>\$ 86,685</u>
Cash and cash equivalents -		
unrestricted	\$3,358,464	\$ 86,685
Cash and cash equivalents - restricted	<u>2,719,139</u>	<u>-</u>
	<u>\$6,077,603</u>	<u>\$ 86,685</u>

**CITY OF THE DALLES, OREGON**

**NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)**

**YEAR ENDED JUNE 30, 1994**

**DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

**Receivables**

Receivables of the City as of June 30, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Total</u>
Receivables:						
Taxes	\$ 406,659	\$ -	\$91,691	\$ -	\$ -	\$ 498,350
Accounts	419,807	162,501	-	-	180,288	762,596
Fines and forfeitures	330,083	-	-	-	-	330,083
Special assessments	-	-	-	82,234	-	82,234
Gross receivables	1,156,549	162,501	91,691	82,234	180,288	1,673,263
Less: Allowance for uncollectible	-	-	-	-	(3,600)	(3,600)
	<u>\$1,156,549</u>	<u>\$162,501</u>	<u>\$91,691</u>	<u>\$ 82,234</u>	<u>\$ 176,688</u>	<u>\$ 1,669,663</u>

The Agency has \$14,973 of property taxes receivable at June 1994.

**Property Tax Limitation**

In November 1990, the voters of the State of Oregon approved a constitutional limit on property taxes for schools and nonschool government operations. Under the provisions of the limitation, tax revenues for local government operations other than the public school system are limited to \$10 for each \$1,000 of property market value. Generally, this limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

Presently, City management believes that the effects of this measure will not have a financial impact beyond that anticipated in the City's adopted budget for the fiscal year ending June 30, 1995.

**Fixed Assets**

Activity in the General Fixed Assets Account Group for the City for the year ended June 30, 1994, was as follows:

	<u>Balance July 1, 1993</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance June 30, 1994</u>
Land and land improvements	\$ 119,559	\$ 4,187	\$ -	\$ -	\$ 123,746
Buildings and improvements	1,484,987	39,498	-	-	1,524,485
Machinery and equipment	2,526,054	373,287	(70,727)	648	2,829,262
	<u>\$ 4,130,600</u>	<u>\$ 416,972</u>	<u>\$ (70,727)</u>	<u>\$ 648</u>	<u>\$ 4,477,493</u>

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

Fixed Assets (Continued)

The following is a summary of Enterprise Funds fixed assets for the City at June 30, 1994:

Land and land improvements	\$ 3,959,970
Buildings and improvements	4,754,918
Plant in service	4,863,823
Machinery and equipment	<u>1,766,026</u>
	15,344,737
Less: accumulated depreciation	<u>(3,681,115)</u>
	<u>\$ 11,663,622</u>

Capital Leases

The City has entered into a lease as lessee for financing the acquisition of a computer system. The City also has financed the acquisition of a fire engine by means of a capital lease with a down payment of \$30,000. During the year ended June 30, 1994, the City entered into lease arrangements to finance the acquisition of a new phone system and an articulated loader with down payments of \$6,566 and \$19,000, respectively. These leases qualify as capital leases for accounting purposes and, therefore have been recorded at the present value of the future minimum lease payments as of the inception date in the General Long-Term Obligations Account Group.

The assets acquired through capital leases are recorded in the General Fixed Assets Account Group as machinery and equipment at a total cost of \$441,117.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 1994, were:

Year Ending	
<u>June 30,</u>	
1995	\$112,038
1996	68,893
1997	68,893
1998	<u>68,893</u>
Total minimum lease payments	318,717
Less: amount representing interest	<u>(32,207)</u>
Present value of minimum lease payments	<u>\$286,510</u>

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

Long-Term Debt

Bond principal transactions for the year ended June 30, 1994, for the City are as follows:

<u>General Obligation Bonds</u>	<u>Outstanding July 1, 1993</u>	<u>Additions</u>	<u>Redeemed</u>	<u>Defeased</u>	<u>Outstanding June 30, 1994</u>
1988 Advance Refunding Bonds; interest ranges from 5.60% to 6.85%; payable from Debt Service Fund revenues	\$ 2,290,000	\$ -	\$(240,000)	\$(1,535,000)	\$ 515,000
1993 Advance Refunding Bonds; interest ranges from 2.75% to 4.25%; payable from Debt Service Fund revenues	-	1,690,000	(40,000)	-	1,650,000
	<u>\$ 2,290,000</u>	<u>\$1,690,000</u>	<u>\$(280,000)</u>	<u>\$(1,535,000)</u>	<u>\$ 2,165,000</u>

Future maturities of bond principal and interest are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>			<u>Interest</u>
	<u>1988 Bonds</u>	<u>1993 Bonds</u>	<u>Total</u>	
1995	\$250,000	\$ 30,000	\$ 280,000	\$ 203,135
1996	265,000	30,000	295,000	186,160
1997	-	305,000	305,000	64,313
1998	-	310,000	310,000	52,875
1999	-	320,000	320,000	40,475
Thereafter	-	655,000	655,000	41,700
	<u>\$515,000</u>	<u>\$1,650,000</u>	<u>\$2,165,000</u>	<u>\$ 588,658</u>

In October 1993, the City defeased \$1,535,000 of General Obligation 1988 Advance Refunding Bonds. The City issued \$1,690,000 of General Obligation 1993 Advance Refunding Bonds and purchased U.S. Government Securities which were placed in an irrevocable trust for the purpose of servicing future payments of principal and interest on the \$1,535,000 of General Obligation 1988 Advance Refunding Bonds. As a result, \$1,535,000 of General Obligation 1988 Advance Refunding Bonds are considered defeased and the liability has been removed from the General Long-Term Obligations Account Group. This advance refunding was under-taken to reduce total debt services payments over the next 8 years by \$72,137 and resulted in an economic gain of \$56,467. In November 1988, the City defeased Gen-

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

Long-Term Debt (Continued)

eral Obligation Bonds by placing the proceeds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account and defeased bonds are not included in the City's general purpose financial statements. At June 30, 1994, \$1,860,000 of General Obligation Bonds are considered defeased.

On July 1, 1992, the Columbia Gateway Urban Renewal Agency, the component unit of the City of The Dalles, irrevocably exercised its option to call and redeem all outstanding 1991 Series A and Series B Bonds. Accordingly, \$2,460,025 was deposited with an escrow agent to provide for all future debt service payment on the bonds. As a result, the bonds are considered to be defeased and the liability for the bonds has been removed from the General Long-Term Obligations Account Group. At June 30, 1994, the \$1,680,000 of bonds outstanding are considered defeased.

During the year ended June 30, 1994, the following changes occurred in liabilities reported in the General Long-Term Obligations Account Group:

	<u>Balance</u> <u>July 1, 1993</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 1994</u>
Compensated absences	\$ 193,256	\$ 225,310	\$ (248,071)	\$ 170,495
General obligation debt	2,290,000	1,690,000	(1,815,000)	2,165,000
Capital leases	273,140	119,272	(105,902)	286,510
Notes payable	<u>19,012</u>	<u>-</u>	<u>(1,512)</u>	<u>17,500</u>
	<u>\$ 2,775,408</u>	<u>\$2,034,582</u>	<u>\$(2,170,485)</u>	<u>\$ 2,639,505</u>

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)

Contributed Capital

The changes in the City's contributed capital accounts for its Enterprise Funds were as follows:

	<u>Water Fund</u>	<u>Waste Water Fund</u>	<u>Airport Fund</u>	<u>Totals</u>
Balance, July 1, 1993	\$ 905,800	\$ 913,183	\$ 601,588	\$2,420,571
Contributing sources:				
General Fixed Assets				
Account Group (mach-				
inery and equipment)	1,150	-	-	1,150
Special Assessments				
Fund (plant in				
service)	-	113,511	-	113,511
Balance, June 30, 1994	<u>\$ 906,950</u>	<u>\$ 1,026,694</u>	<u>\$ 601,588</u>	<u>\$2,535,232</u>

OTHER INFORMATION

Risk Management

The City is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. The City does not engage in risk financing activities where the risk is retained (self-insurance) by the City.

Segment Information - Enterprise Funds

The City maintains three Enterprise Funds. The Water Utility Fund accounts for the provision of water service to citizens connected to the City's water system. The Waste Water Fund accounts for the operations and maintenance related to collection and treatment of waste water from all customers connected to the system. The Airport Fund accounts for the maintenance and operation of the Columbia Gorge Regional/The Dalles Municipal Airport located in Dallesport, Washington. Selected segment information for the year ended June 30, 1994, is as follows:

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

OTHER INFORMATION (Continued)

Segment Information - Enterprise Funds (Continued)

	<u>Water Utility</u>	<u>Waste Water Utility</u>	<u>Airport</u>	<u>Totals</u>
Operating revenues	\$ 2,080,559	\$ 1,600,343	\$ 13,824	\$ 3,694,726
Depreciation	240,484	91,155	414	332,053
Operating income (loss)	544,901	699,754	(23,457)	1,221,198
Net operating trans- fers out	(254,262)	(152,546)	-	(406,808)
Net income (loss)	368,910	641,269	(22,594)	987,585
Current capital contri- butions	1,150	113,511	-	114,661
Fixed asset additions	1,289,331	675,087	-	1,964,418
Net working capital	485,424	439,992	12,202	937,618
Total assets	10,359,928	4,055,342	1,101,485	15,516,755
Total equity	10,073,691	4,006,959	1,101,476	15,182,126

Deferred Compensation Plan

The City offers all employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. All plan assets, except for an insignificant portion (1%), are maintained by insurance companies, and are valued at market. The plan permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property of the City subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred amount for each participant. It is the opinion of the City's legal counsel that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

OTHER INFORMATION (Continued)

Other Postemployment Benefits

The City provides postretirement health care benefits, in accordance with a prior union contract, for all employees who retired from the City prior to July 1, 1991, and before attaining age 65. The City pays for health care benefits equal to the current employee health care benefits for the pertinent employee classification.

As of June 30, 1994, two retirees meet the above eligibility requirements and are receiving benefits from the City. The City's contributions are financed on a pay-as-you-go basis. For the year ended June 30, 1994, expenditures of \$8,913 were recognized for postretirement health care. This postretirement benefit will end in July 1996.

Employee Retirement Plans

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 of the City are eligible to participate after one year of employment. Under terms of the plan, both the City and the employees are required to make contributions. In addition, the employees may make additional voluntary contributions. Currently, the City's contribution rate is 16.6% for police, fire department and ambulance employees and 7.5% for other employees. The mandatory employee contribution rate is 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 payroll for employees covered by the plan for the year ended June 30, 1994, was \$2,647,742, and the City's total payroll was \$3,246,338. Total contributions for the year ended June 30, 1994, were \$443,162, or 16.74% of the year's covered payroll.

Purchase Commitments

The City has a purchase commitment in the amount of \$1,706,522 for the purchase and installation of water meters. The balance remaining under this commitment at June 30, 1994 is \$73,961. Additionally, the City has a purchase commitment in the amount of



CITY OF THE DALLES, OREGON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1994

OTHER INFORMATION (Continued)

Purchase Commitments (Continued)

\$43,000 for terminal reservoir engineering services. The balance remaining at June 30, 1994 on this commitment is \$28,000.

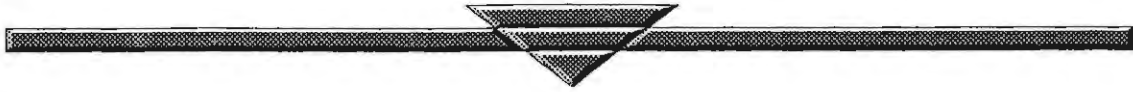
Cumulative Effect of Changes in Accounting Principles

Effective July 1, 1993, the City changed its method of accounting for accrued compensated absences to conform with Statement of Governmental Accounting Standards No. 16 "Accounting for Compensated Absences." This change resulted in an adjustment to decrease July 1, 1993 fund balance, as previously reported, by \$34,977 and \$9,713 in the General Fund and Special Revenue Fund Type, respectively.

Also, effective July 1, 1993, the City changed its method of accounting for taxpayer-assessed revenues to conform with Statement of Governmental Accounting Standards No. 22 "Accounting for Taxpayer-Assessed Tax Revenues in Governmental Funds." This change resulted in an adjustment to increase July 1, 1993 fund balance, as previously reported, by \$22,815 and \$37,284 in the General fund and Special Revenue Fund Type, respectively.

Subsequent Events

Subsequent to year end, the City became aware of contamination from underground storage tanks owned by the City. At this time, the cost of corrective action is not determined. It is management's opinion that the City's 1994-95 budgetary resources will be sufficient to cover such costs.



### **Supplemental Information**

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## **General Fund**

**The General Fund of the City of The Dalles accounts for the financial operations of the City not accounted for in any other fund. Principal sources of revenue to the fund are property taxes, franchise fees, transient room taxes and state shared revenues. Expenditures are primarily for general government operations, public safety, and culture and recreation.**

CITY OF THE DALLES, OREGON

GENERAL FUND

SCHEDULE OF REVENUES -  
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Local:			
Property taxes:			
Current year taxes	\$ 1,473,800	\$ 1,431,193	\$ (42,607)
Prior year taxes	<u>161,600</u>	<u>216,395</u>	<u>54,795</u>
Total property taxes	<u>1,635,400</u>	<u>1,647,588</u>	<u>12,188</u>
Hotel-motel tax	230,000	255,702	25,702
Franchise fees	203,000	219,477	16,477
Ambulance services	328,325	359,777	31,452
Fines and forfeitures	82,400	101,474	19,074
Miscellaneous local revenue	<u>164,042</u>	<u>273,095</u>	<u>109,053</u>
Total local revenues	<u>2,643,167</u>	<u>2,857,113</u>	<u>213,946</u>
Intergovernmental:			
State for library	4,300	4,196	(104)
County for library	156,125	156,125	-
State liquor and amusement tax	82,000	85,020	3,020
State cigarette tax	32,000	33,777	1,777
State revenue sharing	55,000	55,910	910
Urban renewal services	5,000	2,222	(2,778)
PUD intergovernmental agreement	165,000	178,593	13,593
Other intergovern- mental revenue	<u>1,500</u>	<u>4,895</u>	<u>3,395</u>
Total intergovern- mental revenues	<u>500,925</u>	<u>520,738</u>	<u>19,813</u>
Investment income	40,000	26,803	(13,197)
Operating transfers in	<u>823,103</u>	<u>610,572</u>	<u>(212,531)</u>
<b>TOTAL REVENUES</b>	<u>\$ 4,007,195</u>	<u>\$ 4,015,226</u>	<u>\$ 8,031</u>

CITY OF THE DALLES, OREGON

GENERAL FUND

SCHEDULE OF EXPENDITURES -  
BUDGET AND ACTUAL - BUDGETARY BASIS

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b><u>BY APPROPRIATION CATEGORY:</u></b>			
<b>GENERAL GOVERNMENT:</b>			
City council	\$ 100,987	\$ 90,502	\$ 10,485
City manager	150,846	145,919	4,927
City clerk	61,018	57,474	3,544
Legal and judicial	143,090	139,212	3,878
Finance	393,385	383,933	9,452
Personnel	60,003	58,429	1,574
Community and economic development	228,595	215,345	13,250
Risk management	60,069	57,848	2,221
City hall	111,425	97,198	14,227
Operating transfers out	<u>243,445</u>	<u>243,445</u>	<u>-</u>
Total general government	<u>1,552,863</u>	<u>1,489,305</u>	<u>63,558</u>
<b>PUBLIC SAFETY:</b>			
Police	1,165,899	1,114,232	51,667
Fire	775,894	733,326	42,568
Ambulance	<u>326,791</u>	<u>304,361</u>	<u>22,430</u>
Total public safety	<u>2,268,584</u>	<u>2,151,919</u>	<u>116,665</u>
<b>CULTURE AND RECREATION:</b>			
Library	<u>329,725</u>	<u>323,322</u>	<u>6,403</u>
Total culture and recreation	<u>329,725</u>	<u>323,322</u>	<u>6,403</u>
CONTINGENCY:	<u>417,523</u>	<u>-</u>	<u>417,523</u>
TOTAL EXPENDITURES	<u>\$ 4,568,695</u>	<u>\$ 3,964,546</u>	<u>\$ 604,149</u>

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### **Special Revenue Funds**

**Special Revenue Funds are used to account for revenue from specific sources that are legally restricted to expenditure for specified purposes. Principal revenue sources include taxes, interest on investments, and an allocation of state gas tax proceeds. Major expenditures are for street maintenance, the promotion of tourism, and a variety of capital improvements.**



CITY OF THE DALLES, OREGON

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1994

	Street and Storm Sewer	Tourist Promotion	Ambulance Reserve	Public Works Reserve	Unemploy- ment Insurance Reserve
<b><u>ASSETS</u></b>					
Cash and cash equivalents	\$ 713,863	\$ 4,865	\$ 49,279	\$ 31,127	\$ 30,193
Accounts receivable	<u>152,060</u>	<u>9,039</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 865,923</u></b>	<b><u>\$ 13,904</u></b>	<b><u>\$ 49,279</u></b>	<b><u>\$ 31,127</u></b>	<b><u>\$ 30,193</u></b>
 <b><u>LIABILITIES AND FUND EQUITY</u></b>					
Liabilities:					
Accounts payable	\$ 212,212	\$ 1,403	\$ -	\$ -	\$ 2,941
Retainage payable	7,219	-	-	-	-
Compensated absences payable	<u>6,056</u>	<u>565</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>225,487</u>	<u>1,968</u>	<u>-</u>	<u>-</u>	<u>2,941</u>
Fund equity:					
Fund balances:					
Unreserved:					
Undesignated	<u>640,436</u>	<u>11,936</u>	<u>49,279</u>	<u>31,127</u>	<u>27,252</u>
Total fund equity	<u>640,436</u>	<u>11,936</u>	<u>49,279</u>	<u>31,127</u>	<u>27,252</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 865,923</u></b>	<b><u>\$ 13,904</u></b>	<b><u>\$ 49,279</u></b>	<b><u>\$ 31,127</u></b>	<b><u>\$ 30,193</u></b>

<u>Vietnam Memorial</u>	<u>Street and Bridge Replace- ment</u>	<u>Energy</u>	<u>Fire Equipment Reserve</u>	<u>Special Grants</u>	<u>Parks Reserve</u>	<u>State Office Building</u>	<u>Total</u>
\$ 1,603	\$ 265,041	\$ 41,043	\$ 834	\$ 20,263	\$ 6,340	\$ 18,103	\$1,182,554
-	-	-	-	1,402	-	-	162,501
<u>\$ 1,603</u>	<u>\$ 265,041</u>	<u>\$ 41,043</u>	<u>\$ 834</u>	<u>\$ 21,665</u>	<u>\$ 6,340</u>	<u>\$ 18,103</u>	<u>\$1,345,055</u>
\$ -	\$ 803	\$ -	\$ -	\$ 300	\$ -	\$ 4,619	\$ 222,278
-	-	-	-	-	-	-	7,219
-	-	-	-	-	-	-	6,621
<u>-</u>	<u>803</u>	<u>-</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>4,619</u>	<u>236,118</u>
<u>1,603</u>	<u>264,238</u>	<u>41,043</u>	<u>834</u>	<u>21,365</u>	<u>6,340</u>	<u>13,484</u>	<u>1,108,937</u>
<u>1,603</u>	<u>264,238</u>	<u>41,043</u>	<u>834</u>	<u>21,365</u>	<u>6,340</u>	<u>13,484</u>	<u>1,108,937</u>
<u>\$ 1,603</u>	<u>\$ 265,041</u>	<u>\$ 41,043</u>	<u>\$ 834</u>	<u>\$ 21,665</u>	<u>\$ 6,340</u>	<u>\$ 18,103</u>	<u>\$1,345,055</u>

CITY OF THE DALLES, OREGON

SPECIAL REVENUE FUNDS

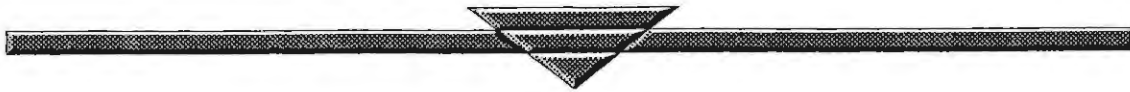
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1994

	Street and Storm Sewer	Tourist Promotion	Ambulance Reserve	Public Works Reserve	Unemploy- ment Insurance Reserve	Vietnam Memorial
<b>REVENUES:</b>						
Taxes	\$ 306,990	\$ 85,234	\$ -	\$ -	\$ -	\$ -
Intergovernmental	626,416	-	-	-	-	-
Charges for services	51,475	-	-	-	-	-
Interest on invest- ments	28,947	-	1,420	3,913	870	60
Rental income	-	-	-	-	-	-
Miscellaneous revenues	22,856	72,615	-	-	-	100
Total revenues	1,036,684	157,849	1,420	3,913	870	160
<b>EXPENDITURES:</b>						
General government	-	258,737	-	-	25,321	388
Highways and streets	740,212	-	-	-	-	-
Capital outlay	488,041	714	-	101,403	-	-
Total expend- itures	1,228,253	259,451	-	101,403	25,321	388
Revenues over (under) expen- ditures	(191,569)	(101,602)	1,420	(97,490)	(24,451)	(228)
<b>OTHER FINANCING SOURCES (USES):</b>						
Operating transfers in	-	218,445	15,000	-	20,000	-
Proceeds from capital leases	72,230	-	-	-	-	-
Operating transfers out	(101,086)	(92,378)	-	-	-	-
Total other finan- cing sources (uses)	(28,856)	126,067	15,000	-	20,000	-
Revenues and other financing sources over (under) expenditures and other financing uses	(220,425)	24,465	16,420	(97,490)	(4,451)	(228)
<b>FUND BALANCES, July 1, 1993, as previously reported</b>	840,466	(19,705)	32,859	128,617	31,703	1,831
Cumulative effect of changes in accounting principles	20,395	7,176	-	-	-	-
<b>FUND BALANCES, July 1, 1993 as restated</b>	860,861	(12,529)	32,859	128,617	31,703	1,831
<b>FUND BALANCES, June 30, 1994</b>	\$ 640,436	\$ 11,936	\$ 49,279	\$ 31,127	\$ 27,252	\$ 1,603

Street and Bridge Replace- ment	Energy	Fire Equipment Reserve	Special Grants	Parks Reserve	State Office Building	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 392,224
-	-	-	-	-	-	626,416
-	-	-	-	-	-	51,475
9,368	1,428	29	204	69	127	46,435
-	-	-	-	-	43,269	43,269
-	-	-	27,642	500	-	123,713
<u>9,368</u>	<u>1,428</u>	<u>29</u>	<u>27,846</u>	<u>569</u>	<u>43,396</u>	<u>1,283,532</u>
-	-	-	6,481	-	29,912	320,839
-	-	-	-	-	-	740,212
<u>6,164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>596,322</u>
<u>6,164</u>	<u>-</u>	<u>-</u>	<u>6,481</u>	<u>-</u>	<u>29,912</u>	<u>1,657,373</u>
<u>3,204</u>	<u>1,428</u>	<u>29</u>	<u>21,365</u>	<u>569</u>	<u>13,484</u>	<u>(373,841)</u>
-	-	-	-	-	-	253,445
-	-	-	-	-	-	72,230
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(193,464)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,211</u>
<u>3,204</u>	<u>1,428</u>	<u>29</u>	<u>21,365</u>	<u>569</u>	<u>13,484</u>	<u>(241,630)</u>
261,034	39,615	805	-	5,771	-	1,322,996
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,571</u>
<u>261,034</u>	<u>39,615</u>	<u>805</u>	<u>-</u>	<u>5,771</u>	<u>-</u>	<u>1,350,567</u>
<u>\$ 264,238</u>	<u>\$ 41,043</u>	<u>\$ 834</u>	<u>\$ 21,365</u>	<u>\$ 6,340</u>	<u>\$ 13,484</u>	<u>\$1,108,937</u>

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### **Street and Storm Sewer Fund**

**The Street and Storm Sewer Fund is a special fund established to provide for a range of services involved with the construction, maintenance and repair of the City's streets and storm sewer system. Principal revenues to the fund include allocations of state fuel tax proceeds and local fuel tax receipts as well as interest on investments.**

CITY OF THE DALLES, OREGON

STREET AND STORM SEWER FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Taxes	\$ 295,000	\$ 306,990	\$ 11,990
Intergovernmental	623,157	626,416	3,259
Charges and services	7,263	51,475	44,212
Interest on investments	36,000	28,947	(7,053)
Other miscellaneous revenues	<u>-</u>	<u>22,856</u>	<u>22,856</u>
Total revenue	<u>961,420</u>	<u>1,036,684</u>	<u>75,264</u>
<b>EXPENDITURES:</b>			
Personal services	505,319	496,429	8,890
Materials and services	350,610	247,011	103,599
Capital outlay	627,725	415,811	211,914
Contingency	<u>160,338</u>	<u>-</u>	<u>160,338</u>
Total expenditures	<u>1,643,992</u>	<u>1,159,251</u>	<u>484,741</u>
<b>EXPENDITURES OVER REVENUES</b>	<u>(682,572)</u>	<u>(122,567)</u>	<u>560,005</u>
<b>OTHER FINANCING USES:</b>			
Operating transfers out	<u>(101,086)</u>	<u>(101,086)</u>	<u>-</u>
Total other financing uses	<u>(101,086)</u>	<u>(101,086)</u>	<u>-</u>
<b>EXPENDITURES AND OTHER FINANCING USES OVER REVENUES</b>	<u>(783,658)</u>	<u>(223,653)</u>	<u>560,005</u>
<b>FUND BALANCE, July 1, 1993</b> as previously reported	783,658	840,466	56,808
Cumulative effect of changes in accounting principles	<u>-</u>	<u>29,679</u>	<u>29,679</u>
<b>FUND BALANCE, July 1, 1993,</b> as restated	<u>783,658</u>	<u>870,145</u>	<u>86,487</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 646,492</u>	<u>\$ 646,492</u>



### **Tourist Promotion Fund**

**The City's Tourist Promotion Fund is supported principally through the City of The Dalles transient room tax applied to lodging facilities within the City limits. The fund accounts for tourism related, general government services and facilities.**



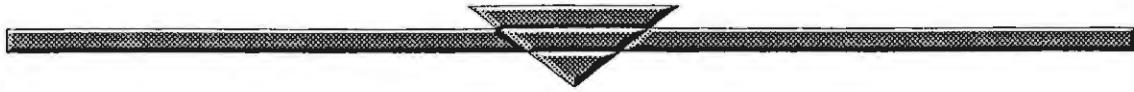
CITY OF THE DALLES, OREGON

TOURIST PROMOTION FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Oregon Trail tax	\$ 72,815	\$ 85,234	\$ 12,419
Admissions and concessions	107,950	70,277	(37,673)
Gifts and donations	-	3	3
Other miscellaneous revenues	<u>4,669</u>	<u>2,335</u>	<u>(2,334)</u>
Total revenues	<u>185,434</u>	<u>157,849</u>	<u>(27,585)</u>
<b>EXPENDITURES:</b>			
Personal services	138,137	134,402	3,735
Materials and services	131,273	124,200	7,073
Capital outlay	<u>7,669</u>	<u>714</u>	<u>6,955</u>
Total expenditures	<u>277,079</u>	<u>259,316</u>	<u>17,763</u>
<b>EXPENDITURES OVER REVENUES</b>	<u>(91,645)</u>	<u>(101,467)</u>	<u>(9,822)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	368,445	218,445	(150,000)
Operating transfers out	<u>(276,800)</u>	<u>(92,378)</u>	<u>184,422</u>
Total other financing sources	<u>91,645</u>	<u>126,067</u>	<u>34,422</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>-</u>	<u>24,600</u>	<u>24,600</u>
<b>FUND BALANCE, July 1, 1993 as previously reported</b>	-	(19,705)	(19,705)
Cumulative effect of changes in accounting principles	<u>-</u>	<u>7,605</u>	<u>7,605</u>
<b>FUND BALANCE, July 1, 1993 as restated</b>	<u>-</u>	<u>(12,100)</u>	<u>(12,100)</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>



### **Ambulance Reserve Fund**

**This special fund was established for the purpose of replacing or adding to the City's ambulance service facilities, including purchases of ambulances and accessories to new ambulances. Resources are provided by operating transfers from the General Fund and interest earned on investments.**

CITY OF THE DALLES, OREGON

AMBULANCE RESERVE FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Interest on investments	\$ 1,360	\$ 1,420	\$ 60
Total revenues	1,360	1,420	60
<b>EXPENDITURES:</b>			
Capital outlay	49,171	-	49,171
Total expenditures	49,171	-	49,171
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(47,811)</u>	<u>1,420</u>	<u>49,231</u>
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	15,000	15,000	-
Total other financing sources	15,000	15,000	-
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDI- TURES</b>	<u>(32,811)</u>	<u>16,420</u>	<u>49,231</u>
<b>FUND BALANCE, July 1, 1993</b>	<u>32,811</u>	<u>32,859</u>	<u>48</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 49,279</u>	<u>\$ 49,279</u>



### **Public Works Reserve Fund**

**The Public Works Reserve Fund is a special fund, established for the purpose of replacing or adding to the machinery and equipment of the Public Works Department. Resources to this fund are provided through operating transfers from the Street and Storm Sewer Fund, and from interest earned on investments.**

CITY OF THE DALLES, OREGON

PUBLIC WORKS RESERVE FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Interest on investments	\$ 2,250	\$ 3,913	\$ 1,663
Total revenues	<u>2,250</u>	<u>3,913</u>	<u>1,663</u>
<b>EXPENDITURES:</b>			
Capital outlay	108,400	101,403	6,997
Contingency	<u>22,567</u>	<u>-</u>	<u>22,567</u>
Total expenditures	<u>130,967</u>	<u>101,403</u>	<u>29,564</u>
<b>EXPENDITURES OVER REVENUES</b>	(128,717)	(97,490)	31,227
<b>FUND BALANCE, July 1, 1993</b>	<u>128,717</u>	<u>128,617</u>	<u>(100)</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 31,127</u>	<u>\$ 31,127</u>



### **Unemployment Insurance Reserve Fund**

**This special fund was established to meet the needs of those former employees of the City of The Dalles who are unemployed. The City is a self-insured provider of unemployment benefits. Resources to this fund come from each department within the City with employees.**

**Expenditures from the fund are restricted to payment of unemployment benefits.**

CITY OF THE DALLES, OREGON

UNEMPLOYMENT INSURANCE RESERVE FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Interest on investments	\$ <u>972</u>	\$ <u>870</u>	\$ <u>(102)</u>
Total revenues	<u>972</u>	<u>870</u>	<u>(102)</u>
<b>EXPENDITURES:</b>			
Personal services	<u>45,272</u>	<u>25,321</u>	<u>19,951</u>
Total expenditures	<u>45,272</u>	<u>25,321</u>	<u>19,951</u>
<b>EXPENDITURES OVER REVENUES</b>	<u>(44,300)</u>	<u>(24,451)</u>	<u>19,849</u>
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<b>EXPENDITURES OVER REVENUES AND OTHER FINANCING SOURCES</b>	<u>(24,300)</u>	<u>(4,451)</u>	<u>19,849</u>
<b>FUND BALANCE, July 1, 1993</b>	<u>24,300</u>	<u>31,703</u>	<u>7,403</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 27,252</u>	<u>\$ 27,252</u>



### **Vietnam Memorial Fund**

**This is a special fund established to receive, preserve and expend funds related to the preservation, enhancement, protection, maintenance, repair, replacement or restoration of the Mid-Columbia Vietnam Veterans' Memorial and its surroundings. Revenues to the fund consist primarily of donations and interest earnings, while expenditures are restricted to the above uses.**



CITY OF THE DALLES, OREGON

VIETNAM MEMORIAL FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Gifts and donations	\$ 100	\$ 100	\$ -
Interest on investments	<u>57</u>	<u>60</u>	<u>3</u>
Total revenues	<u>157</u>	<u>160</u>	<u>3</u>
<b>EXPENDITURES:</b>			
Materials and services	<u>1,579</u>	<u>388</u>	<u>1,191</u>
Total expenditures	<u>1,579</u>	<u>388</u>	<u>1,191</u>
<b>EXPENDITURES OVER REVENUES</b>	(1,422)	(228)	1,194
<b>FUND BALANCE, July 1, 1993</b>	<u>1,422</u>	<u>1,831</u>	<u>409</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 1,603</u>	<u>\$ 1,603</u>



### **Street and Bridge Replacement Fund**

**The Street and Bridge Replacement Fund is a special fund specifically designated to account for the replacement of streets and bridges in The Dalles. Resources to the fund consist of operating transfers from the Street and Storm Sewer Fund, and interest earned on investments.**

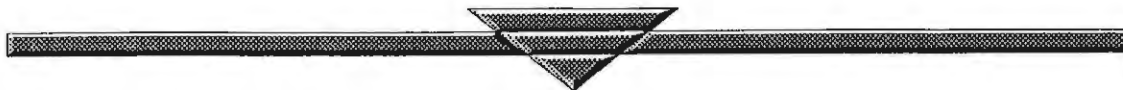
CITY OF THE DALLES, OREGON

STREET AND BRIDGE REPLACEMENT FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Intergovernmental	\$ 397,000	\$ -	\$ (397,000)
Interest on investments	<u>13,500</u>	<u>9,368</u>	<u>(4,132)</u>
Total revenues	<u>410,500</u>	<u>9,368</u>	<u>(401,132)</u>
<b>EXPENDITURES:</b>			
Contingency	10,658	-	10,658
Capital outlay	<u>661,000</u>	<u>6,164</u>	<u>654,836</u>
Total expenditures	<u>671,658</u>	<u>6,164</u>	<u>665,494</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(261,158)	3,204	264,362
<b>FUND BALANCE, July 1, 1993</b>	<u>261,158</u>	<u>261,034</u>	<u>(124)</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 264,238</u>	<u>\$ 264,238</u>



### **Energy Fund**

**The Energy Fund is a special fund established for the planning and implementation of energy use, conservation, generation, planning and operation of facilities for the production of energy from resources located upon City property. Revenues to the fund consist of interest earned on investments.**

CITY OF THE DALLES, OREGON

ENERGY FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Interest on investments	\$ 1,585	\$ 1,428	\$ (157)
Total revenues	<u>1,585</u>	<u>1,428</u>	<u>(157)</u>
<b>EXPENDITURES:</b>			
Materials and services	<u>41,222</u>	<u>-</u>	<u>41,222</u>
Total expenditures	<u>41,222</u>	<u>-</u>	<u>41,222</u>
REVENUES OVER (UNDER) EXPENDITURES	(39,637)	1,428	41,065
FUND BALANCE, July 1, 1993	<u>39,637</u>	<u>39,615</u>	<u>(22)</u>
FUND BALANCE, June 30, 1994	<u>\$ -</u>	<u>\$ 41,043</u>	<u>\$ 41,043</u>



### **Fire Equipment Reserve Fund**

**This is a special revenue fund receiving its funding in the form of operating transfers from the General Fund, and interest earned on investments. Expenditures from this fund are legally restricted to replacement of or additions to equipment in the Fire Department.**

CITY OF THE DALLES, OREGON  
FIRE EQUIPMENT RESERVE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - BUDGETARY BASIS  
YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Interest on investments	\$ 33	\$ 29	\$ (4)
Total revenues	33	29	(4)
<b>EXPENDITURES:</b>			
Capital outlay	907	-	907
Total expenditures	907	-	907
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(874)	29	903
<b>FUND BALANCE, July 1, 1993</b>	874	805	(69)
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 834</u>	<u>\$ 834</u>



### **Special Grants Fund**

**The Special Grants fund was established to account for a variety of revenues and expenditures related to various grants received by the City.**



CITY OF THE DALLES, OREGON

SPECIAL GRANTS FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Intergovernmental	\$ 357,030	\$ -	\$ (357,030)
Interest on investments	-	204	204
Program Income	20,000	27,567	7,567
Gifts and donations	-	75	75
Total revenues	<u>377,030</u>	<u>27,846</u>	<u>(349,184)</u>
<b>EXPENDITURES:</b>			
Materials and services	41,921	6,481	35,440
Capital Outlay	<u>357,880</u>	<u>-</u>	<u>357,880</u>
Total expenditures	<u>399,801</u>	<u>6,481</u>	<u>393,320</u>
<b>REVENUES OVER EXPENDITURES</b>	<b>22,771</b>	<b>21,365</b>	<b>44,136</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	27,880	-	(27,880)
Operating transfers out	<u>(5,109)</u>	<u>-</u>	<u>5,109</u>
Total other financing sources (uses)	<b>(22,771)</b>	<b>-</b>	<b>22,771</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>-</u>	<u>21,365</u>	<u>21,365</u>
<b>FUND BALANCE, July 1, 1993</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 21,365</u>	<u>\$ 21,365</u>



### **Parks Reserve Fund**

**The Parks Reserve Fund is a special fund into which all monies received as payments in lieu of the dedication of land for parks and recreation purposes are deposited and retained. These monies are then used for the purpose of acquiring and developing park and recreation facilities in the City of The Dalles.**

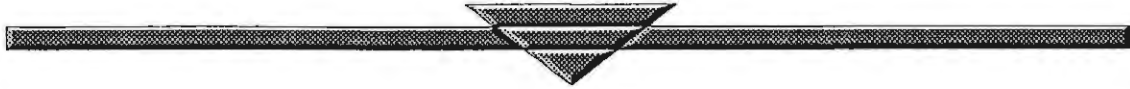
CITY OF THE DALLES, OREGON

PARKS RESERVE FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Interest on investments	\$ -	\$ 69	\$ 69
Miscellaneous revenues	-	500	500
Total revenues	-	569	569
<b>EXPENDITURES:</b>			
Capital outlay	5,771	-	5,771
Total expenditures	5,771	-	5,771
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(5,771)	569	6,340
<b>FUND BALANCE, July 1, 1993</b>	5,771	5,771	-
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 6,340</u>	<u>\$ 6,340</u>



### **State Office Building Fund**

**The State Office Building Fund is established to account for monies received and expended for operations, repairs and maintenance of the State Office Building owned by the City. Revenues to the fund consist of a portion of the building's lease payments collected by the City.**

CITY OF THE DALLES, OREGON

STATE OFFICE BUILDING FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Interest on investments	\$ 600	\$ 127	\$ (473)
Rental income	<u>52,727</u>	<u>43,269</u>	<u>(9,458)</u>
Total revenues	<u>53,327</u>	<u>43,396</u>	<u>(9,931)</u>
<b>EXPENDITURES:</b>			
Materials and services	<u>53,327</u>	<u>29,912</u>	<u>23,415</u>
Total expenditures	<u>53,327</u>	<u>29,912</u>	<u>23,415</u>
<b>REVENUES OVER EXPENDITURES</b>	-	13,484	13,484
<b>FUND BALANCE, July 1, 1993</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 13,484</u>	<u>\$ 13,484</u>



### **Debt Service Funds**

**The debt service fund group records and accounts for revenues and expenditures related to the City's long-term debt requirements. Two individual funds make up this group; the Water Bond Debt Fund and the Senior Center Grant Debt Service Fund.**

CITY OF THE DALLES, OREGON

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1994

	<u>Water Bond Debt</u>	<u>Senior Center Grant Debt Service</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 93,674	\$ -	\$ 93,674
Property taxes receivable	<u>91,691</u>	<u>-</u>	<u>91,691</u>
<b>TOTAL ASSETS</b>	<u>\$ 185,365</u>	<u>\$ -</u>	<u>\$ 185,365</u>
 <b><u>LIABILITIES AND FUND EQUITY</u></b>			
Liabilities:			
Deferred revenue - property taxes	\$ 88,024	\$ -	\$ 88,024
Total liabilities	<u>88,024</u>	<u>-</u>	<u>88,024</u>
Fund equity:			
Fund balances:			
Reserved:			
Reserved for debt service	<u>97,341</u>	<u>-</u>	<u>97,341</u>
Total fund equity	<u>97,431</u>	<u>-</u>	<u>97,341</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 185,365</u>	<u>\$ -</u>	<u>\$ 185,365</u>

CITY OF THE DALLES, OREGON

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1994

	<u>Water Bond Debt</u>	<u>Senior Center Grant Debt Service</u>	<u>Total</u>
<b>REVENUES:</b>			
Property taxes	\$ 387,337	\$ -	\$ 387,337
Rentals	-	3,180	3,180
Interest on investments	<u>3,693</u>	<u>-</u>	<u>3,693</u>
Total revenues	<u>391,030</u>	<u>3,180</u>	<u>394,210</u>
<b>EXPENDITURES:</b>			
Debt service:			
Bond principal	280,000	1,512	281,512
Interest	121,856	1,668	123,524
Refunding bond issuance costs	34,270	-	34,270
Trustee fees	<u>702</u>	<u>-</u>	<u>702</u>
Total expenditures	<u>436,828</u>	<u>3,180</u>	<u>440,008</u>
<b>EXPENDITURES OVER REVENUES</b>	<b>(45,798)</b>	<b>-</b>	<b>(45,798)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds of Refunding Bonds	1,685,488	-	1,685,488
Payment to refunded bond escrow agent	<u>(1,647,640)</u>	<u>-</u>	<u>(1,647,640)</u>
Total other financing sources (uses)	<u>37,848</u>	<u>-</u>	<u>37,848</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPEND- ITURES AND OTHER FINANCING USES</b>	<b><u>(7,950)</u></b>	<b><u>-</u></b>	<b><u>(7,950)</u></b>
<b>FUND BALANCES, July 1, 1993</b>	<b><u>105,291</u></b>	<b><u>-</u></b>	<b><u>105,291</u></b>
<b>FUND BALANCES, June 30, 1994</b>	<b><u>\$ 97,341</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 97,341</u></b>



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### **Water Bond Debt Fund**

**The Water Bond Debt Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest relating to the City's outstanding 1988 and 1993 series water bonds.**

CITY OF THE DALLES, OREGON

WATER BOND DEBT FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Taxes	\$ 363,442	\$ 387,337	\$ 23,895
Interest on invest- ments	<u>3,000</u>	<u>3,693</u>	<u>693</u>
Total revenues	<u>366,442</u>	<u>391,030</u>	<u>24,588</u>
<b>EXPENDITURES:</b>			
Debt service:			
Principal	265,000	280,000	(15,000)
Interest	151,888	121,856	30,032
Refunding bond issuance costs	46,896	34,270	12,626
Trustee fees	<u>2,000</u>	<u>702</u>	<u>1,298</u>
Total expenditures	<u>465,784</u>	<u>436,828</u>	<u>28,956</u>
<b>EXPENDITURES OVER REVENUES</b>	(99,342)	(45,798)	53,544
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds of refunding bonds	1,690,000	1,685,488	(4,512)
Payment to refunded bond escrow agent	<u>(1,627,565)</u>	<u>(1,647,640)</u>	<u>(20,075)</u>
Total other financing sources	<u>62,435</u>	<u>37,848</u>	<u>(24,587)</u>
<b>EXPENDITURES AND OTHER FINANCING USES OVER REVENUES AND OTHER FINANCING SOURCES</b>	(36,907)	(7,950)	28,957
<b>FUND BALANCE, July 1, 1993</b>	<u>105,291</u>	<u>105,291</u>	<u>-</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ 68,384</u>	<u>\$ 97,341</u>	<u>\$ 28,957</u>

Note: Legally adopted appropriation level is at the total debt services level which also includes payment to refunded bond escrow agent.



### **Senior Center Grant Debt Service Fund**

**The Senior Center Grant Debt Service Fund was originally established for building the Senior Center in The Dalles. The fund is now maintained to account for the repayment of the loan from the State of Oregon, Department of Energy. Revenues to the fund consist of monthly payments from the Senior Center.**

CITY OF THE DALLES, OREGON

SENIOR CENTER GRANT DEBT SERVICE FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Intergovernmental	\$ 3,180	\$ 3,180	\$ -
Total revenues	<u>3,180</u>	<u>3,180</u>	<u>-</u>
<b>EXPENDITURES:</b>			
Debt service:			
Principal	1,468	1,512	(44)
Interest	<u>1,712</u>	<u>1,668</u>	<u>44</u>
Total expenditures	<u>3,180 (1)</u>	<u>3,180</u>	<u>-</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, July 1, 1993</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Legally adopted appropriation level.



### **Capital Projects Funds**

**Three funds; the Special Assessments Fund, the Capital Projects Fund and the F.A.A. Grant Improvement Fund, make up the capital projects fund group. These funds account for capital projects undertaken by the City relating primarily to infrastructure.**

CITY OF THE DALLES, OREGON

CAPITAL PROJECTS FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1994

	<u>Special Assessments</u>	<u>Capital Project</u>	<u>F.A.A. Grant Improvement</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 532,748	\$ 78,499	\$ 24,013	\$ 635,260
Assessments receivable	82,234	-	-	82,234
Assets held for sale	<u>31,500</u>	<u>-</u>	<u>-</u>	<u>31,500</u>
<b>TOTAL ASSETS</b>	<u>\$ 646,482</u>	<u>\$ 78,499</u>	<u>\$ 24,013</u>	<u>\$ 748,994</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>				
Liabilities:				
Accounts payable	\$ 669	\$ 7,576	\$ -	\$ 8,245
Retainage payable	5,853	-	-	5,853
Deferred revenue:				
Assessments and liens	113,734	-	-	113,734
Customer deposits	<u>12,789</u>	<u>-</u>	<u>-</u>	<u>12,789</u>
Total liabilities	<u>133,045</u>	<u>7,576</u>	<u>-</u>	<u>140,621</u>
Fund equity:				
Fund balances:				
Unreserved:				
Undesignated	<u>513,437</u>	<u>70,923</u>	<u>24,013</u>	<u>608,373</u>
Total fund equity	<u>513,437</u>	<u>70,923</u>	<u>24,013</u>	<u>608,373</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 646,482</u>	<u>\$ 78,499</u>	<u>\$ 24,013</u>	<u>\$ 748,994</u>

CITY OF THE DALLES, OREGON

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1994

	<u>Special Assessments</u>	<u>Capital Projects</u>	<u>F.A.A. Grant Improvement</u>	<u>Total</u>
<b>REVENUES:</b>				
Interest on investments	\$ 20,916	\$ 470	\$ -	\$ 21,386
Assessment collections	118,505	-	-	118,505
Rental income	-	78,133	-	78,133
Miscellaneous revenues	20	-	-	20
Total revenues	139,441	78,603	-	218,044
<b>EXPENDITURES:</b>				
Materials and services	10,709	7,680	1,021	19,410
Capital outlay	138,016	-	-	138,016
Total expenditures	148,725	7,680	1,021	157,426
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(9,284)	70,923	(1,021)	60,618
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers in	-	-	25,034	25,034
Operating transfers out	(45,334)	-	-	(45,334)
Total other financing sources (uses)	(45,334)	-	25,034	(20,300)
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDI- TURES AND OTHER FINANCING USES</b>	(54,618)	70,923	24,013	40,318
<b>FUND BALANCES, July 1, 1993</b>	568,055	-	-	568,055
<b>FUND BALANCES, June 30, 1994</b>	<u>\$ 513,437</u>	<u>\$ 70,923</u>	<u>\$ 24,013</u>	<u>\$ 608,373</u>



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### **Special Assessments Fund**

**The Special Assessments Fund is used to account for the financing of public improvements or services deemed to benefit primarily the properties against which the assessments are levied. Revenues to the fund consist primarily of the assessments principal and interest collected.**

CITY OF THE DALLES, OREGON

SPECIAL ASSESSMENTS FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Interest on investments	\$ 20,000	\$ 20,916	\$ 916
Assessment collections - non-bonded:			
Principal	5,300	68,247	62,947
Interest	530	77	(453)
Assessment collections - bonded:			
Principal	65,000	24,088	(40,912)
Interest	24,000	11,593	(12,407)
Sale of foreclosed property	-	14,500	14,500
Miscellaneous revenues	-	20	20
Total revenues	<u>114,830</u>	<u>139,441</u>	<u>24,611</u>
<b>EXPENDITURES:</b>			
Materials and services	22,000	10,709	11,291
Capital outlay	<u>527,399</u>	<u>138,016</u>	<u>389,383</u>
Total expenditures	<u>549,399</u>	<u>148,725</u>	<u>400,674</u>
<b>EXPENDITURES OVER REVENUES</b>	<u>(434,569)</u>	<u>(9,284)</u>	<u>425,285</u>
<b>OTHER FINANCING USES:</b>			
Operating transfers out	<u>(73,334)</u>	<u>(45,334)</u>	<u>28,000</u>
Total other financing uses	<u>(73,334)</u>	<u>(45,334)</u>	<u>28,000</u>
<b>EXPENDITURES AND OTHER FINANCING USES OVER REVENUES</b>	<u>(507,903)</u>	<u>(54,618)</u>	<u>453,285</u>
<b>FUND BALANCE, July 1, 1993</b>	<u>507,903</u>	<u>568,055</u>	<u>60,152</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 513,437</u>	<u>\$ 513,437</u>



### **Capital Projects Fund**

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

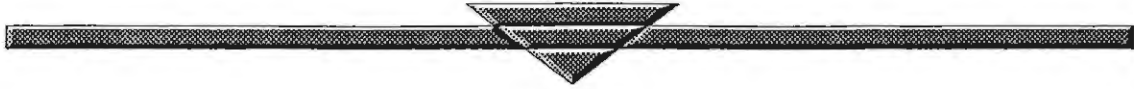
CITY OF THE DALLES, OREGON

CAPITAL PROJECTS FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Intergovernmental revenue	\$ 199,950	\$ -	\$ (199,950)
Interest on investments	-	470	470
Rental income	-	78,133	78,133
Miscellaneous revenues	<u>2,000,000</u>	<u>-</u>	<u>(2,000,000)</u>
Total revenues	<u>2,199,950</u>	<u>78,603</u>	<u>(2,121,347)</u>
<b>EXPENDITURES:</b>			
Materials and services	276,250	7,680	268,570
Capital outlay	<u>1,923,700</u>	<u>-</u>	<u>1,923,700</u>
Total expenditures	<u>2,199,950</u>	<u>7,680</u>	<u>2,192,270</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>70,923</u>	<u>70,923</u>
<b>FUND BALANCE, July 1, 1993</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 70,923</u>	<u>\$ 70,923</u>



### **F.A.A. Grant Improvement Fund**

**The F.A.A. Grant Improvement Fund accounts for Federal Aviation Administration (F.A.A.) funded improvements to the Columbia Gorge Regional/The Dalles Municipal Airport.**

CITY OF THE DALLES, OREGON

F.A.A. GRANT IMPROVEMENT FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Intergovernmental revenue	\$ 488,133	\$ -	\$ (488,133)
Miscellaneous revenues	<u>5,833</u>	<u>-</u>	<u>(5,833)</u>
Total revenues	<u>493,966</u>	<u>-</u>	<u>(493,966)</u>
<b>EXPENDITURES:</b>			
Materials and services	2,500	1,021	1,479
Capital outlay	479,000	-	479,000
Contingency	<u>37,500</u>	<u>-</u>	<u>37,500</u>
Total expenditures	<u>519,000</u>	<u>1,021</u>	<u>517,979</u>
<b>EXPENDITURES OVER REVENUES</b>	<u>(25,034)</u>	<u>(1,021)</u>	<u>24,013</u>
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	<u>25,034</u>	<u>25,034</u>	<u>-</u>
Total other financing sources	<u>25,034</u>	<u>25,034</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES</b>	<u>-</u>	<u>24,013</u>	<u>24,013</u>
<b>FUND BALANCE, July 1, 1993</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 24,013</u>	<u>\$ 24,013</u>



### **Enterprise Funds**

**The City's enterprise funds consist of the City owned and operated water utility, the waste water utility, and the Columbia Gorge Regional/The Dalles Municipal Airport.**



CITY OF THE DALLES, OREGON

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1994

	<u>Water Utility</u>	<u>Waste Water Utility</u>	<u>Airport</u>	<u>Total</u>
<b><u>ASSETS</u></b>				
Current assets:				
Cash and cash equivalents	\$ 371,468	\$ 381,746	\$ 11,571	\$ 764,785
Accounts receivable	98,627	77,421	640	176,688
Inventories	163,313	29,208	-	192,521
Total current assets	<u>633,408</u>	<u>488,375</u>	<u>12,211</u>	<u>1,133,994</u>
Restricted assets-cash and cash equivalents	<u>1,338,240</u>	<u>1,380,899</u>	<u>-</u>	<u>2,719,139</u>
Fixed assets:				
Land and land improvements	2,875,172	-	1,084,798	3,959,970
Buildings and improvements	3,138,204	1,581,401	35,313	4,754,918
Plant in service	3,731,389	1,132,434	-	4,863,823
Machinery and equipment	1,001,179	734,026	30,821	1,766,026
Total fixed assets	10,745,944	3,447,861	1,150,932	15,344,737
Accumulated depreciation	<u>(2,357,664)</u>	<u>(1,261,793)</u>	<u>(61,658)</u>	<u>(3,681,115)</u>
	<u>8,388,280</u>	<u>2,186,068</u>	<u>1,089,274</u>	<u>11,663,622</u>
<b>TOTAL ASSETS</b>	<b><u>\$10,359,928</u></b>	<b><u>\$ 4,055,342</u></b>	<b><u>\$ 1,101,485</u></b>	<b><u>\$15,516,755</u></b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>				
Current liabilities:				
Accounts payable	\$ 74,569	\$ 23,187	\$ 9	\$ 97,765
Customer deposits	28,328	-	-	28,328
Retainage payable	-	9,963	-	9,963
Compensated absences payable	45,087	15,233	-	60,320
Total current liabilities	<u>147,984</u>	<u>48,383</u>	<u>9</u>	<u>196,376</u>
Current liabilities payable from restricted assets:				
Accounts payable	76,410	-	-	76,410
Retainage	61,843	-	-	61,843
Total current liabilities payable from restricted assets	<u>138,253</u>	<u>-</u>	<u>-</u>	<u>138,253</u>
Total liabilities	<u>286,237</u>	<u>48,383</u>	<u>9</u>	<u>334,629</u>
Fund equity:				
Contributed capital	906,950	1,026,694	601,588	2,535,232
Retained earnings:				
Reserved for construction	1,199,987	1,380,899	-	2,580,886
Unreserved	7,966,754	1,599,366	499,888	10,066,008
Total fund equity	<u>10,073,691</u>	<u>4,006,959</u>	<u>1,101,476</u>	<u>15,182,126</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$10,359,928</u></b>	<b><u>\$ 4,055,342</u></b>	<b><u>\$ 1,101,485</u></b>	<b><u>\$15,516,755</u></b>

CITY OF THE DALLES, OREGON

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS

YEAR ENDED JUNE 30, 1994

	<u>Water Utility</u>	<u>Waste Water Utility</u>	<u>Airport</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>				
Service charges and fees	\$ 2,031,039	\$ 1,599,673	\$ 1,657	\$ 3,632,369
Rental income	-	-	10,655	10,655
Other operating income	<u>49,520</u>	<u>670</u>	<u>1,512</u>	<u>51,702</u>
Total operating revenues	<u>2,080,559</u>	<u>1,600,343</u>	<u>13,824</u>	<u>3,694,726</u>
<b>OPERATING EXPENSES:</b>				
Personal services	799,773	261,587	-	1,061,360
Operations and maintenance	419,048	516,616	25,554	961,218
General administration	76,353	31,231	11,313	118,897
Depreciation	<u>240,484</u>	<u>91,155</u>	<u>414</u>	<u>332,053</u>
Total operating expenses	<u>1,535,658</u>	<u>900,589</u>	<u>37,281</u>	<u>2,473,528</u>
Operating income (loss)	<u>544,901</u>	<u>699,754</u>	<u>(23,457)</u>	<u>1,221,198</u>
<b>NON-OPERATING INCOME:</b>				
Interest earnings	76,384	60,178	863	137,425
Loss on sale of fixed assets	-	(1,825)	-	(1,825)
Other non-operating income	<u>1,887</u>	<u>35,708</u>	<u>-</u>	<u>37,595</u>
Total non-operating income	<u>78,271</u>	<u>94,061</u>	<u>863</u>	<u>173,195</u>
Net income (loss) before operating transfers	<u>623,172</u>	<u>793,815</u>	<u>(22,594)</u>	<u>1,394,393</u>
<b>OPERATING TRANSFERS:</b>				
Transfers in	230,000	400,000	-	630,000
Transfers out	<u>(484,262)</u>	<u>(552,546)</u>	<u>-</u>	<u>(1,036,808)</u>
Net operating transfers	<u>(254,262)</u>	<u>(152,546)</u>	<u>-</u>	<u>(406,808)</u>
Net income (loss)	<u>368,910</u>	<u>641,269</u>	<u>(22,594)</u>	<u>987,585</u>
<b>RETAINED EARNINGS, July 1, 1993</b>	<u>8,797,831</u>	<u>2,338,996</u>	<u>522,482</u>	<u>11,659,309</u>
<b>RETAINED EARNINGS, June 30, 1994</b>	<u>\$ 9,166,741</u>	<u>\$ 2,980,265</u>	<u>\$ 499,888</u>	<u>\$12,646,894</u>

CITY OF THE DALLES, OREGON

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 1994

	<u>Water Utility</u>	<u>Waste Water Utility</u>	<u>Airport</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ 544,901	\$ 699,754	\$ (23,457)	\$ 1,221,198
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:				
Depreciation	240,484	91,155	414	332,053
Change in operating assets and liabilities:				
Receivables	(16,309)	11,771	2,408	(2,130)
Inventories	15,601	(9,742)	-	5,859
Accounts payable	(158,917)	(6,439)	(436)	(165,792)
Customer deposits	6,243	-	-	6,243
Retainage payable	-	9,963	-	9,963
Compensated absences payable	11,546	4,534	-	16,080
Current liabilities payable from restricted assets	<u>(9,719)</u>	<u>(135,756)</u>	<u>-</u>	<u>(145,475)</u>
Net cash provided (used) by operations	<u>633,830</u>	<u>665,240</u>	<u>(21,071)</u>	<u>1,277,999</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Operating transfers in	230,000	400,000	-	630,000
Operating transfers out	<u>(484,262)</u>	<u>(552,546)</u>	<u>-</u>	<u>(1,036,808)</u>
Net cash used in noncapital financing activities	<u>(254,262)</u>	<u>(152,546)</u>	<u>-</u>	<u>(406,808)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Proceeds from sale of fixed assets	1,887	1,508	-	3,395
Capital related penalties received	-	34,200	-	34,200
Acquisition of fixed assets	<u>(1,289,331)</u>	<u>(675,087)</u>	<u>-</u>	<u>(1,964,418)</u>
Net cash used in capital and related financing activities	<u>(1,287,444)</u>	<u>(639,379)</u>	<u>-</u>	<u>(1,926,823)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest earnings	<u>76,384</u>	<u>60,178</u>	<u>863</u>	<u>137,425</u>
Net cash provided by investing activities	<u>76,384</u>	<u>60,178</u>	<u>863</u>	<u>137,425</u>
<b>NET DECREASE IN CASH</b>	<b>(831,492)</b>	<b>(66,507)</b>	<b>(20,208)</b>	<b>(918,207)</b>
<b>CASH AND CASH EQUIVALENTS, July 1, 1993</b>	<u>2,541,200</u>	<u>1,829,152</u>	<u>31,779</u>	<u>4,402,131</u>
<b>CASH AND CASH EQUIVALENTS, June 30, 1994</b>	<u>\$ 1,709,708</u>	<u>\$ 1,762,645</u>	<u>\$ 11,571</u>	<u>\$ 3,483,924</u>

CITY OF THE DALLES, OREGON

ENTERPRISE FUNDS

COMBINING SCHEDULE RECONCILING REVENUES AND EXPENDITURES/EXPENSES-  
BUDGETARY BASIS TO GAAP

YEAR ENDED JUNE 30, 1994

	<u>Water Utility</u>	<u>Waste Water Utility</u>	<u>Airport</u>	<u>Total</u>
NET INCOME (LOSS) - GAAP BASIS	\$ 368,910	\$ 641,269	\$(22,594)	\$ 987,585
Add expenses required by GAAP not recorded as expenditures on a budgetary basis:				
Change in materials inventories	15,601	(9,742)	-	5,859
Loss on disposition of fixed assets	-	1,825	-	1,825
Depreciation	<u>240,484</u>	<u>91,155</u>	<u>414</u>	<u>332,053</u>
	<u>256,085</u>	<u>83,238</u>	<u>414</u>	<u>339,737</u>
Less budgetary expendi- tures not recorded as expenses under GAAP:				
Fixed asset additions	<u>(1,289,331)</u>	<u>(675,087)</u>	<u>-</u>	<u>(1,964,418)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES - BUDGETARY BASIS	<u>\$ (664,336)</u>	<u>\$ 49,420</u>	<u>\$(22,180)</u>	<u>\$ (637,096)</u>

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### **Water Utility Fund**

**The Water Utility Fund accounts for all activity related to the treatment and distribution of water from source to the customer. Primary revenues to the fund are user charges for services, while expenditures relate to operations and maintenance of the water system, capital improvements and operating transfers to other funds.**

CITY OF THE DALLES, OREGON

WATER UTILITY FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Charges and services	\$ 2,133,584	\$ 2,008,827	\$ (124,757)
Interest on investments	18,000	13,643	(4,357)
Other miscellaneous revenues	<u>-</u>	<u>51,407</u>	<u>51,407</u>
Total revenues	<u>2,151,584</u>	<u>2,073,877</u>	<u>(77,707)</u>
<b>EXPENDITURES:</b>			
Personal services	810,039	799,773	10,266
Materials and services	723,613	539,863	183,750
Capital outlay	287,056	211,397	75,659
Contingency	<u>59,881</u>	<u>-</u>	<u>59,881</u>
Total expenditures	<u>1,880,589</u>	<u>1,551,033</u>	<u>329,556</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>270,995</u>	<u>522,844</u>	<u>251,849</u>
<b>OTHER FINANCING USES:</b>			
Operating transfers out	<u>(484,262)</u>	<u>(484,262)</u>	<u>-</u>
Total other financing uses	<u>(484,262)</u>	<u>(484,262)</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(213,267)</u>	<u>38,582</u>	<u>251,849</u>
<b>FUND BALANCE, July 1, 1993 (budgetary basis)</b>	<u>213,267</u>	<u>283,529</u>	<u>70,262</u>
<b>FUND BALANCE, June 30, 1994 (budgetary basis)</b>	<u>\$ -</u>	<u>\$ 322,111</u>	<u>\$ 322,111</u>



### **Water Capital Improvement Fund**

**The Water Capital Improvement Fund accounts for the capital improvements to the City's water system. The unexpended bond proceeds from the 1980 bond issue were transferred to this fund, and revenues consist principally of interest earned on those transferred amounts.**



CITY OF THE DALLES, OREGON

WATER CAPITAL IMPROVEMENT FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Interest on investments	\$ 27,000	\$ 23,520	\$ (3,480)
Total revenues	<u>27,000</u>	<u>23,520</u>	<u>(3,480)</u>
<b>EXPENDITURES:</b>			
Capital outlay	1,207,258	934,614	272,644
Contingency	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total expenditures	<u>1,232,258</u>	<u>934,614</u>	<u>297,644</u>
<b>EXPENDITURES OVER REVENUES</b>	<u>(1,205,258)</u>	<u>(911,094)</u>	<u>294,164</u>
<b>OTHER FINANCING USES:</b>			
Operating transfers out	<u>(122,000)</u>	<u>-</u>	<u>122,000</u>
Total other financing uses	<u>(122,000)</u>	<u>-</u>	<u>122,000</u>
<b>EXPENDITURES AND OTHER FINANCING USES OVER REVENUES</b>	<u>(1,327,258)</u>	<u>(911,094)</u>	<u>416,164</u>
<b>FUND BALANCE, July 1, 1993 (budgetary basis)</b>	<u>1,327,258</u>	<u>911,094</u>	<u>(416,164)</u>
<b>FUND BALANCE, June 30, 1994 (budgetary basis)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



### **Water Capital Reserve Fund**

**The Water Capital Reserve Fund was established for the purpose of replacing or adding to the City's water supply, transmission and storage system and works. Resources to the fund consist primarily of system development charges for connection of a new water service to the City's system, operating transfers from the Water Utility Fund, and interest earned on investments.**

**CITY OF THE DALLES, OREGON**  
**WATER CAPITAL RESERVE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - BUDGETARY BASIS**

**YEAR ENDED JUNE 30, 1994**

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavor- able)
<b>REVENUES:</b>			
Charges and services	\$ 36,624	\$ 22,212	\$ (14,412)
Interest on investments	<u>18,000</u>	<u>39,221</u>	<u>21,221</u>
Total revenues	<u>54,624</u>	<u>61,433</u>	<u>6,809</u>
<b>EXPENDITURES:</b>			
Capital outlay	746,243	83,256	662,987
Contingency	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures	<u>796,243</u>	<u>83,256</u>	<u>712,987</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(741,619)</u>	<u>21,823</u>	<u>719,796</u>
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	<u>230,000</u>	<u>230,000</u>	<u>-</u>
Total other financing sources	<u>230,000</u>	<u>230,000</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	<u>(511,619)</u>	<u>208,177</u>	<u>719,796</u>
<b>FUND BALANCE, July 1, 1993 (budgetary basis)</b>	<u>511,619</u>	<u>991,811</u>	<u>480,192</u>
<b>FUND BALANCE, June 30, 1994 (budgetary basis)</b>	<u>\$ -</u>	<u>\$ 1,199,988</u>	<u>\$ 1,199,988</u>



### **Waste Water Fund**

**The Waste Water Fund accounts for the operations of the City's waste water collection and processing plant and system. Revenues to the fund consist primarily of user charges for services. Primary expenditures of the fund are for operation and maintenance of plant in service, capital improvements and operating transfers to other funds.**

CITY OF THE DALLES, OREGON

WASTE WATER FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Charges for services	\$ 1,684,588	\$ 1,577,387	\$ (107,201)
Interest on investments	13,500	11,972	(1,528)
Other miscellaneous	<u>-</u>	<u>2,178</u>	<u>2,178</u>
Total revenues	<u>1,698,088</u>	<u>1,591,537</u>	<u>(106,551)</u>
<b>EXPENDITURES:</b>			
Personal Services	314,000	261,586	52,414
Materials and services	622,583	557,590	64,993
Capital outlay	228,980	168,859	60,121
Contingency	<u>136,903</u>	<u>-</u>	<u>136,903</u>
Total expenditures	<u>1,302,466</u>	<u>988,035</u>	<u>314,431</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>395,622</u>	<u>603,502</u>	<u>207,880</u>
<b>OTHER FINANCING USES:</b>			
Operating transfers out	<u>(552,546)</u>	<u>(552,546)</u>	<u>-</u>
Total other financing uses	<u>(552,546)</u>	<u>(552,546)</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(156,924)</u>	<u>50,956</u>	<u>207,880</u>
<b>FUND BALANCE, July 1, 1993 (budgetary basis)</b>	<u>156,924</u>	<u>360,098</u>	<u>203,174</u>
<b>FUND BALANCE, June 30, 1994 (budgetary basis)</b>	<u>\$ -</u>	<u>\$ 411,054</u>	<u>\$ 411,054</u>



### **Sewer Special Reserve Fund**

**The Sewer Special Reserve Fund accounts for improvements to the City's sewer system. The fund's resources include operating transfers from the Waste Water Fund, systems development charges for new connections to the City's sewer system, and interest earned on investments.**

CITY OF THE DALLES, OREGON

SEWER SPECIAL RESERVE FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Charges for services	\$ 39,240	\$ 22,286	\$ (16,954)
Interest on investments	55,000	48,206	(6,794)
Other miscellaneous revenues	<u>-</u>	<u>34,200</u>	<u>34,200</u>
Total revenues	<u>94,240</u>	<u>104,692</u>	<u>10,452</u>
<b>EXPENDITURES:</b>			
Capital outlay	1,834,119	506,228	1,327,891
Contingency	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total expenditures	<u>1,884,119</u>	<u>506,228</u>	<u>1,377,891</u>
<b>EXPENDITURES OVER REVENUES</b>	<u>(1,789,879)</u>	<u>(401,536)</u>	<u>(1,388,343)</u>
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	<u>400,000</u>	<u>400,000</u>	<u>-</u>
Total other financing sources	<u>400,000</u>	<u>400,000</u>	<u>-</u>
<b>EXPENDITURES OVER REVENUES AND OTHER FINANCING SOURCES</b>	<u>(1,389,879)</u>	<u>(1,536)</u>	<u>1,388,343</u>
<b>FUND BALANCE, July 1, 1993 (budgetary basis)</b>	<u>1,389,879</u>	<u>1,382,435</u>	<u>(7,444)</u>
<b>FUND BALANCE, June 30, 1994 (budgetary basis)</b>	<u>\$ -</u>	<u>\$ 1,380,899</u>	<u>\$ 1,380,899</u>



### **Airport Fund**

**The Airport Fund accounts for revenues and expenditures relating to the operation and maintenance of the Columbia Gorge Regional/The Dalles Municipal Airport located in Dallesport, Washington.**



CITY OF THE DALLES, OREGON

AIRPORT FUND

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Charges and services (net of sales taxes)	\$ 1,200	\$ 1,657	\$ 457
Rental income	9,692	10,655	963
Intergovernmental revenue - grants	50,840	-	(50,840)
Interest on investments	-	863	863
Other miscellaneous revenues	<u>-</u>	<u>1,512</u>	<u>1,512</u>
Total revenues	<u>61,732</u>	<u>14,687</u>	<u>(47,045)</u>
<b>EXPENDITURES:</b>			
Personal services	500	-	500
Materials and services	37,377	36,867	510
Capital outlay	<u>51,000</u>	<u>-</u>	<u>51,000</u>
Total expenditures	<u>88,877</u>	<u>36,867</u>	<u>52,010</u>
<b>EXPENDITURES OVER REVENUES</b>	<u>(27,145)</u>	<u>(22,180)</u>	<u>4,965</u>
<b>FUND BALANCE, July 1, 1993 (budgetary basis)</b>	<u>27,145</u>	<u>34,381</u>	<u>7,236</u>
<b>FUND BALANCE, June 30, 1994 (budgetary basis)</b>	<u>\$ -</u>	<u>\$ 12,201</u>	<u>\$ 12,201</u>



**Columbia Gateway Urban Renewal Agency**  
**A Component Unit of the City of The Dalles**

**The Columbia Gateway Urban Renewal Agency is a component unit of the City of The Dalles, and accounts for monies relating to the rehabilitation of blighted and deteriorated areas within the City. Bonds were initially issued and taxes levied by the Agency. During fiscal year 1992-93, all bonds of the agency were in substance defeased. Revenues to the fund consist of property taxes collected on prior year levies, and interest earned on investments. Expenditures from the Agency are primarily for contractual services performed.**

CITY OF THE DALLES, OREGON

COLUMBIA GATEWAY URBAN RENEWAL AGENCY  
A COMPONENT UNIT

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

YEAR ENDED JUNE 30, 1994

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor- able)</u>
<b>REVENUES:</b>			
Property taxes	\$ -	\$ 13,394	\$ 13,394
Interest on investments	<u>1,200</u>	<u>3,116</u>	<u>1,916</u>
Total revenues	<u>1,200</u>	<u>16,510</u>	<u>15,310</u>
<b>EXPENDITURES:</b>			
Materials and services	<u>83,200</u>	<u>19,082</u>	<u>64,118</u>
Total expenditures	<u>83,200</u>	<u>19,082</u>	<u>64,118</u>
<b>EXPENDITURES OVER REVENUES</b>	(82,000)	(2,572)	79,428
<b>FUND BALANCE, July 1, 1993</b>	<u>82,000</u>	<u>87,066</u>	<u>5,066</u>
<b>FUND BALANCE, June 30, 1994</b>	<u>\$ -</u>	<u>\$ 84,494</u>	<u>\$ 84,494</u>



### **Agency Fund**

**The City maintains an agency fund to account for deferred compensation assets and the related liability.**

CITY OF THE DALLES, OREGON

AGENCY FUND - DEFERRED COMPENSATION

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 1994

	Balance July 1, <u>1993</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>1994</u>
<b><u>ASSETS</u></b>				
Restricted assets:				
Deferred compensation assets	\$ <u>103,499</u>	\$ <u>33,086</u>	\$ <u>(14,353)</u>	\$ <u>122,232</u>
<b>TOTAL ASSETS</b>	\$ <u>103,499</u>	\$ <u>33,086</u>	\$ <u>(14,353)</u>	\$ <u>122,232</u>
<b><u>LIABILITIES</u></b>				
Deferred compensation payable	\$ <u>103,499</u>	\$ <u>33,086</u>	\$ <u>(14,353)</u>	\$ <u>122,232</u>
<b>TOTAL LIABILITIES</b>	\$ <u>103,499</u>	\$ <u>33,086</u>	\$ <u>(14,353)</u>	\$ <u>122,232</u>



### **General Fixed Assets**

CITY OF THE DALLES, OREGON

SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE

JUNE 30, 1994

**GENERAL FIXED ASSETS:**

Land and land improvements	\$ 123,746
Buildings and improvements	1,524,485
Machinery and equipment	<u>2,829,262</u>

<b>TOTAL GENERAL FIXED ASSETS</b>	<b><u>\$ 4,477,493</u></b>
-----------------------------------	----------------------------

**INVESTMENTS IN GENERAL FIXED ASSETS:**

General Fund	\$ 3,151,491
Special Revenue Funds	<u>1,326,002</u>

<b>TOTAL INVESTMENTS IN GENERAL FIXED ASSETS</b>	<b><u>\$ 4,477,493</u></b>
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CITY OF THE DALLES, OREGON

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY SOURCE

YEAR ENDED JUNE 30, 1994

	<u>Land and Land Improve- ments</u>	<u>Buildings and Improve- ments</u>	<u>Machinery and Equipment</u>	<u>Totals</u>
General fixed assets at July 1, 1993	<u>\$ 119,559</u>	<u>\$ 1,484,987</u>	<u>\$ 2,526,054</u>	<u>\$ 4,130,600</u>
Add expenditures from:				
General Fund	<u>-</u>	<u>12,936</u>	<u>161,186</u>	<u>174,122</u>
Special Revenue Funds	<u>4,187</u>	<u>26,562</u>	<u>212,749</u>	<u>243,498</u>
Total additions and transfers	<u>4,187</u>	<u>39,498</u>	<u>373,935</u>	<u>417,620</u>
Deduct retirements from:				
General Fund	<u>-</u>	<u>-</u>	<u>(11,805)</u>	<u>(11,805)</u>
Special Revenue Funds	<u>-</u>	<u>-</u>	<u>(58,922)</u>	<u>(58,922)</u>
Total deductions	<u>-</u>	<u>-</u>	<u>(70,727)</u>	<u>(70,727)</u>
General fixed assets at June 30, 1994	<u>\$ 123,746</u>	<u>\$ 1,524,485</u>	<u>\$ 2,829,262</u>	<u>\$ 4,477,493</u>



CITY OF THE DALLES, OREGON

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION

JUNE 30, 1994

	<u>Land and Land Improve- ments</u>	<u>Buildings and Improve- ments</u>	<u>Machinery and Equipment</u>	<u>Totals</u>
General government	\$ 43,499	\$ 1,105,725	\$ 289,854	\$ 1,439,078
Public safety	-	-	1,399,289	1,399,289
Highways and streets	6,462	143,715	1,010,095	1,160,272
Culture and recreation	<u>73,785</u>	<u>275,045</u>	<u>130,024</u>	<u>478,854</u>
	<u>\$ 123,746</u>	<u>\$ 1,524,485</u>	<u>\$ 2,829,262</u>	<u>\$ 4,477,493</u>

CITY OF THE DALLES, OREGON

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION

YEAR ENDED JUNE 30, 1994

	<u>General Government</u>	<u>Public Safety</u>	<u>Highways and Streets</u>	<u>Culture and Recreation</u>	<u>Total</u>
General fixed assets at July 1, 1993	\$1,412,084	\$1,295,182	\$ 976,060	\$ 447,274	\$4,130,600
Additions	28,921	113,687	242,784	31,580	416,972
Transfers	648	-	-	-	648
Deductions	<u>(2,575)</u>	<u>(9,580)</u>	<u>(58,572)</u>	<u>-</u>	<u>(70,727)</u>
General fixed assets at June 30, 1994	<u>\$1,439,078</u>	<u>\$1,399,289</u>	<u>\$1,160,272</u>	<u>\$ 478,854</u>	<u>\$4,477,493</u>

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### **Additional Schedules**

CITY OF THE DALLES, OREGON  
SCHEDULE OF BONDED DEBT TRANSACTIONS  
YEAR ENDED JUNE 30, 1994

		Bond		
	Interest Rate	Outstanding at July 1, 1993	Issued	Matured
<u>GENERAL OBLIGATION BONDS</u>				
1988 Advance Refunding Bonds	5.60% to 6.85%	\$ 2,290,000	\$ —	\$ 240,000
1993 Advance Refunding Bonds	2.75% to 4.25%	—	1,690,000	40,000
		<u>\$ 2,290,000</u>	<u>\$1,690,000</u>	<u>\$ 280,000</u>

<u>Principal</u>			<u>Interest</u>			
<u>Redeemed</u>	<u>Defeased</u>	<u>Outstanding at June 30, 1994</u>	<u>Outstanding at July 1, 1993</u>	<u>Matured</u>	<u>Redeemed</u>	<u>Outstanding at June 30, 1994</u>
\$ 240,000	\$1,535,000	\$ 515,000	\$ -	\$ 100,116	\$ 100,116	\$ -
<u>40,000</u>	<u>-</u>	<u>1,650,000</u>	<u>-</u>	<u>21,740</u>	<u>21,740</u>	<u>-</u>
<u>\$ 280,000</u>	<u>\$1,535,000</u>	<u>\$ 2,165,000</u>	<u>\$ -</u>	<u>\$ 121,856</u>	<u>\$ 121,856</u>	<u>\$ -</u>

CITY OF THE DALLES, OREGON

SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS

JUNE 30, 1994

<u>Fiscal</u> <u>Year</u>	<u>Series 1988 Bonds</u>		<u>Series 1993 Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
1994-95	\$ 250,000	\$ 136,767	\$ 30,000	\$ 66,368
1995-96	265,000	120,768	30,000	65,392
1996-97	-	-	305,000	64,313
1997-98	-	-	310,000	52,875
1998-99	-	-	320,000	40,475
1999-00	-	-	325,000	27,675
2000-01	-	-	330,000	14,025
	<u>\$ 515,000</u>	<u>\$ 257,535</u>	<u>\$1,650,000</u>	<u>\$ 331,123</u>

Total City of  
The Dalles  
Outstanding  
Issues

<u>Principal</u>	<u>Interest</u>	<u>Total</u>
\$ 280,000	\$ 203,135	\$ 483,135
295,000	186,160	481,160
305,000	64,313	369,313
310,000	52,875	362,875
320,000	40,475	360,475
325,000	27,675	352,675
<u>330,000</u>	<u>14,025</u>	<u>344,025</u>
<u>\$2,165,000</u>	<u>\$ 588,658</u>	<u>\$ 2,753,658</u>



CITY OF THE DALLES, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS

YEAR ENDED JUNE 30, 1994

CITY OF THE DALLES:

	<u>Tax Year</u>	<u>Uncollected July 1, 1993</u>	<u>Levy as Extended by Assessor</u>
<b>GENERAL FUND:</b>			
Current	1993-94	\$ -	\$ 1,780,626
Prior	1992-93	207,872	-
	1991-92	95,127	-
	1990-91	91,271	-
	1989-90	39,518	-
	1988-89	20,750	-
	1987-88		
	and prior	4,433	-
Total Prior		458,971	-
Total General Fund		458,971	1,780,626
<b>WATER BOND DEBT FUND:</b>			
Current	1993-94	-	424,697
Prior	1992-93	46,340	-
	1991-92	29,388	-
	1990-91	14,680	-
	1989-90	5,730	-
	1988-89	2,279	-
	1987-88		
	and prior	928	-
Total Prior		99,345	-
Total Water Bond Debt Fund		99,345	424,697
Total City of The Dalles		\$ 558,316	\$ 2,205,323
<b>COLUMBIA GATEWAY URBAN RENEWAL AGENCY:</b>			
Prior and total		\$ 26,172	\$ -

Discounts				Uncollected
Allowed	Interest	Adjustments	Collections	June 30, 1994
\$ (38,548)	\$ 938	\$ (152,094)	\$ (1,426,073)	\$ 164,849
-	7,143	(32,828)	(82,112)	100,075
-	8,849	(256)	(49,300)	54,420
-	15,186	(227)	(58,294)	47,936
-	5,401	(85)	(19,713)	25,121
-	5,504	(211)	(15,109)	10,934
-	243	(208)	(1,144)	3,324
-	42,326	(33,815)	(225,672)	241,810
(38,548)	43,264	(185,909)	(1,651,745)	406,659
(9,194)	209	(36,261)	(340,133)	39,318
-	1,592	(7,318)	(18,305)	22,309
-	2,734	(80)	(15,230)	16,812
-	2,442	(38)	(9,375)	7,709
-	783	(12)	(2,858)	3,643
-	605	(23)	(1,660)	1,201
-	42	(30)	(241)	699
-	8,198	(7,501)	(47,669)	52,373
(9,194)	8,407	(43,762)	(387,802)	91,691
\$ (47,742)	\$ 51,671	\$ (229,671)	\$ (2,039,547)	\$ 498,350
\$ -	\$ 2,435	\$ (70)	\$ (13,564)	\$ 14,973

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**Audit Comments and Disclosures**  
**Required by State Regulations**

#### STATE REGULATION DISCLOSURES

Oregon Administrative Rules 162-10-050 through 162-10-320 incorporated in the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, and comments and disclosures required in audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.

# Talbot, Korvola & Warwick

Certified Public Accountants

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6420 S.W. Macadam, Suite 300  
Portland, Oregon 97201-3519  
(503) 452-7172, FAX (503) 452-7174

## **AUDIT COMMENTS AND DISCLOSURES REQUIRED BY STATE REGULATIONS**

August 16, 1994

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, 1994, and have issued our report thereon dated August 16, 1994.

We have 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.

### **ACCOUNTING AND INTERNAL CONTROL STRUCTURE**

In planning and performing our audit of the general purpose financial statements of the City of The Dalles, Oregon, for the year ended June 30, 1994, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the City of The Dalles, Oregon 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 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 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

**AUDIT COMMENTS AND DISCLOSURES**  
**REQUIRED BY STATE REGULATIONS (Continued)**

Page 2

**ACCOUNTING AND INTERNAL CONTROL STRUCTURE (Continued)**

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:

- Receivables/cash receipts
- Purchasing and receiving
- Accounts payable/cash disbursements
- Payroll
- Fixed assets
- General ledger

For all of the internal 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 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.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of The Dalles, Oregon in a separate letter dated August 16, 1994.

**AUDIT COMMENTS AND DISCLOSURES**  
**REQUIRED BY STATE REGULATIONS (Continued)**

Page 3

**COLLATERAL**

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.

Our review of the adequacy of collateral security depository balances indicated the collateral was sufficient during the year ended June 30, 1994, except for one bank account on November 23, 1993.

**INDEBTEDNESS**

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 and 294.555) in the preparation and adoption of its budgets and tax levies for fiscal years 1993-94 and 1994-95.

**INSURANCE POLICIES AND FIDELITY BONDS**

We have reviewed the City's insurance and fidelity bond coverage at June 30, 1994 and we ascertained that such policies appeared to be in force. We are not competent by training to comment on the adequacy of the insurance policies covering City-owned property at June 30, 1994.

**PROGRAMS FUNDED FROM OUTSIDE SOURCES**

Based upon our review, the City appears to be in compliance with appropriate laws, rules, and regulations pertaining to programs funded wholly or partially by other governmental agencies.



**AUDIT COMMENTS AND DISCLOSURES**  
**REQUIRED BY STATE REGULATIONS (Continued)**

Page 4

**FINANCIAL REPORTING REQUIREMENTS**

We have reviewed the City's compliance with federal and state financial reporting requirements. Based on audit procedures performed, it appears that required reports and related data are filed with appropriate governmental agencies and such reports are in agreement with and supported by accounting records.

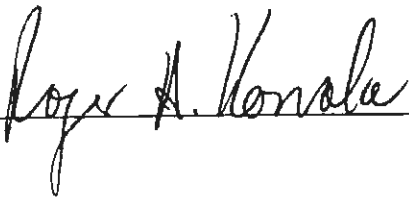
**INVESTMENTS**

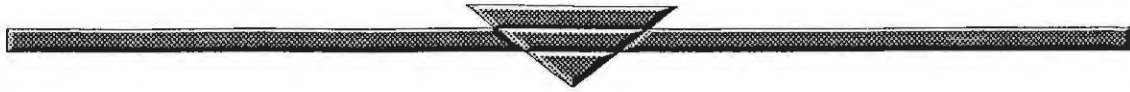
Our review of deposit and investment balances indicated that the City was in compliance with ORS 294, as it pertains to investment of public funds, during the year ended June 30, 1994.

**PUBLIC CONTRACTS AND PURCHASING**

The City's procedures for awarding public contracts were reviewed and found to be in compliance with ORS Chapter 279. The City was not in compliance with ORS 279.061 which requires that they have a cost accounting system which complies with model cost accounting guidelines of Section 3 Chapter 869 of Oregon Laws 1979. City personnel and equipment were used in the construction of projects in excess of \$5,000, which is in violation of these provisions.

**TALBOT, KORVOLA & WARWICK**  
Certified Public Accountants

By 



## **Statistical Section**

CITY OF THE DALLES, OREGON

GENERAL REVENUES BY SOURCE

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Taxes</u>	<u>Franchise Fees</u>	<u>Inter- govern- mental Revenues</u>	<u>Charges for Services</u>
1985	\$ 1,652,006	\$ 286,879	\$ 764,994	\$ 355,338
1986	1,235,591	194,042	975,500	235,781
1987	1,999,202	219,322	1,116,148	224,675
1988	2,149,265	275,560	1,035,890	326,230
1989	2,301,305	260,171	632,041	352,954
1990	2,435,763	272,819	985,155	186,417
1991	2,883,615	318,128	809,562	223,815
1992	2,832,970	328,689	1,146,363	408,935
1993	2,620,169	190,604	1,818,669	405,077
1994	2,682,851	219,477	1,147,154	411,252

Note: The schedule above includes only those revenues recorded in the governmental fund types, and does not include other financing sources.

Source: Combined Statements of Revenues, Expenditures and Changes in Fund Balance for all Governmental Fund Types by Year.

<u>Fines and Forfeitures</u>	<u>Investment Income</u>	<u>Special Assessments</u>	<u>Other Revenues</u>	<u>Totals</u>
\$ 77,667	\$ 143,570	\$ 71,553	\$ 103,731	\$ 3,455,738
51,790	87,731	220,503	228,173	3,229,111
60,956	111,268	132,114	221,110	4,084,795
81,882	218,201	214,087	423,069	4,724,184
77,631	192,975	59,120	54,540	3,930,737
106,012	185,252	242,622	392,490	4,806,530
73,193	196,954	305,646	84,841	4,895,754
73,190	305,833	238,176	237,514	5,571,670
81,748	144,874	107,696	259,816	5,628,653
101,474	98,317	118,505	521,410	5,300,440

CITY OF THE DALLES, OREGON  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION  
LAST TEN FISCAL YEARS

<u>Year</u>	<u>General Govern- ment</u>	<u>Public Safety</u>	<u>Highways and Streets</u>
1985	\$ 782,791	\$ 1,547,072	\$ 623,112
1986	706,351	1,171,565	374,962
1987	660,496	1,113,819	277,875
1988	862,903	1,447,375	325,569
1989	1,055,807	1,587,096	378,323
1990	1,351,295	1,478,940	582,474
1991	1,499,011	1,473,773	492,511
1992	1,375,512	1,714,254	552,431
1993	2,024,769	1,891,226	734,023
1994	1,567,628	2,030,700	740,212

Note: The schedule above includes only those expenditures recorded in the governmental fund types, and does not include other financing uses.

Source: Combined Statements of Revenues, Expenditures and Changes in Fund Balance for all Governmental Fund Types by Year.

<u>Culture and Recreation</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Totals</u>
\$ 431,936	\$ 96,864	\$ 127,631	\$ 3,609,406
335,453	416,942	143,991	3,149,264
183,687	703,926	510,709	3,450,512
216,726	955,876	512,802	4,321,251
221,916	407,931	339,144	3,990,217
227,172	618,986	505,885	4,764,752
244,990	370,173	562,719	4,643,177
261,846	734,932	569,928	5,208,903
283,644	1,183,995	2,966,585	9,084,242
297,728	921,545	440,008	5,997,821

CITY OF THE DALLES, OREGON  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

<u>Tax Levy Year</u>	<u>Total Levy</u>	<u>Current Year Collec- tions</u>	<u>Percent of Tax Levy Collected</u>	<u>Delinquent Tax Collec- tions</u>	<u>Total Tax Collec- tions</u>	<u>Total Collec- tions as Percent of Current Tax Levy</u>
1985	\$1,444,772	\$1,273,240	88.13%	\$ 147,259	\$1,420,499	98.32%
1986	1,468,490	1,243,879	84.70	191,183	1,435,062	97.72
1987	1,975,351	1,624,864	82.26	228,672	1,853,536	93.83
1988	2,098,750	1,751,821	83.47	221,625	1,973,446	94.03
1989	1,954,689	1,621,232	82.94	268,229	1,889,461	96.66
1990	2,096,136	1,812,273	86.46	300,909	2,113,182	100.81
1991	2,210,998	1,917,228	86.71	425,475	2,342,703	105.96
1992	2,346,777	2,062,986	87.91	273,971	2,336,957	99.58
1993	2,108,756	1,788,232	84.80	224,477	2,012,709	95.45
1994	2,205,323	1,766,206	80.09	273,341	2,039,547	92.48

Sources: Wasco County Department of Assessment and Taxation. Schedules of property tax transactions by year.

CITY OF THE DALLES, OREGON

ASSESSED AND TRUE CASH  
VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Assessed Value</u>	<u>True Cash Value</u>	<u>Ratio of Assessed Value to True Cash Value</u>
1985	\$297,431,942	\$285,534,664	96.00%
1986	277,468,751	277,468,751	100.00
1987	270,712,403	270,712,403	100.00
1988	235,636,929	235,636,929	100.00
1989	238,595,098	238,595,098	100.00
1990	250,408,479	250,408,479	100.00
1991	261,778,914	261,778,914	100.00
1992	305,002,343	305,002,343	100.00
1993	338,832,980	338,832,980	100.00
1994	361,571,408	361,571,408	100.00

Source: Wasco County Department of Assessment and Taxation.



CITY OF THE DALLES, OREGON

PROPERTY TAX RATES - ALL  
DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

<u>Year</u>	<u>City of The Dalles</u>	<u>Wasco County</u>	<u>Port of The Dalles</u>	<u>Northern Wasco County Parks and Recreation District</u>
1985	\$ 4.86	\$ 3.56	\$ .17	\$ -
1986	5.30	3.73	1.29	.79
1987	7.30	4.72	1.24	.86
1988	8.91	6.66	1.45	.89
1989	8.19	7.17	1.60	.93
1990	8.37	7.41	1.57	1.00
1991	8.44	6.34	1.31	.99
1992	8.00	6.23	1.21	1.24
1993	7.23	5.40	1.03	1.06
1994	7.12	5.38	1.04	1.12

Note: Property tax rates listed are per \$1,000 assessed value.

Source: Wasco County Department of Assessment and Taxation.

<u>School District No. 12</u>	<u>School District No. 9</u>	<u>School District No. 14</u>	<u>Wasco County Educa- tional Service District</u>	<u>Columbia Gorge Community College</u>
\$ 13.02	\$ 19.67	\$ 13.76	\$ 1.30	\$ .71
16.98	18.19	12.46	1.06	.78
17.33	22.05	13.96	1.38	.85
19.98	24.48	15.40	1.74	1.03
19.74	19.65	15.51	1.84	1.08
19.74	23.24	15.20	1.87	1.16
18.80	22.93	10.37	1.71	1.06
22.60	21.54	13.94	1.72	1.06
21.51	16.15	12.20	1.53	.94
21.05	20.10	13.54	1.58	1.65

CITY OF THE DALLES, OREGON

COMPUTATION OF LEGAL DEBT MARGIN

JUNE 30, 1994

Total estimated true cash value		<u>\$361,571,408</u>
State debt limit - 3% of total equalized value		\$ 10,847,142
Amount of debt applicable to debt limit:		
General bonded long-term debt	\$ 2,165,000	
Bonded debt excluded from limitation - water utility debt	<u>(2,165,000)</u>	
Bonded debt applicable to debt limit	-	
Less amount in debt service funds available for payment of principal:		
Debt service fund balance	\$ 97,341	
Amount excluded(1)	<u>(97,341)</u>	
Amount available for payment of principal	<u>-</u>	
Total amount of debt applicable to limit		<u>-</u>
LEGAL DEBT MARGIN PER CITY		<u>\$ 10,847,142</u>

Notes: (1) Per ORS 287.004, limitations do not apply to bonds issued for water utility.

CITY OF THE DALLES, OREGON

RATIOS OF NET GENERAL BONDED DEBT TO  
ASSESSED VALUE; AND NET BONDED DEBT PER CAPITA

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Net General Bonded Debt</u>	<u>Assessed Value</u>	<u>Ratio of Net General Bonded Debt to Assessed Value</u>	<u>Popula- tion</u>	<u>Net Bonded Debt Per Capita</u>
1985	\$3,250,000	\$297,431,942	1.09%	10,900	\$ 298
1986	3,100,000	277,468,751	1.12	10,630	292
1987	2,945,000	270,712,403	1.09	10,265	287
1988	2,825,000	235,636,929	1.20	10,715	264
1989	3,125,000	238,595,098	1.31	10,590	295
1990	2,935,000	250,408,479	1.17	11,060	265
1991	2,730,000	261,778,914	1.04	11,130	245
1992	2,515,000	305,002,343	.82	11,200	225
1993	2,290,000	338,832,980	.68	11,370	201
1994	2,165,000	361,571,408	.60	11,325	191

Notes: Population information for fiscal year ended June 30, 1994  
estimated.  
1980 Water Utility Bond issue was partially defeased  
during fiscal year 1988-89 through a refunding issue.

Sources: Wasco County Department of Assessment and Taxation.  
Statements of Bond Transactions by Year.  
Center for Population Research and Census, Portland State  
University.

CITY OF THE DALLES, OREGON

RATIOS OF ANNUAL DEBT SERVICE  
EXPENDITURES FOR GENERAL BONDED DEBT TO  
TOTAL GENERAL GOVERNMENTAL EXPENDITURES

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Annual Debt Service Expen- ditures for General Bonded Debt</u>	<u>Total General Government Expen- ditures</u>	<u>Ratio of Debt Service to Total Expen- ditures</u>
1985	\$ 573,195	\$ 3,609,406	15.88%
1986	561,790	3,149,264	17.84
1987	555,470	3,450,512	16.10
1988	509,400	4,321,251	11.79
1989	510,148	3,990,217	12.78
1990	502,706	4,764,752	10.55
1991	506,954	4,643,177	10.92
1992	504,715	5,208,903	9.69
1993	501,350	9,084,242	5.52
1994	401,856	5,997,821	6.70

Sources: Schedules of Future Debt Service Requirements by Year.  
Combined Statements of Revenues, Expenditures and Changes  
in Fund Balances for all Governmental Fund Types by Year.

CITY OF THE DALLES, OREGON

DIRECT AND OVERLAPPING GROSS BONDED DEBT

JUNE 30, 1994

	<u>Percent Within the City</u>	<u>Gross Bonded Debt</u>
<u>GOVERNMENTS:</u>		
City of The Dalles	100.00%	\$ 2,165,000
Wasco County	43.90	75,500
Northern Wasco Parks and Recreation District	77.02	485,228
Port of The Dalles	56.50	2,520,732
Wasco Rural Fire Protection District	20.94	7,022
Wasco County School District 12	80.50	281,733
Wasco County School District 9	14.31	537,340
Columbia Gorge Community College	44.08	3,407,476

Source: Municipal Debt Advisory Commission, State of Oregon.

CITY OF THE DALLES, OREGON  
ASSESSMENT BILLINGS AND COLLECTIONS  
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Assessments Billed</u>	<u>Assessments Collected</u>
1995	\$ 155,638	\$ 71,553
1986	148,845	220,503
1987	140,415	132,114
1988	128,030	214,087
1989	110,526	59,120
1990	97,408	242,622
1991	86,370	305,646
1992	56,499	238,176
1993	46,055	107,696
1994	25,459	118,505

Sources: Assessment ledger cards.  
Combined Statements of Revenues, Expenditures and Changes  
in Fund Balance for all Governmental Fund Types by Year.

CITY OF THE DALLES, OREGON

DEMOGRAPHIC STATISTICS

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>Unemploy- ment Rate</u>
1985	10,900	\$ 11,237	14.9%
1986	10,630	12,040	14.0
1987	10,265	13,014	9.0
1988	10,715	14,400	7.8
1989	10,590	15,506	8.3
1990	11,060	16,501	7.6
1991	11,130	16,726	7.7
1992	11,200	-	9.7
1993	11,370	-	-
1994	11,325	-	-

Notes: Per capita income and unemployment rate figures are stated for Wasco County in its entirety.  
Per capita information for 1991 is the most recent available.  
Population and unemployment rate information for 1992 is the most recent available.

Sources: U.S. Bureau of Economic Analysis.  
Center for Population and Census, Portland State University.  
State of Oregon Employment Division



CITY OF THE DALLES, OREGON

PROPERTY VALUES, CONSTRUCTION AND BANK DEPOSITS

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Commercial</u>		<u>Residential</u>		<u>Bank Deposits</u>	<u>Property Value True Cash Valuation</u>
	<u>Permits</u>	<u>Value</u>	<u>Permits</u>	<u>Value</u>		
1985	62	\$1,117,265	68	\$ 611,779	\$145,843,000	\$285,534,664
1986	53	1,888,500	75	476,892	145,519,000	277,468,751
1987	39	1,214,483	61	389,754	145,704,000	270,712,403
1988	54	1,622,709	73	566,743	153,269,000	235,636,929
1989	45	1,502,335	66	897,311	114,220,000	238,595,098
1990	47	8,020,012	92	1,587,212	117,530,000	250,408,479
1991	70	5,583,917	84	1,213,445	163,525,000	261,778,914
1992	89	6,939,871	105	3,401,321	172,455,000	305,002,343
1993	79	4,228,750	120	2,542,930	201,855,000	338,832,980
1994	85	6,646,121	122	1,752,115	196,120,000	361,571,408

Sources: State of Oregon, Commerce Department/Building Codes Agency.  
Oregon Bankers' Association.  
Wasco County Department of Assessment and Taxation.

CITY OF THE DALLES, OREGON

PRIMARY TAXPAYERS

1994

	<u>Assessed Valuation</u>	<u>Percentage of Total District's Assessed Value</u>
United Telephone Co.	\$ 6,496,471	1.80%
Northern Wasco County P.U.D.	5,428,932	1.50
GFI The Dalles Investment LTD.	4,503,970	1.25
Portland Fixture	4,038,220	1.12
Union Pacific Railroad Company	4,105,384	1.14
Oregon Cherry Growers, Inc.	3,602,560	1.00
Metropolitan Life Insurance Company	3,314,160	.92
Stadelman, Lorraine et al	3,183,910	.87
Martin & Martin, Inc.	<u>2,920,170</u>	<u>.80</u>
Subtotal	37,593,777	10.40
All other taxpayers	<u>323,977,631</u>	<u>89.60</u>
Grand total	<u>\$361,571,408</u>	<u>100.00%</u>

Source: Wasco County Department of Assessment and Taxation.

CITY OF THE DALLES, OREGON

MISCELLANEOUS STATISTICS

City's charter granted by Territorial Legislature	1857
Total Housing units	4,856
Total area of the City of The Dalles in square miles	4,649
Altitude in feet	Ranges from 75 to 750
Mean temperature - Fahrenheit	55
Annual rainfall in inches	14
Water Enterprise:	
Daily consumption in gallons (winter average)	2,600,000
System storage capacity in gallons	16,600,000
Total connections/services	4,201
Number of motel rooms	567
Miles of paved streets within City	70
Employees:	
Total employees	104 1/2
Full-time	95 1/2
Part-time/temporary	9

<u>Major Employers in Wasco County</u>	<u>Product or Service</u>	<u>1994 Employment</u>
Oregon Cherry Growers	Fruit growing/packing	15-550(a)
Northwest Aluminum	Aluminum	463
Mid-Columbia Medical Center	Health care	443
Wasco County School District #12	Education	300(b)
Cascade Fruit Company	Fruit packing	12-450(a)
Federal Government	Various	320
Wasco County	Government	335
State of Oregon	Government	230
Columbia Gorge Community College	Education	175(b)
Fred Meyer	Retail	160

- (a) Seasonal peak and low  
(b) Full time equivalents 1993-94

Sources: Bureau of Governmental Research, University of Oregon.  
Dalles Area Chamber of Commerce.  
Contact with each employer.  
Personnel Department, City of The Dalles.  
Department of Public Works, City of The Dalles.  
Oregon Employment Division; Research Section

# Talbot, Korvola & Warwick

Certified Public Accountants

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6420 S.W. Macadam, Suite 300  
Portland, Oregon 97201-3519  
(503) 452-7172, FAX (503) 452-7174

August 16, 1994

City Council  
City of The Dalles  
The Dalles, Oregon

In planning and performing our audit of the general purpose financial statements of the City of The Dalles, Oregon (the City) for the year ended June 30, 1994, we considered the City's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

During our audit, we noted certain areas that would benefit from strengthened internal controls along with opportunities to increase operating efficiency. For your convenience, we have included Attachment A which summarizes our comments and suggestions. Attachment B to this letter discusses the status of the prior year's comments.

We have already discussed our comments with the appropriate personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these areas, or to assist you in implementing our recommendations.

This report is intended solely for the information and use of the City Council and management. This restriction is not intended to limit the distribution of this report which is a matter of public record upon its acceptance by the City Council.



Certified Public Accountants

CITY OF THE DALLES  
LETTER OF RECOMMENDATIONS  
June 30, 1994

ATTACHMENT A  
Current Year Comments

RECEIVABLES

Comment:

As noted in prior years, the City has been unable to effectively implement a collection process for court fines and ambulance fees.

Receivables at June 30 include the following:

	<u>1994</u>	<u>1993</u>	<u>% of Increase</u>
Court Receivables	\$330,083	\$241,989	36 %
Ambulance Receivables	\$280,590	\$312,136	(10)%

These receivables represent three years of revenue for court fines and forfeitures and approximately one year of revenue for ambulance fees. Some improvement was noted in the collection rate for ambulance receivables as was evidenced by the 10% reduction in the receivable balance from the prior year. The court receivable system should be revised to provide for a better tracking of receivables requiring further action in order to increase the probability of collection. The present system for follow-up on these accounts is inadequate.

Recommendation:

To achieve a timely collection of court and ambulance receivables, we feel it is necessary to establish a database to track tickets that are currently overdue in order to facilitate follow-up procedures which include issuing warrants or suspending licenses. The sooner delinquent accounts are identified and pursued, the greater the likelihood that these accounts will be collected. Once the City has made the initial time investment to review and process files and write-off uncollectible accounts, maintaining the system should be routine.

CITY OF THE DALLES  
LETTER OF RECOMMENDATIONS  
June 30, 1994

ATTACHMENT A  
Current Year Comments (Continued)

INVENTORIES:

Comment:

During our inventory observation on June 30, we noted the following:

- 1) Count tags from the prior year remained on the bins of inventory items.
- 2) Supplies (clearly inconsequential nominal dollar value items) were being counted in the annual inventory process.
- 3) Several misstatements existed in the inventories which resulted in approximately a 20% adjustment in value of the inventory at year-end.

Recommendation:

Count tags should be removed after each inventory count to prevent confusion in subsequent years.

The City should consider classifying smaller items such as nuts, bolts, washers, and similar items as supplies. Other small dollar bulk items could be counted by weight or estimated value. This would allow the City's staff to concentrate on obtaining accurate counts of larger dollar value items such as pipes and fittings.

CITY OF THE DALLES  
LETTER OF RECOMMENDATIONS  
June 30, 1994

ATTACHMENT A  
Current Year Comments (Continued)

CAPITAL OUTLAY - PUBLIC IMPROVEMENTS

Comment:

In discussing control procedures with City staff, it was noted that they did not have a cost accounting system for adequately tracking costs of assets constructed or installed by City employees. ORS 279.061 states:

"If a public agency fails to adopt a cost accounting system that substantially complies with the model cost accounting guidelines developed by the Oregon Department of Administrative Services pursuant to Section 3, Chapter 869, Oregon Laws 1979, as determined by accountants qualified to perform audits required by ORS 279, the public agency shall not construct a public improvement with its own equipment or personnel if the cost is in excess of \$5,000."

The City was in violation of these provisions during the current year by completing the shop building remodel with City staff and equipment.

Recommendation:

The City should develop the necessary cost accounting systems required by ORS 279 or refrain from construction of any project with a cost estimated to exceed \$5,000.

CITY OF THE DALLES  
LETTER OF RECOMMENDATIONS  
June 30, 1994

ATTACHMENT B  
Prior Year's Comments

BUDGET COMPLIANCE - DEFICIT FUND BALANCE TOURISM FUND

The deficit fund balance in the Tourism Fund was eliminated through an operating transfer during the year ended June 30, 1994.

INVENTORY SYSTEM

In prior years, we noted that the City did not have an accountability system for water department inventory to determine quantities, location, and use. We also noted the City had no formal system in place to evaluate which inventory items require a valuation allowance. In the course of our current year testwork, we noted that the City still does not have a formal system in place.