



**1998 - 1999**

**Comprehensive Annual  
Financial Report**

The Dalles, Oregon  
For Fiscal Year Ended June 30, 1999



# **CITY OF THE DALLES, OREGON**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

Year Ended June 30, 1999

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Finance Department

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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

December 7, 1999

The Comprehensive Annual Financial Report of the City of The Dalles, Oregon, for the year ended June 30, 1999, is submitted herewith. This report presents a comprehensive and detailed picture of The Dalles' financial transactions during 1998-99 and the financial condition of the various funds and account groups at June 30, 1999. 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, 1999, 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 introduction containing this letter of transmittal, the City officials and officers, and an organizational chart of the City.

Following the introduction 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, 1999, 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, audit comments and disclosures required by the Minimum Standards for Audits of Oregon Municipal Corporations, and Government Auditing Standards compliance reports.

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

In accordance with the City Charter of 1899, revised in 1998, the City of The Dalles is governed by a City Council. This Council consists of an elected mayor and five council members. The City operates under a council-manager form of government.

## **ECONOMIC CONDITIONS**

The City has a population currently estimated at 11,880, yet the City serves a trading area of about 70,000 persons. Principal economic activities are agriculture, aluminum smelting and alloys and tourism, along with healthcare, 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 tree fruits.

Northwest Aluminum Company is the largest manufacturing employer in the area. In addition to the production of primary metals, several years ago the firm added a sixteen million-dollar smelter facility allowing a move into production of secondary metals.

Tourism continues to be 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 treasured natural resource asset, as are the spectacular views of the Cascade Mountains and the Columbia Plateau from 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 sightsee. To

the west, ski enthusiasts have the opportunity to challenge the ski slopes of magnificent Mt. Hood; and there are numerous resorts that lie on Mt. Hood and at its base.

Construction of the Columbia Gorge National Scenic Area Discovery Center and Wasco County Museum was completed in May 1997, in time to open for the Memorial Day weekend. The Center is located along the Columbia River bordering the City. Thousands of visitors are expected annually at this attraction. About 100,000 visited during its first year of operation. It has become a center for many community festivities.

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. They are currently building a new Oncology Center that will save the region's population from traveling to Portland to receive those services.

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

Through a competitive process, The Dalles was selected as the site for a 150 bed Veterans' long-term nursing and care home. The facility opened in November 1997, currently providing 136 jobs and has 85 residents.

The Dalles is the major shopping center in the Mid-Columbia area. The last few years, several retail developments have been completed in the community.

The City has an Urban Renewal District that is working to renovate the older commercial areas of the community. In 1996, a Phase 1 Downtown Renovation Project was completed. The City intends to issue an approximate \$3 million bond to help finance programs. Urban Renewal has provided us \$500,000 toward the renovation of the historic Civic Auditorium.

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. In November 1996, the voters of the State approved Ballot Measure 47, placing further limitations on property taxes in Oregon. The measure called for rolling property tax bills back to 1994-95 levels, or 1995-96 levels less 10%, and capping future growth in tax bills at 3% per year. The measure had several other components relating to property taxes, assessed value, bonded debt and fees charged by governments. In addressing the implementation of the measure, the Oregon Legislature put another measure on the May 1997 ballot. This measure, Ballot Measure 50, incorporated the main concepts, while attempting to simplify many of the complexities of the previous measure. Ballot Measure 50 was passed at the May election, and the Legislature enacted implementing legislation, calling for a reduction in

property taxes of 17% statewide. While impacts to specific areas may be greater or less than the target 17%, the legislation calls for maintaining the statewide average at 17%. The initial impact of the Ballot Measure on the City was a \$204,470 reduction in property tax collections relative to the prior fiscal year. It will continue to limit funds in future years as the increase cannot exceed 3%.

Two actions in 1998-99 will have an impact on property tax collections in fiscal year 1999-2000: (1) The City annexed the Port Industrial Park. Property tax change in Ballot Measure 50 made it unnecessary to wait until property developed to annex it. Property values for new construction was previously added only through annexation. (2) The Urban Renewal District was made smaller, freeing up tax funds previously captured by the Urban Renewal Agency.

The City, through prudent budgeting, is operating on a fiscally sound basis. The general fund balance remained relatively stable during the 1998-99 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 in 1993-94. Additional improvements to the plant including ultra violet disinfection and outfall projects were completed during 1996-97. The City entered into a new 5-year contract for wastewater treatment operations at the City Treatment Plant in fiscal year 1996-97.

The City purchased a site for a wastewater treatment expansion in 1997-98. During 1999-2000, the City will update its wastewater master plan. A 5-year water and wastewater capital improvement plan was implemented in 1997-98

### **Street Master Plan**

The 1993-94 Street Master Plan is currently being updated. A 5-year capital improvement plan has been implemented for street development and to provide preventative maintenance. In 1998-99, street funds do not currently meet the need.

### **Regional Airport Authority**

During 1998-99, the City signed an agreement with Klickitat County to investigate formation of a Regional Airport Authority. The agreement creates an Airport Board that operates the Airport for 18 months and is charged with investigating the organization of an Airport Board. 1998-99 also saw two major improvements: (1) fuel island renovation, and (2) replacement of storm water drainage system.

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

The Columbia Gateway Urban Renewal Agency, a component unit of the City of the Dalles, operated throughout the 1998-99 fiscal year. The Agency consists of an Urban Renewal District, formed by the citizens, to resolve issues of blight within the boundaries of the District. The

Agency did levy and collect tax increment proceeds during 1998-99. With the passage of Ballot Measure 50, future collections of tax increment will be significantly higher. Through a community initiative, the District has been limited to collection of tax increment proceeds. A mediated settlement with a Citizen Action Group resulted in a smaller District boundary.

## FINANCIAL INFORMATION

### Accounting System and Budgetary Controls

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

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

A budget is prepared and legally adopted by the City Council for each fund, except the Deferred Compensation Fund. All changes to the budget must be approved by the City Council. These budgets are all prepared on the modified accrual basis of accounting, complying with Oregon Local Budget Law. The ordinance authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. All funds except the General Fund establish the levels of budgetary control at the 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 personal services, materials and services, capital outlay and other uses.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations ordinance. A supplemental budget requires hearings before the public, publications in newspapers and approval by the City Council, if the change is greater than, or equal to, 10% of the original budget. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the City Council. The City Council approved several appropriation transfer resolutions during the year ended June 30, 1999. 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 that 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 investment earnings. The City co-mingles 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), highways and streets, culture and recreation, capital outlay, debt service, 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 and other financing sources for general government functions totaled \$8,667,656, compared to \$5,400,520 in 1997-98, an increase of \$3,267,136 (60.50%). This increase is due primarily to additional inter-governmental revenue (113.07%) received by the Airport for its drainage project. General property taxes accounted for 19.48 percent of general revenue compared to 37.2 percent in 1997-98. There was a 4.5% increase in property taxes collected. There were three other significant changes in general revenue sources:

- 1). A 12% increase in Transient Room Tax collection. This was primarily due to a new motel opening in town.
- 2). Charges for service dropped \$108,445 because of changes in categorization of expenses.
- 3). Special assessments decreased 49.88 per cent because a major Local Improvement District project (Cherry Heights extension) was included in the prior year. The almost \$1.5 million increase in "Other Financing Sources" was due to the refinancing of the original police station revenue bonds.

The following table compares revenue and other financing sources for 1998-99 and 1997-98.



Revenue Sources	Amount of Revenue	Percentage of Total	Increase (Decrease) From Prior Year	Percent of Increase (Decrease)
Taxes: Property	\$ 1,688,528	19.48 %	\$46,019	2.80 %
Transient	295,158	3.41%	31,882	12.11%
Local 3% Fuel	<u>306,692</u>	<u>3.54%</u>	<u>3,270</u>	<u>1.08%</u>
Sub-total	<u>2,290,378</u>	<u>26.43%</u>	<u>81,171</u>	<u>3.67%</u>
Franchise	258,755	2.99%	10,067	4.05%
Intergovernmental	2,877,482	33.20%	1,526,986	113.07%
Charges for Services	63,125	0.73%	(108,445)	(63.21%)
Fines & Forfeitures	208,750	2.41%	39,828	23.58%
Interest on Investments	198,811	2.29%	(17,026)	(7.89%)
Special Assessments	131,118	1.51%	(130,496)	(49.88%)
Miscellaneous	<u>579,384</u>	<u>6.68%</u>	<u>444,113</u>	<u>328.31%</u>
Sub-total	<u>4,317,425</u>	<u>49.81%</u>	<u>1,765,027</u>	<u>69.15%</u>
Other Financing Sources				
Bond Proceeds	1,140,000	13.15%	1,140,000	--
Transfers In	<u>919,853</u>	<u>10.61%</u>	<u>280,938</u>	<u>43.97%</u>
Sub Total	<u>2,059,853</u>	<u>23.76 %</u>	<u>1,420,938</u>	<u>222.40%</u>
Total Resources	<u>\$8,667,656</u>	<u>100.0 %</u>	<u>\$3,267,136</u>	<u>60.50 %</u>

Although the tabulation shows that property taxes decreased as a % of total revenues, it was still a major revenue source in 1998-99. In May of 1997, the voters of Oregon approved a major renovation of the state's property tax system. This resulted in a reduction of property taxes to the General Fund of \$204,470. The legislation that implemented Ballot Measure 50 made it possible for the City to collect, for the first time, 100% of Urban Renewal division of property taxes.

	1998-1999	Percent of Total	1997-1998	Percent of Total
General Fund	\$1,335,396	79.09%	\$ 1,291,035	78.5%
Water Bond Debt Fund	<u>353,132</u>	<u>20.91%</u>	<u>353,670</u>	<u>21.5%</u>
Total	<u>\$1,688,528</u>	<u>100.00%</u>	<u>\$1,644,705</u>	<u>100.00%</u>

#### Expenditures/Other Financing Uses

Expenditures and other financing uses for general government fund types increased from \$5,873,150 in 1997-98 to \$8,559,926 in 1998-99. The following table compares expenditures by major functions and other financing uses for 1998-99 and 1997-98.

	Amount of Expenditure	Percentage of Total	Increase (Decrease) From Prior Year	Percent of Increase (Decrease)
General Government	\$ 1,519,639	17.75%	(\$118,367)	(7.23%)
Public Safety	1,394,577	16.29%	121,869	9.58%
Highway and Streets	802,189	9.37%	27,704	3.58 %
Culture and Recreation	540,337	6.31%	233,924	75.6 %

Capital Outlay	\$2,308,386	26.97%	\$1,391,177	151.68%
Debt Service	427,369	4.99%	(80,349)	(15.83%)
	<u>6,992,497</u>	<u>81.69%</u>	<u>1,575,958</u>	<u>29.10 %</u>
Other Financing Uses:				
Transfers Out	552,007	6.45%	95,396	20.9%
Refund Bonds	1,015,422	11.86%	1,015,422	-
Total Uses	<u>\$ 8,559,926</u>	<u>100.0 %</u>	<u>\$2,686,776</u>	<u>46.03%</u>

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

Expenditures for general government decreased \$215,062 or 12.4 percent primarily due to a reduction of activity in the Special Assessments Fund relating to local improvement district projects as compared to the prior year.

Culture and recreation expenditures increased significantly (75%) in 1998-99. The increase follows a 1997-98 decrease attributable to decreased services levels at the library, which had been reduced from 6 days of operation to 5 days in 1997-98, due to decreased funding under Ballot Measure 50 property tax funding. The current year increase is because part of the new books funds were restored, a higher level of Capital Improvements at the Library, and the inclusion of expenditures for the Tourism Agency Fund, which were not included last year.

Capital outlay in the Capital Projects Fund increased sharply (\$1,391,177) compared to 1997-98, relating to the remodel of the PUD Building for a new police station, and the airport drainage project.

The decrease in Debt Service is because the refinancing of the new Police Department Revenue Bond, eliminated a payment for one year.

The increase in other financing uses was due to refinancing of the original police station revenue bonds.

## Enterprise Funds

### Water Utility

Gross revenues of the water utility increase over 1997-98 by \$155,918. This followed the prior year decrease from \$2,393,331 in 1996-97 to \$2,143,702 in 1997-98, or \$249,628. 1998-99 revenues were still \$93,710 below 1996-97. A comparative tabulation of gross revenue is shown below.

	<u>1998-1999</u>	<u>1997-1998</u>	<u>Increase (Decrease)</u>
Service Charges and Fees	\$2,171,196	\$ 2,014,789	\$156,407
Interest on Investments	105,243	119,672	(14,429)
Miscellaneous Income	15,358	9,242	6,116
Transfer from General Fund	7,824	-	7,824
Totals	<u>\$2,299,621</u>	<u>\$ 2,143,703</u>	<u>\$155,918</u>

This swing in rate collection is to be expected with a consumption-based metered system that is affected by the weather.

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

	<u>1998-1999</u>	<u>1997-1998</u>	<u>Increase (Decrease)</u>
Personnel Services	\$ 852,306	\$ 791,070	\$ 61,236
Materials and Services	610,666	479,192	131,474
Depreciation	351,918	354,281	(2,363)
Transfers to General Funds	215,632	175,182	40,450
Transfers to Other Funds	<u>77,259</u>	<u>70,115</u>	<u>7,144</u>
Total	<u>\$2,107,781</u>	<u>\$1,869,840</u>	<u>\$237,941</u>

The increase in personnel is due, in part, to the additional position added to service water meters and the use of in-house engineering. The significant increase in the General Fund administrative charges came from the cost of the right-of-way Planner that was not paid for in FY 1997-98 and a fifth FTE in the Finance Department.

#### Wastewater Utility

Gross revenues of the wastewater utility increased from \$1,866,037 in 1997-98 to \$2,315,682 in 1998-99, or \$449,645. The primary increase was in Miscellaneous Income and included grant and loan funds for the grain elevator purchase. Sewer service charges and fees increases come from an increase of \$72,840.55 in sewer service charges and one-time connect charges (NORCOR). The sewer user rate had been increased 5% in October of 1998. A comparative tabulation of gross revenues is shown in the following table:

	<u>1998-1999</u>	<u>1997-1998</u>	<u>Increase (Decrease)</u>
Service Charges and Fees	\$1,823,349	\$ 1,724,469	\$ 98,880
Interest on Investments	96,840	127,580	(30,740)
Miscellaneous Income	390,143	13,988	376,155
Transfer from General Fund	<u>5,350</u>	<u>-</u>	<u>5,350</u>
Totals	<u>\$2,315,682</u>	<u>\$ 1,866,037</u>	<u>\$449,645</u>

Expenses in wastewater increased to \$1,749,969, an increase of \$239,721 (15.8% over 1997-98). A comparative tabulation of operating expenses, including transfers to the general fund for services provided, is shown below:

	<u>1998-1999</u>	<u>1997-1998</u>	<u>Increase (Decrease)</u>
Salaries and Wages	\$ 421,446	\$ 341,580	\$ 79,866
Materials and Services	781,489	729,306	52,183
Depreciation	293,345	247,043	46,302
Interest	10,704	-	10,704
Transfers to General Fund	157,095	129,994	27,101
Transfers to Other Funds	<u>85,890</u>	<u>62,325</u>	<u>23,565</u>
Total	<u>\$1,749,969</u>	<u>\$1,510,248</u>	<u>\$239,721</u>

The increase was partly due to shifting storm water personnel and expenditures to waste water. The increase in the General Fund administrative charges came from the cost of the right-of-way Planner that was not paid for in FY 1997-98 and a fifth FTE in the Finance Department.

Airport

Gross revenues increased from \$108,865 in 1997-98 to \$161,329 in 1998-99 (48.2%). The transfers from the General Fund to the Airport Fund were the primary sources of the increase. This was to help finance the fuel tank replacement. A comparative tabulation is shown below:

	<u>1998-1999</u>	<u>1997-1998</u>	<u>Increase (Decrease)</u>
Service Charges and Fees	\$ 1,157	\$ 1,516	\$ (359)
Rental Income	16,203	11,900	4,303
Interest on Investments	1,374	607	767
Miscellaneous Income	10,663	2,137	8,526
Transfer from General Fund	<u>131,932</u>	<u>92,705</u>	<u>39,227</u>
Totals	<u>\$161,329</u>	<u>\$108,865</u>	<u>\$52,464</u>

Expenditures within the Airport also increased during 1998-99 as compared to the prior year. Again, the fuel tank project was the main reason.

A comparative tabulation of operating expenses is shown below:

	<u>1998-1999</u>	<u>1997-1998</u>	<u>Increase (Decrease)</u>
Salaries and Wages	\$ 24,772	\$ 125	\$ 24,647
Materials and Services	56,700	77,499	(20,799)
Depreciation	39,249	9,583	29,666
Transfers to Other Funds	<u>59</u>	<u>0</u>	<u>59</u>
Total	<u>\$120,780</u>	<u>\$87,207</u>	<u>\$ 33,573</u>

Agency Funds

A portion of the City's hotel tax is distributed to the Chamber of Commerce for tourism. The tourism activities of the Chamber of Commerce are accounted for in the Tourism Agency Fund.

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 the enterprise funds. As of June 30, 1999, the general fixed assets of the City amounted to \$7,370,378. 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 increase in the General Fixed Asset Account Group relative to 1997-98 reflects the net of acquisition and disposition of assets.

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

Long-term indebtedness totaled \$1,925,300 as of June 30, 1999. This total is represented by the following:

<u>City of The Dalles:</u>	
1993 Advance Refunding General Obligation Bonds	\$ 655,000
1997 Police Facility Revenue Bonds	1,140,000
Note Payable to Oregon Department of Energy	6,677
Note Payable to Columbia River Bank	15,614
Compensated Absences Payable	<u>108,009</u>
<b>Total</b>	<b><u>\$1,925,300</u></b>

The City's long-term debt per capita is \$162.06 based upon an estimated population of 11,880, as of June 30, 1999.

The ratio of the City's long-term debt to the assessed valuation as of June 30, 1999, is less than one half of one percent.

### **RISK MANAGEMENT**

The City continued to review and evaluate its risk management program during 1998-99. A citywide safety program with regular committee meetings and inspections is in force.

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 (CAFR) for the fiscal year ended June 30,

1998. 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 a 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, 1998. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are again submitting it to the GFOA.

### **Acknowledgments**

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Daniel W. Izzo". The signature is written in black ink and is positioned above the printed name and title.

Daniel W. Izzo  
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, 1998

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.



*Cary Brueck*  
President

*Jeffrey L. Esser*  
Executive Director





CITY OF THE DALLES, OREGON

OFFICIALS OF THE CITY  
JUNE 30, 1999

CITY COUNCIL

Term Expires  
December 31,

Robb Van Cleave, Chairman  
912 East 15<sup>th</sup> Place  
The Dalles, Oregon 97058

2000

Jim Broehl  
318 West 12<sup>th</sup> Street  
The Dalles, Oregon 97058

2000

Pete Wasser  
1017 B Pomona Street  
The Dalles, Oregon 97058

2002

Bill Gosiak  
PO Box 1150  
The Dalles, Oregon 97058

2000

Dorothy Davison  
2500 East 12<sup>th</sup> Street  
The Dalles, Oregon 97058

2002

Mary Ann Davis  
1814 East 14th Street  
The Dalles, Oregon 97058

2000

CITY ADMINISTRATION

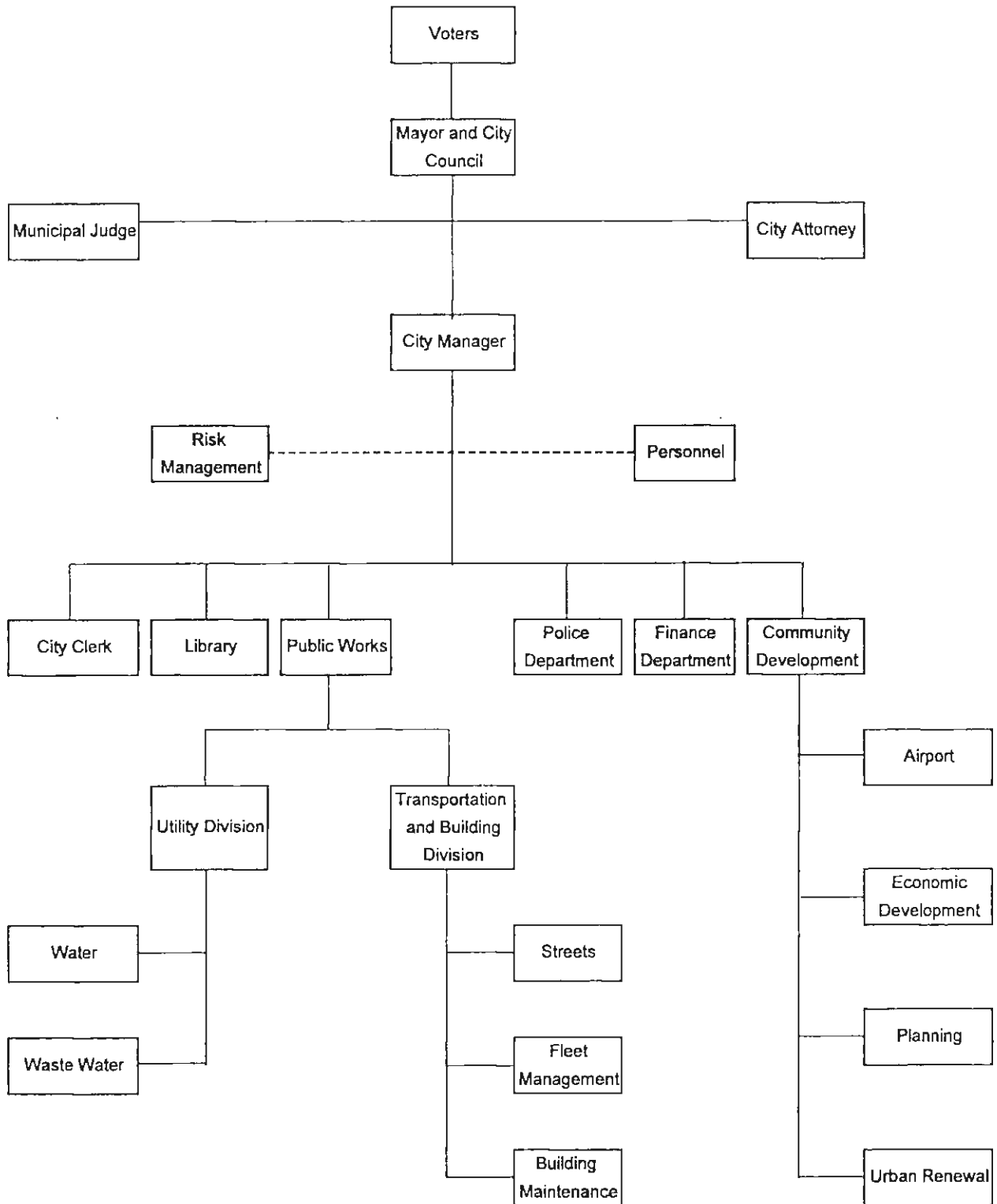
Nolan Young  
Julie Krueger  
Daniel W. Izzo  
Gene E. Parker

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 ORGANIZATIONAL CHART



# **FINANCIAL SECTION**





**YERGEN AND MEYER** LLP  
Certified Public Accountants and Consultants

**INDEPENDENT AUDITOR'S REPORT**

November 17, 1999

City Council  
City of The Dalles  
The Dalles, Oregon

110 SE First St.  
P.O. Box 1533  
Pendleton, OR 97801  
Phone: (541) 276-6862  
Fax: (541) 276-9040  
www.yergen.com

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, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of The Dalles, Oregon's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. 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.

Governmental Accounting Standards Board Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, requires disclosure of certain matters regarding the year 2000 issue. The City of The Dalles has included such disclosures in Notes to General Purpose Financial Statements. Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the City of The Dalles' disclosures with respect to the year 2000 issue made in Notes to General Purpose Financial Statements. Further, we do not provide assurance that the City of The Dalles is or will be year 2000 ready, that the City of The Dalles' year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City of The Dalles does business will be year 2000 ready.

Portland  
Bellevue  
Eugene  
Medford  
North Bend  
Chehalis  
Pendleton  
Astoria



**INDEPENDENT AUDITOR'S REPORT (Continued)**

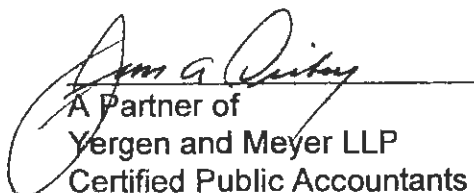
November 17, 1999  
City Council  
City of The Dalles  
Page 2

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding year 2000 disclosures, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of The Dalles, Oregon, as of June 30, 1999, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 17, 1999, on our consideration of the City of The Dalles' internal control structure and on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the financial section of the table of contents are presented for purposes of additional analysis and are 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.

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.

  
A Partner of  
Yergen and Meyer LLP  
Certified Public Accountants

**GENERAL PURPOSE FINANCIAL STATEMENTS**







CITY OF THE DALLES, OREGON

COMBINED BALANCE SHEET  
ALL FUND TYPES, ACCOUNT GROUPS  
AND DISCRETELY PRESENTED COMPONENT UNIT

JUNE 30, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>ASSETS AND OTHER DEBITS</b>				
<b>Assets:</b>				
Cash and cash equivalents	\$ 1,513,175	\$ 1,085,167	\$ 195,734	\$ 1,368,240
Receivables:				
Property taxes	116,499	-	30,315	
Assessment liens	-	-	-	172,701
Other accounts, net	356,292	80,833	-	4,313
Interfund receivable	-	-	-	3,272
Inventories	-	-	-	-
Restricted assets:				
Cash and cash equivalents	-	-	-	-
Accounts receivable	-	-	-	-
Fixed assets, net	-	-	-	-
<b>OTHER DEBITS:</b>				
Amount available for debt service	-	-	-	-
Amount to be provided for retirement of general long term debt	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 1,985,966</b>	<b>\$ 1,166,000</b>	<b>\$ 226,049</b>	<b>\$ 1,548,526</b>
<b>LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>				
<b>LIABILITIES:</b>				
Accounts payable	\$ 323,116	\$ 51,381	\$ -	\$ 156,857
Interfund payable	-	-	-	3,272
Accounts payable from restricted assets	-	-	-	-
Retainage payable	-	-	-	26,047
Compensated absences payable	26,287	2,448	-	-
Deferred revenue	317,913	3,308	27,622	172,701
Intergovernmental payable	13,521	-	-	-
Notes payable	-	-	-	-
Contracts payable from restricted assets	-	-	-	-
Bonds payable	-	-	-	-
General obligation bonds payable	-	-	-	-
	<u>680,817</u>	<u>57,137</u>	<u>27,622</u>	<u>358,877</u>
<b>TOTAL LIABILITIES</b>	<b>680,817</b>	<b>57,137</b>	<b>27,622</b>	<b>358,877</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 for debt service	-	-	198,427	-
Reserved for tourism agency	-	-	-	-
Unreserved:				
Undesignated	1,305,149	1,108,863	-	1,189,649
<b>TOTAL FUND EQUITY (DEFICIT) AND OTHER CREDITS</b>	<b>1,305,149</b>	<b>1,108,863</b>	<b>198,427</b>	<b>1,189,649</b>
<b>TOTAL LIABILITIES, FUND EQUITY AND OTHER CREDITS</b>	<b>\$ 1,985,966</b>	<b>\$ 1,166,000</b>	<b>\$ 226,049</b>	<b>\$ 1,548,526</b>

The notes to the financial statements are an integral part of this statement.

Proprietary Fund Types		Account Groups		Totals	Component	Totals
Enterprise	Internal Service	General Fixed Assets	General Long-Term Debt	City of The Dalles (Memorandum Only)	Unit-Columbia Gateway Urban Renewal Agency	(Memorandum Only)
\$ 1,177,741	\$ 39,031	\$ -	\$ -	\$ 5,379,088	\$ 786,124	\$ 6,165,212
-	-	-	-	146,814	52,688	199,502
-	-	-	-	172,701	-	172,701
420,683	-	-	-	862,121	777	862,898
-	-	-	-	3,272	-	3,272
90,111	-	-	-	90,111	-	90,111
3,356,132	-	-	-	3,356,132	-	3,356,132
100,000	-	-	-	100,000	-	100,000
15,199,894	-	7,370,378	-	22,570,272	-	22,570,272
-	-	-	198,427	198,427	-	198,427
-	-	-	1,726,873	1,726,873	-	1,726,873
<u>\$20,344,561</u>	<u>\$ 39,031</u>	<u>\$ 7,370,378</u>	<u>\$ 1,925,300</u>	<u>\$ 34,605,811</u>	<u>\$ 839,589</u>	<u>\$ 35,445,400</u>
\$ 71,121	\$ 5,953	\$ -	\$ -	\$ 608,428	\$ 9,077	\$ 617,505
-	-	-	-	3,272	-	3,272
71,801	-	-	-	71,801	-	71,801
7,440	-	-	-	33,487	-	33,487
60,844	-	-	108,009	197,568	-	197,568
445	-	-	-	521,989	48,786	570,775
-	-	-	-	13,521	-	13,521
-	-	-	22,291	22,291	-	22,291
540,000	-	-	-	540,000	-	540,000
-	-	-	1,140,000	1,140,000	-	1,140,000
-	-	-	655,000	655,000	-	655,000
<u>751,651</u>	<u>5,953</u>	<u>-</u>	<u>1,925,300</u>	<u>3,807,357</u>	<u>57,863</u>	<u>3,865,220</u>
-	-	7,370,378	-	7,370,378	-	7,370,378
3,010,077	-	-	-	3,010,077	-	3,010,077
2,844,331	-	-	-	2,844,331	-	2,844,331
13,738,502	-	-	-	13,738,502	-	13,738,502
-	-	-	-	198,427	-	198,427
-	-	-	-	-	-	-
-	33,078	-	-	3,636,739	781,726	4,418,465
<u>19,592,910</u>	<u>33,078</u>	<u>7,370,378</u>	<u>-</u>	<u>30,798,454</u>	<u>781,726</u>	<u>31,580,180</u>
<u>\$20,344,561</u>	<u>\$ 39,031</u>	<u>\$ 7,370,378</u>	<u>\$ 1,925,300</u>	<u>\$ 34,605,811</u>	<u>\$ 839,589</u>	<u>\$ 35,445,400</u>



CITY OF THE DALLES, OREGON

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
AND DISCRETELY PRESENTED COMPONENT UNIT

YEAR ENDED JUNE 30, 1999

	Governmental Fund Types				Totals City of The Dalles (Memorandum Only)	Component Unit-Columbia Gateway Urban Renewal Agency	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects			
<b>REVENUES:</b>							
Taxes	\$ 1,630,554	\$ 306,692	\$ 353,132	\$ -	\$ 2,290,378	\$ 762,506	\$ 3,052,884
Special assessments	-	-	-	131,118	131,118	-	131,118
Intergovernmental	648,118	840,618	-	1,388,746	2,877,482	-	2,877,482
Rental income	-	122,772	145,105	12,616	280,493	-	280,493
Franchise fees	258,755	-	-	-	258,755	-	258,755
Fines and forfeitures	208,750	-	-	-	208,750	-	208,750
Charges for services	24,404	38,721	-	-	63,125	-	63,125
Investment income	72,857	44,993	9,761	71,200	198,811	50,392	249,203
Miscellaneous	81,513	2,388	-	214,990	298,891	-	298,891
Total revenues	<u>2,924,951</u>	<u>1,356,184</u>	<u>507,998</u>	<u>1,818,670</u>	<u>6,607,803</u>	<u>812,898</u>	<u>7,420,701</u>
<b>EXPENDITURES:</b>							
Current:							
General government	1,254,265	160,855	-	104,519	1,519,639	129,316	1,648,955
Public safety	1,394,577	-	-	-	1,394,577	-	1,394,577
Highway and streets	-	802,189	-	-	802,189	-	802,189
Culture and recreation	540,337	-	-	-	540,337	-	540,337
Capital outlay	135,298	291,801	-	1,881,287	2,308,386	628,782	2,937,168
Debt service	16,065	-	411,304	-	427,369	-	427,369
Total expenditures	<u>3,340,542</u>	<u>1,254,845</u>	<u>411,304</u>	<u>1,985,806</u>	<u>6,992,497</u>	<u>758,098</u>	<u>7,750,595</u>
Revenues over (under) expenditures	<u>(415,591)</u>	<u>101,339</u>	<u>96,694</u>	<u>(167,136)</u>	<u>(384,694)</u>	<u>54,800</u>	<u>(329,894)</u>
<b>OTHER FINANCING SOURCES (USES):</b>							
Proceeds of refunding bonds	-	-	1,013,412	126,588	1,140,000	-	1,140,000
Operating transfers in	561,084	226,910	-	131,859	919,853	-	919,853
Operating transfers out	(149,343)	(183,393)	(63,000)	(156,271)	(552,007)	-	(552,007)
Payments to refund bonds	-	-	(1,015,422)	-	(1,015,422)	-	(1,015,422)
Total other financing sources (uses)	<u>411,741</u>	<u>43,517</u>	<u>(65,010)</u>	<u>102,176</u>	<u>492,424</u>	<u>-</u>	<u>492,424</u>
Revenues and other financing sources over (under) expenditures and other financing uses	<u>(3,850)</u>	<u>144,856</u>	<u>31,884</u>	<u>(64,960)</u>	<u>107,730</u>	<u>54,800</u>	<u>162,530</u>
FUND BALANCES, July 1, 1998	<u>1,308,999</u>	<u>964,007</u>	<u>166,743</u>	<u>1,254,609</u>	<u>3,694,358</u>	<u>726,926</u>	<u>4,421,284</u>
FUND BALANCES, June 30, 1999	<u>\$ 1,305,149</u>	<u>\$ 1,108,863</u>	<u>\$ 198,427</u>	<u>\$ 1,189,649</u>	<u>\$ 3,802,088</u>	<u>\$ 781,726</u>	<u>\$ 4,583,814</u>

The notes to the financial statement are an integral part of this statement.

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, 1999

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavor- able)	Budget	Actual	Variance Favorable (Unfavor- able)
<b>REVENUES:</b>						
Taxes	\$1,561,222	\$1,630,554	\$ 69,332	\$ 320,000	\$ 306,692	\$ (13,308)
Special assessments	-	-	-	-	-	-
Intergovernmental	703,112	648,118	(54,994)	906,456	840,618	(65,838)
Rental income	-	-	-	122,772	122,772	-
Franchise fees	249,000	258,755	9,755	-	-	-
Fines and forfeitures	173,287	208,750	35,463	-	-	-
Charges for services	34,810	24,404	(10,406)	39,058	38,721	(337)
Investment income	60,000	72,857	12,857	39,275	44,993	5,718
Miscellaneous	52,580	81,513	28,933	20,000	2,388	(17,612)
<b>Total revenues</b>	<b>2,834,011</b>	<b>2,924,951</b>	<b>90,940</b>	<b>1,447,561</b>	<b>1,356,184</b>	<b>(91,377)</b>
<b>EXPENDITURES:</b>						
Current						
General government	1,363,777	1,254,265	109,512	386,980	160,855	226,125
Public safety	1,471,067	1,394,577	76,490	-	-	-
Highway and streets	-	-	-	864,813	802,189	62,624
Culture and recreation	541,436	540,337	1,099	-	-	-
Capital outlay	183,773	135,298	48,475	804,043	291,801	512,242
Contingency	894,646	-	894,646	228,943	-	228,943
Debt service	16,633	16,065	568	-	-	-
<b>Total expenditures</b>	<b>4,471,332</b>	<b>3,340,542</b>	<b>1,130,790</b>	<b>2,284,779</b>	<b>1,254,845</b>	<b>1,029,934</b>
<b>Revenues over (under) expenditures</b>	<b>(1,637,321)</b>	<b>(415,591)</b>	<b>1,221,730</b>	<b>(837,218)</b>	<b>101,339</b>	<b>938,557</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds of refunding bonds	-	-	-	-	-	-
Operating transfers in	563,152	561,084	(2,068)	226,910	226,910	-
Operating transfers out	(149,343)	(149,343)	-	(193,961)	(183,393)	10,568
Payments to refund bonds	-	-	-	-	-	-
<b>Total other financing Sources (uses)</b>	<b>413,809</b>	<b>411,741</b>	<b>(2,068)</b>	<b>32,949</b>	<b>43,517</b>	<b>10,568</b>
<b>Revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(1,223,512)</b>	<b>(3,850)</b>	<b>1,219,662</b>	<b>(804,269)</b>	<b>144,856</b>	<b>949,125</b>
<b>FUND BALANCES, July 1, 1998</b>	<b>1,223,512</b>	<b>1,308,999</b>	<b>85,487</b>	<b>804,269</b>	<b>964,007</b>	<b>159,738</b>
<b>FUND BALANCES, June 30, 1999</b>	<b>\$ -</b>	<b>\$1,305,149</b>	<b>\$ 1,305,149</b>	<b>\$ -</b>	<b>\$ 1,108,863</b>	<b>\$ 1,108,863</b>

The notes to the financial statements are an integral part of this statement.

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)
\$ 349,020	\$ 353,132	\$ 4,112	\$ -	\$ -	\$ -	\$ 2,230,242	\$ 2,290,378	\$ 60,136
-	-	-	71,227	131,118	59,891	71,227	131,118	59,891
-	-	-	1,388,746	1,388,746	-	2,998,314	2,877,482	(120,832)
145,986	145,105	(881)	6,210	12,616	6,406	274,968	280,493	5,525
-	-	-	-	-	-	249,000	258,755	9,755
-	-	-	-	-	-	173,287	208,750	35,463
-	-	-	-	-	-	73,868	63,125	(10,743)
7,900	9,761	1,861	39,575	71,200	31,625	146,750	198,811	52,061
-	-	-	217,594	214,990	(2,604)	290,174	298,891	8,717
<u>502,906</u>	<u>507,998</u>	<u>5,092</u>	<u>1,723,352</u>	<u>1,818,670</u>	<u>95,318</u>	<u>6,507,830</u>	<u>6,607,803</u>	<u>99,973</u>
-	-	-	1,362,230	104,519	1,257,711	3,112,987	1,519,639	1,593,348
-	-	-	-	-	-	1,471,067	1,394,577	76,490
-	-	-	-	-	-	864,813	802,189	62,624
-	-	-	-	-	-	541,436	540,337	1,099
-	-	-	2,414,521	1,881,287	533,234	3,402,337	2,308,386	1,093,951
-	-	-	-	-	-	1,123,589	-	1,123,589
499,954	411,304	88,650	-	-	-	516,587	427,369	89,218
<u>499,954</u>	<u>411,304</u>	<u>88,650</u>	<u>3,776,751</u>	<u>1,985,806</u>	<u>1,790,945</u>	<u>11,032,816</u>	<u>6,992,497</u>	<u>4,040,319</u>
2,952	96,694	93,742	(2,053,399)	(167,136)	1,886,263	(4,524,986)	(384,694)	4,140,292
1,013,412	1,013,412	-	922,500	126,588	(795,912)	1,935,912	1,140,000	(795,912)
-	-	-	144,833	131,859	(12,974)	934,895	919,853	(15,042)
(63,000)	(63,000)	-	(254,500)	(156,271)	98,229	(660,804)	(552,007)	108,797
<u>(1,015,422)</u>	<u>(1,015,422)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,015,422)</u>	<u>(1,015,422)</u>	<u>-</u>
<u>(65,010)</u>	<u>(65,010)</u>	<u>-</u>	<u>812,833</u>	<u>102,176</u>	<u>(710,657)</u>	<u>1,194,581</u>	<u>492,424</u>	<u>(702,157)</u>
(62,058)	31,684	93,742	(1,240,566)	(64,960)	1,175,606	(3,330,405)	107,730	3,438,135
<u>215,614</u>	<u>166,743</u>	<u>(48,871)</u>	<u>1,240,566</u>	<u>1,254,609</u>	<u>14,043</u>	<u>3,483,961</u>	<u>3,694,358</u>	<u>210,397</u>
<u>\$ 153,556</u>	<u>\$ 198,427</u>	<u>\$ 44,871</u>	<u>\$ -</u>	<u>\$ 1,189,649</u>	<u>\$ 1,189,649</u>	<u>\$ 153,556</u>	<u>\$ 3,802,088</u>	<u>\$ 3,648,532</u>







**CITY OF THE DALLES, OREGON**

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

**YEAR ENDED JUNE 30, 1999**

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Total</u>
<b>OPERATING REVENUES:</b>			
Service charges and fees	\$ 3,995,702	\$ -	3,995,702
Rental income	16,203	-	16,203
Other operating income	<u>54,668</u>	<u>-</u>	<u>54,668</u>
 Total operating revenues	 <u>4,066,573</u>	 <u>-</u>	 <u>4,066,573</u>
<b>OPERATING EXPENSES:</b>			
Personal services	1,298,524	-	1,298,524
Materials and services	1,448,856	16,966	1,465,822
Depreciation	<u>684,512</u>	<u>-</u>	<u>684,512</u>
 Total operating expenses	 <u>3,431,892</u>	 <u>16,966</u>	 <u>3,448,858</u>
 <b>Operating income (loss)</b>	 <u>634,681</u>	 <u>(16,966)</u>	 <u>617,715</u>
 <b>NONOPERATING REVENUES (EXPENSES):</b>			
Intergovernmental	361,496	-	361,496
Interest on investments	203,457	1,712	205,169
Interest expense	<u>(10,703)</u>	<u>-</u>	<u>(10,703)</u>
 Total nonoperating revenues (expenses)	 <u>554,250</u>	 <u>1,712</u>	 <u>555,962</u>
 <b>Income before operating transfers</b>	 <u>1,188,931</u>	 <u>(15,254)</u>	 <u>1,173,677</u>
 Transfers (to) from other funds:			
Transfers in	145,106	22,983	168,089
Transfers out	<u>(535,935)</u>	<u>-</u>	<u>(535,935)</u>
 Total operating transfers	 <u>(390,829)</u>	 <u>22,983</u>	 <u>(367,846)</u>
 <b>Net income</b>	 798,102	 7,729	 805,831
 <b>RETAINED EARNINGS, July 1, 1998</b>	 <u>15,784,731</u>	 <u>25,349</u>	 <u>15,810,080</u>
 <b>RETAINED EARNINGS, June 30, 1999</b>	 <u>\$ 16,582,833</u>	 <u>\$ 33,078</u>	 <u>\$ 16,615,911</u>

The notes to the financial statements are an integral part of this statement.

CITY OF THE DALLES, OREGON

COMBINED STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND TYPE

YEAR ENDED JUNE 30, 1999

	Enterprise	Internal Service	Total
<b>CASH FLOWS FROM OPERATING</b>			
<b>ACTIVITIES:</b>			
Operating income (loss)	\$ 634,681	\$ (16,966)	\$ 617,715
Adjustments to reconcile operating income to net cash provided by operations:			
Depreciation	684,512	-	684,512
Change in current assets and liabilities:			
Receivables	(200,555)	-	(200,555)
Inventories	110,254	-	110,254
Accounts payable	(76,824)	(71)	(76,895)
Retainage payable	5,947	-	5,947
Compensated absences payable	(659)	-	(659)
Deferred revenue	445	-	445
Net cash provided (used) by operations	<u>1,157,801</u>	<u>(17,037)</u>	<u>1,140,764</u>
<b>CASH FLOWS FROM NONCAPITAL</b>			
<b>FINANCING ACTIVITIES:</b>			
Intergovernmental revenue	361,496	-	361,496
Operating transfers, net	<u>(390,829)</u>	<u>22,983</u>	<u>(367,846)</u>
Net cash provided (used) by noncapital financing activities	<u>(29,333)</u>	<u>22,983</u>	<u>(6,350)</u>
<b>CASH FLOWS FROM CAPITAL AND</b>			
<b>RELATED FINANCING ACTIVITIES:</b>			
Debt proceeds - Notes payable	600,000	-	600,000
Principal payments - Notes payable	(364,936)	-	(364,936)
Interest paid	(10,703)	-	(10,703)
Acquisition of fixed assets	<u>(744,041)</u>	<u>-</u>	<u>(744,041)</u>
Net cash used by capital and related financing activities	<u>(519,680)</u>	<u>-</u>	<u>(519,680)</u>
<b>CASH FLOWS FROM INVESTING</b>			
<b>ACTIVITIES:</b>			
Interest earnings	<u>203,457</u>	<u>1,712</u>	<u>205,169</u>
<b>NET INCREASE (DECREASE) IN</b>			
<b>CASH AND CASH EQUIVALENTS</b>			
	812,245	7,658	819,903
CASH AND CASH EQUIVALENTS, July 1, 1998	<u>3,721,628</u>	<u>31,373</u>	<u>3,753,001</u>
CASH AND CASH EQUIVALENTS, June 30, 1999	<u>\$ 4,533,873</u>	<u>\$ 39,031</u>	<u>\$ 4,572,904</u>
<b>COMPRISED AS FOLLOWS:</b>			
Cash and cash equivalents	1,177,741	39,031	1,216,772
Restricted cash and cash equivalents	<u>3,356,132</u>	<u>-</u>	<u>3,356,132</u>
	<u>\$ 4,533,873</u>	<u>\$ 39,031</u>	<u>\$ 4,572,904</u>

The notes to the financial statements are an integral part of this statement.

CITY OF THE DALLES, OREGON  
NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 1999

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. 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 to be levied for the benefit of the Agency. The City has the ability to significantly influence the operations and provides a financial benefit to the Agency. The Agency's financial information 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.

## **B. 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 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 31 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 fund. Principal sources of revenue are property taxes, franchise fees, hotel-motel tax, and state shared revenues. Expenditures are primarily for general government operations, public safety (police), and culture and recreation.

#### 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, charges for services, rent and an allocation of state gas tax proceeds. Major expenditures are for street maintenance, general governmental operations and capital improvements.

#### Debt Service Funds

- The Debt Service Funds account for the payment of principal and interest on general long-term debt. The principal source of revenue is property taxes.

#### 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 assessment collections and rental of building.

#### **Proprietary Fund Type:**

Proprietary (Enterprise and Internal Service) 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 has applied all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds include the following fund types:

### Enterprise Funds

- These funds 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.

### Internal Service Fund

- This fund accounts for operations that provide service to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The service provided is the payment of unemployment benefits.

### **Fiduciary Fund Type:**

Fiduciary Funds account for assets held by the City as an agent on behalf of others. The City maintains Agency Funds, which are custodial in nature and do not present results of operations or have a measurement focus. Agency Funds are used to account for assets that the City holds for others in an agent capacity. The Agency Funds are accounted for on the modified accrual basis of accounting.

### **General Fixed Assets Account Group:**

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

### **General Long-Term Debt Account Group:**

The General Long-Term Debt Account Group is used to account for general long-term debt, capital leases, notes payable and the long-term portion of compensated absences as applicable.

### **Estimates**

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

## **C. Assets, Liabilities and Equity**

### **Cash and Cash Equivalents:**

Cash and cash equivalents consist of 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 obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, and the State Treasurers' Short-Term Investment Pool. As of June 30, 1999, and for the year then ended, the City was in compliance with the aforementioned statutes.

Investments are stated at market value in accordance with GASB Statement No. 31.

### **Receivables and Payables:**

Property taxes are assessed and become a lien on all taxable property as of July 1. 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 collected within 31 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 Capital Projects Funds are recorded as receivables at the time property owners are assessed for property improvements. The unpaid liens and related interest receivable are offset by deferred revenue and accordingly, have not been recorded as revenue.

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



Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

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

**Inventories:**

Inventories in the Water Utility and Waste Water Utility Enterprise Funds are reported at the lower of cost (first in, first out) or market.

**Restricted Assets:**

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

**Fixed Assets:**

Fixed assets are recorded in the General Fixed Assets 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. General fixed assets 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 to the City) are not capitalized.

Property, plant and equipment in the Enterprise Funds are recorded at cost. Donated property, plant and equipment is recorded at its estimated fair value at the date of donation. 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. No interest was capitalized in 1999.

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.

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>
Building 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, holiday, and sick pay benefits. No liability is reported for unpaid accumulated sick pay benefits. Vacation and holiday pay is accrued when incurred in the Enterprise Funds and recorded as a 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 in the Governmental Funds. Amounts not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Debt Account Group. No expenditure is reported for these amounts.

**Long-Term Obligations:**

The City reports long-term debt at face value in the General Long-Term Debt Account Group. Certain other 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 Debt Account Group. These obligations are to be repaid from governmental fund resources.

For Governmental Funds, 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

**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.
- Fixed assets contributed by developers.

### **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.

## **II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **A. Budgetary Information**

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds except agency funds. The modified accrual basis of accounting is used for all budgets. All annual appropriations lapse at fiscal year end.

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

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

levels. For the Special Grants Fund, appropriations are at the grant level. The budget for the Governmental Funds includes capital outlay in each program for capital outlays applicable to that program.

Budget amounts shown in the general purpose financial statements have been revised since the original budget amounts were approved by City Council. These revisions were not significant. Management must obtain City Council authorization for all appropriation transfers and supplementary budgetary appropriations.

**B. Excess of Expenditures Over Appropriations**

General Fund:

Nondepartmental \$**(4,685)**

**C. Component Unit Budget and Actual**

The following summarizes revenues, expenditures and changes in fund balance—budget and actual, for the year ended June 30, 1999, of the Columbia Gateway Urban Renewal Agency, the City's discretely presented component unit.

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Property taxes	\$ 191,266	\$ 762,506	\$ 571,240
Interest on investments	38,400	50,392	11,992
<b>Total Revenues</b>	<u>229,666</u>	<u>812,898</u>	<u>583,232</u>
<b>EXPENDITURES:</b>			
Materials and services	452,136	129,316	322,820
Capital outlay	4,488,283	628,782	3,859,501
Contingency	75,000	-	75,000
<b>Total Expenditures</b>	<u>5,015,419</u>	<u>758,098</u>	<u>4,257,321</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(4,785,753)	54,800	4,840,553
<b>OTHER FINANCING SOURCES</b>			
Bond proceeds	4,500,000	-	(4,500,000)
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	(285,753)	54,800	340,553
<b>FUND BALANCE, July 1, 1998</b>	<u>735,753</u>	<u>726,926</u>	<u>(8,827)</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ 450,000</u>	<u>\$ 781,726</u>	<u>\$ 331,726</u>

### III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

#### A. Deposits and Investments

At June 30, 1999 the City's carrying amount of deposits was \$224,551 and the bank balance was \$630,053. 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 was \$16,179 and the bank balance for the Agency, the City's discretely presented component unit, was \$21,087. During April and May of 1999, the Agency's deposits exceeded Federal Depository Insurance Coverage.

The City's investments consist solely of the State Treasurers' Short-Term Investment Pool - \$8,488,999. The investments of the Agency, the City's discretely presented component unit also consist solely of the State Treasurers' Short-Term Investment Pool with a balance of \$762,371. These investments are not subject to categorization under the provisions of GASB No. 3.

Investments are generally categorized as either (1) insured or registered for which the securities are held by the City or its agent in the City's name; (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the City's name; or, (3) uninsured and unregistered for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

Investments in the Oregon State Treasury Local Government Investment Pool are made under the provisions of ORS 294.810. These funds are held in the City's name and are not subject to the collateralization requirements of ORS 295.015.

The City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools* for the fiscal year ended June 30, 1999. GASB No. 31 requires governmental entities to report on certain investments at fair value of the investments in the year in which the change occurred. However, since the adjustment to fair value is immaterial, the financial statements have not been adjusted.

In addition, the Oregon State Treasury Local Government Investment Pool (LGIP) distributes investment income on an amortized cost basis and

participants' equity in the pool is determined by the amount of participant deposits, adjusted for withdrawals and distributed income. Accordingly, the adjustment to fair value would not represent an expendable increase in the City's cash position.

	Primary Government	Component Unit	Total
		Columbia Gateway Urban Renewal	Reporting Entity
Cash and cash equivalents are comprised of the following:			
Cash on hand	\$ 1,500	\$ -	\$ 1,500
Cash with County Treasurer	20,170	7,574	27,744
Deposits with financial institutions	224,551	16,179	240,730
State Treasurers' Short-Term Investment Pool	8,488,999	762,371	9,251,370
	<u>\$ 8,735,220</u>	<u>\$ 786,124</u>	<u>\$ 9,521,344</u>
Cash and cash equivalents	\$ 5,379,088	\$ 786,124	\$ 6,165,212
Cash and cash equivalents - Restricted	3,356,132	-	3,356,132
Total per combined balance sheet	<u>\$ 8,735,220</u>	<u>\$ 786,124</u>	<u>\$ 9,521,344</u>

## B. Receivables

Receivables are comprised of the following:

	General	Special Revenue	Debt Service	Capital Projects	Columbia Gateway Urban Renewal		Total
					Enterprise	Agency	
Receivables:							
Taxes	\$ 116,499	\$ -	\$ 30,315	\$ -	\$ -	\$ 52,688	\$ 199,502
Assessments	-	-	-	172,701	-	-	172,701
Accounts-unrestricted	145,513	80,933	-	4,313	465,683	777	697,219
Fines and forfeitures	212,779	-	-	-	-	-	212,779
Interfund	-	-	-	3,272	-	-	3,272
Accounts - restricted	-	-	-	-	100,000	-	100,000
	<u>474,791</u>	<u>80,933</u>	<u>30,315</u>	<u>180,286</u>	<u>565,683</u>	<u>53,465</u>	<u>1,385,473</u>
Less: Allowance for doubtful accounts	<u>(2,000)</u>	<u>(100)</u>	<u>-</u>	<u>-</u>	<u>(45,000)</u>	<u>-</u>	<u>(47,100)</u>
	<u>\$ 472,791</u>	<u>\$ 80,833</u>	<u>\$ 30,315</u>	<u>\$ 180,286</u>	<u>\$ 520,683</u>	<u>\$ 53,465</u>	<u>\$1,338,373</u>

**C. Fixed Assets**

Changes in general fixed assets were as follows:

	Balance July 1, 1998	Additions	Retirements	Balance June 30, 1999
Land and land improvements	\$ 425,566	\$ 1,568,930	\$ -	\$ 1,994,496
Buildings and improvements	2,567,284	525,031	-	3,092,315
Machinery and equipment	<u>2,069,142</u>	<u>214,425</u>	<u>-</u>	<u>2,283,567</u>
	<u>\$ 5,061,992</u>	<u>\$ 2,308,386</u>	<u>\$ -</u>	<u>\$ 7,370,378</u>

Enterprise Funds fixed assets at June 30, 1999, are comprised of the following:

Land and land improvements	\$ 6,156,281
Buildings and improvements	4,814,263
Plant in service	7,942,143
Machinery and equipment	<u>2,716,655</u>
	21,629,342
Less: Accumulated depreciation	<u>(6,429,448)</u>
	<u>\$ 15,199,894.</u>

**D. Contracts Payable**

Fiscal year end June 30, 1999 reflects no further contracts payable. Final payment of \$304,936 was made during the year completing the contract payable listed at June 30, 1998.

**E. Long-term Debt**

**Enterprise funds**

Changes in the enterprise fund long-term debt are as follows:

	Outstanding July 1, 1998	Issues During Year	Matured and Redeemed	Outstanding June 30, 1999
<b><u>Contracts Payable From Restrictd Assets</u></b>				
Mid-Columbia Economic Development				
Interest rate 4%	\$ -	\$ 600,000	\$ 60,000	\$ 540,000

Future maturities of enterprise fund long-term debt are as follows:

	Balance July 1, 1998	Additions	Reductions	Balance June 30, 1999
Compensated absences	\$ 105,732	\$ 108,009	\$ (105,732)	\$ 108,009
General obligation bond	975,000	-	(320,000)	655,000
Revenue bond	1,005,000	1,140,000	(1,005,000)	1,140,000
Notes payable	39,663	-	(17,372)	22,291
	<u>\$ 2,125,395</u>	<u>\$ 1,248,009</u>	<u>\$(1,448,104)</u>	<u>\$ 1,925,300</u>

### General long-term debt account group

Changes in the general long-term debt are as follows:

	Outstanding July 1, 1998	Issued During Year	Matured and Redeemed	Outstanding June 30, 1999
<b><u>Bonds Payable</u></b>				
<b><u>General Obligation Bonds</u></b>				
1993 Advance Refunding Bonds, interest rates from 2.75% to 4.25%; payable from property taxes	\$ 975,000	\$ -	\$ 320,000	\$ 655,000
<b><u>Revenue bonds</u></b>				
1997 Revenue Bonds, interest rates from 4.5% to 5.4%; payable from state office building lease proceeds	1,005,000	-	1,005,000	-
1999 Police Facilities Revenue Bonds, Interest rates from 3.65% to 4.60%; payable from the state office building lease proceed	-	1,140,000	-	1,140,000
Total Revenue Bonds	<u>1,005,000</u>	<u>1,140,000</u>	<u>1,005,000</u>	<u>1,140,000</u>
Total Bonds Payable	<u>\$ 1,980,000</u>	<u>\$ 1,140,000</u>	<u>\$ 1,325,000</u>	<u>\$ 1,795,000</u>
<b><u>Notes Payable</u></b>				
Oregon Department of Energy Interest rate 9.35%	\$ 9,108	\$ -	\$ 2,431	\$ 6,677
Columbia River Bank Interest rate 7.25%	<u>30,555</u>	<u>-</u>	<u>14,941</u>	<u>15,614</u>
Total Notes Payable	<u>\$ 39,663</u>	<u>\$ -</u>	<u>\$ 17,372</u>	<u>\$ 22,291</u>



Future maturities of general long term debt are as follows:

Year Ending June 30	Bond Principal	Bond Interest	Notes Payable Principal	Notes Payable Interest	Total
2000	\$ 420,000	\$ 74,956	\$ 18,281	\$ 1,088	\$ 514,325
2001	425,000	57,720	2,928	252	485,900
2002	100,000	39,793	1,082	21	140,896
2003	105,000	35,538	-	-	140,538
2004	110,000	30,968	-	-	140,968
2005-2007	635,000	74,609	-	-	709,609
	<u>\$ 1,795,000</u>	<u>\$ 313,584</u>	<u>\$ 22,291</u>	<u>\$ 1,361</u>	<u>\$ 2,132,236</u>

Changes in the General Long-Term Debt Account Group for the year ended June 30, 1999, were as follows:

	Balance July 1, 1998	Additions	Reductions	Balance June 30, 1999
Compensated absences	\$ 105,732	\$ 108,009	\$ (105,732)	\$ 108,009
General obligation bond	975,000	-	(320,000)	655,000
Revenue bond	1,005,000	1,140,000	(1,005,000)	1,140,000
Notes payable	39,663	-	(17,372)	22,291
	<u>\$ 2,125,395</u>	<u>\$ 1,248,009</u>	<u>\$(1,448,104)</u>	<u>\$ 1,925,300</u>

Defeased bonds/advanced refunding:

During the current year, the City refunded all of the 1997 Police Facility Revenue Bonds with part of the proceeds of the 1999 Police Facility Revenue Bonds. To effect the advance refunding and defeasance, the City issued \$1,140,000 of refunding revenue bonds to reduce overall debt service requirement, pay issuance costs, finance the City's acquisition and renovation of police department facilities, and to repurchase \$1,005,000 of outstanding bond principal. As a result, the refunded bonds are considered to be defeased, and the liability has been removed from the General Long-term Debt account group. This advance refunding resulted in a decrease of cash flow requirements of \$17,352 over the next ten years, and an economic gain of \$37,952.

## Operating Transfers

Operating transfers in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Discretely Presented Component Unit do not equal because of transfers made with the Enterprise Funds. Following is a reconciliation of operating transfers:

	<u>Transfers In</u>	<u>Transfers Out</u>
Total operating transfers included in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Discretely Presented Component Unit	\$ 919,853	\$ 552,007
<u>Enterprise Fund Transfers</u>		
Airport Fund		
General Fund	131,932	-
Other Funds	-	59
Water Utility Fund		
General Fund	7,824	215,632
Other Funds	-	77,259
Waste Water Fund		
General Fund	5,350	157,095
Other Funds	-	85,890
<u>Transfers to Internal Service Funds</u>		
Unemployment Reserve Fund	<u>22,983</u>	<u>-</u>
	<u>\$ 1,087,942</u>	<u>\$ 1,087,942</u>

## IV. OTHER INFORMATION

### A. Risk Management

The City is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; 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. For the past three years insurance coverage has been sufficient to cover any losses.

### B. Segment Information - Enterprise Funds

The City maintains three Enterprise Funds. The Water Utility Fund accounts for the provision of water service, the Waste Water Fund accounts for the operations

and maintenance related to collection and treatment of waste water and 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, 1999, is as follows:

	<u>Water Utility</u>	<u>Waste Water Utility</u>	<u>Airport</u>	<u>Totals</u>
Operating revenues	\$ 2,175,806	\$ 1,862,744	\$ 28,023	\$ 4,066,573
Depreciation	351,918	293,345	39,249	684,512
Operating income (loss)	360,916	366,463	(92,698)	634,681
Net income	191,840	565,713	40,549	798,102
Fixed asset additions	272,735	348,783	122,523	744,041
Net working capital	2,317,474	2,489,420	6,122	4,813,016
Total assets	11,518,476	7,232,065	1,594,020	20,344,561
Total equity	11,437,789	6,562,027	1,593,094	19,592,910

### C. 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 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 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, 1999, was approximately \$2,376,523 and the City's total payroll was approximately \$2,938,075. Total contributions for the year ended June 30, 1999, were approximately \$385,554 or 16.2% of the year's covered payroll.

### D. Subsequent events

During the 1998-99 fiscal year, the City received \$266,190 from the Standard Insurance demutualization. It was later determined that the money actually belongs to the employees. The money was classified as an accounts payable as of June 30, 1999 and the money plus accrued interest was refunded to the employees in October of 1999.

## **E. Commitments and Contingencies**

The City has contractual commitments to construct various projects. The total value of contracts outstanding is \$783,172, of which the uncompleted portions total \$644,160.

Certain of the City's operations are subject to regulations promulgated and administered by the Environmental Protection Agency (EPA) and the State of Oregon's Department of Environmental Quality (DEQ). The complexity of these regulations could result in remedial actions and/or civil penalties that could have an adverse effect on the City's operations.

## **F. Year 2000 Compliance (Unaudited)**

Time and space saving programming decisions made in prior years resulted in two-digit computer codes that may not correctly recognize "00" as the year 2000. Serious processing error or system failure could result. To prevent this error, computer systems and equipment must be reprogrammed or replaced to make them year 2000 compliant.

The City of The Dalles is significantly dependent on computerized systems for essential operations and to provide services. As a continuing process, the City of The Dalles is actively engaged in making necessary changes to its systems and equipment to achieve Year 2000 compliance. Interfacing business partners are being surveyed to assess their compliance status and possible impact on the City of The Dalles services. Other information technology projects have been re-prioritized and delayed when necessary to support continuing progress toward Year 2000 compliance. These changes included system upgrades and equipment replacement. Contingency plans are also being considered.

**COMBINING INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS  
AND SCHEDULES**





## CITY OF THE DALLES, OREGON

### FUND DESCRIPTIONS

YEAR ENDED JUNE 30, 1999

The City maintains the following funds:

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

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

- The Street and Storm Sewer Fund provides for a range of services involved with the construction, maintenance and repair of streets and storm sewer system. Principal revenue sources include allocations of state fuel tax proceeds and local fuel tax receipts as well as interest on investments.
- The Public Works Reserve Fund provides for the replacing or adding to the machinery and equipment of the Public Works Department. Resources are provided through operating transfers from the Street and Storm Sewer Fund and from interest earned on investments.
- The Vietnam Memorial Fund expends monies for the preservation, enhancement, protection, maintenance, repair, replacement or restoration of the Mid-Columbia Vietnam Veterans' Memorial and its surroundings. Revenues consist primarily of donations and interest earnings.
- The Street and Bridge Replacement Fund accounts for the replacement of streets and bridges. Resources consist of interest earned on investments.
- The Special Grants Fund accounts for a variety of revenues and expenditures related to various grants.
- The Parks Reserve Fund accounts for the acquisition and development of park and recreation facilities.
- The State Office Building Fund accounts for resources received and expended for the operation, repairs and maintenance of the State Office Building owned by the City. Revenues consist of a portion of the building's lease payments collected by the City.



CITY OF THE DALLES, OREGON  
FUND DESCRIPTIONS (continued)  
YEAR ENDED JUNE 30, 1999

Debt Service Funds - These funds are used to account for revenues and expenditures related to the City's long-term indebtedness. Funds included in this category are:

- The Water Bond Debt Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest relating to the City's 1993 outstanding general obligation bonds.
- The Senior Center Grant Debt Service fund accounts for the repayment of a loan from the State of Oregon, Department of Energy. Revenues consist of monthly rental payments from the Senior Center.
- The Police Facility Revenue Bond Fund accounts for the accumulation of resources for, and the repayment of, revenue bonds relating to the remodeling of the Police facilities.

Capital Projects Funds - These funds account for construction projects related primarily to infrastructure. Funds included in this category are:

- The Special Assessments Fund accounts for the financing of public improvements or services deemed to benefit primarily the properties against which the assessments are levied. Revenues consist primarily of assessment principal and interest collected.
- The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by the enterprise funds. Principal resources to the fund are grants, a portion of lease payments received on the State Office Building owned by the City, and interest earned on investments.
- The FAA Grant Improvement Fund accounts for Federal Aviation Administration (FAA) funded improvements to the Columbia Gorge Regional/The Dalles Municipal Airport.

Enterprise Funds - These funds account for the City's utility operations. Funds included in this category are:

- The Water Utility Fund accounts for all activity related to the treatment and distribution of water from source to the customer. Primary revenues are user charges for services. Expenditures relate to the operation and maintenance of the water system and capital improvements. Included are the budgetary Water Utility and Water Capital Reserve Funds.

CITY OF THE DALLES, OREGON

FUND DESCRIPTION (continued)

YEAR ENDED JUNE 30, 1999

Enterprise Funds (continued)

- The Waste Water Utility Fund accounts for the operations of the wastewater collection and processing plant and system. Revenues consist primarily of user charges for services. Primary expenditures are for the operation and maintenance of plant in service and capital improvements. Included are the budgetary Waste Water and Sewer Special Reserve Funds.
- 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.

Internal Service Funds – These funds account for operations that provide service to other departments of agencies of the government, or to other governments, on a cost-reimbursement basis.

- The Unemployment Insurance Reserve Fund provides for the payment of unemployment benefits. Resources are provided by transfers from other funds.

Component Unit - Columbia Gateway Urban Renewal Agency - The component unit accounts for the operations of the City's urban renewal agency. The operations include the financing and expending of monies for urban renewal projects and activities pursuant to the City's redevelopment plan.

Agency Funds - These funds account for resources received and disbursed for which the City acts as fiduciary. Included is the City's Tourism Agency Fund.

GENERAL FUND





CITY OF THE DALLES, OREGON

GENERAL FUND

STATEMENT OF REVENUES AND OTHER FINANCING SOURCES -  
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Taxes			
Property taxes:			
Current year	\$ 1,243,978	\$ 1,244,211	\$ 233
Prior years	57,244	91,185	33,941
Total property taxes	1,301,222	1,335,396	34,174
Hotel-motel tax	260,000	295,158	35,158
Total taxes	1,561,222	1,630,554	69,332
Intergovernmental:			
State library grant	5,433	5,335	(98)
County share of library	185,592	185,592	-
State share - crime assistance	1,000	1,943	943
DUII grants	-	6,690	6,690
State liquor and amusement tax	82,744	78,534	(4,210)
State cigarette tax	31,566	25,842	(5,724)
State revenue sharing	54,528	65,071	10,543
Urban renewal services	130,849	56,839	(74,010)
PUD intergovernmental agreement	190,000	188,578	(1,422)
Other intergovernmental revenue	21,400	33,694	12,294
Total intergovernmental revenues	703,112	648,118	(54,994)
Other revenue:			
Franchise fees	249,000	258,755	9,755
Fines and forfeitures	173,287	208,750	35,463
Charges for services	34,810	24,404	(10,406)
Investment income	60,000	72,857	12,857
Miscellaneous	52,580	81,513	28,933
Total other revenue	569,677	646,279	76,602
<b>TOTAL REVENUES</b>	<b>2,834,011</b>	<b>2,924,951</b>	<b>90,940</b>
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	563,152	561,084	(2,068)
<b>TOTAL REVENUE AND OTHER FINANCING SOURCES</b>	<b>3,397,163</b>	<b>3,486,035</b>	<b>88,872</b>
<b>FUND BALANCE July 1, 1998</b>	<b>1,223,512</b>	<b>1,308,999</b>	<b>85,487</b>
<b>FUNDS AVAILABLE FOR APPROPRIATION</b>	<b>\$ 4,620,675</b>	<b>\$ 4,795,034</b>	<b>\$ 174,359</b>

CITY OF THE DALLES, OREGON

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -  
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>GENERAL GOVERNMENT:</b>			
City council:			
Personal services	\$ 15,750	\$ 12,895	\$ 2,855
Materials and services	153,621	137,326	16,295
Total City council	169,371	150,221	19,150
City manager:			
Personal services	110,279	109,117	1,162
Materials and services	19,575	11,742	7,833
Capital outlay	-	250	(250)
Total City manager	129,854	121,109	8,745
City clerk:			
Personal services	68,651	68,301	350
Materials and services	6,620	5,054	1,566
Capital outlay	3,000	2,923	77
Total City clerk	78,271	76,278	1,993
Legal and judicial:			
Personal services	180,329	182,386	(2,057)
Materials and services	44,237	41,538	2,699
Capital outlay	3,000	2,923	77
Total legal and judicial	227,566	226,847	719
Finance:			
Personal services	198,728	198,748	(20)
Materials and services	123,216	121,973	1,243
Capital outlay	63,412	62,747	665
Debt service	16,633	16,065	568
Total Finance	401,989	399,533	2,456
Personnel:			
Materials and services	18,600	16,784	1,816
Total personnel	18,600	16,784	1,816
Community development:			
Personal services	237,198	189,778	47,420
Materials and services	34,504	29,333	5,171
Capital outlay	2,880	5,400	(2,520)
Total community development	274,582	224,511	50,071

CITY OF THE DALLES, OREGON

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES –  
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>GENERAL GOVERNMENT(continued):</b>			
City hall:			
Personal services	43,945	34,900	9,045
Materials and services	108,524	94,390	14,134
Capital outlay	600	1,182	(582)
Total City hall	<u>153,069</u>	<u>130,472</u>	<u>22,597</u>
Total general government	<u>1,453,302</u>	<u>1,345,755</u>	<u>107,547</u>
<b>PUBLIC SAFETY:</b>			
Police:			
Personal services	1,215,548	1,187,122	28,426
Materials and services	229,774	192,848	36,926
Capital outlay	107,190	57,151	50,039
Total police	<u>1,552,512</u>	<u>1,437,121</u>	<u>115,391</u>
Codes enforcement:			
Personal services	19,445	8,688	10,757
Materials and services	6,300	5,919	381
Capital outlay	-	474	(474)
Total codes enforcement	<u>25,745</u>	<u>15,081</u>	<u>10,664</u>
Total public safety	<u>1,578,257</u>	<u>1,452,202</u>	<u>126,055</u>
<b>CULTURE AND RECREATION:</b>			
Library:			
Personal services	215,524	212,360	3,164
Materials and services	157,912	155,292	2,620
Capital outlay	3,691	2,248	1,443
Total library	<u>377,127</u>	<u>369,900</u>	<u>7,227</u>
Nondepartmental			
Materials and services	168,000	172,685	(4,685)
Total culture and recreation	<u>545,127</u>	<u>542,585</u>	<u>2,542</u>
CONTINGENCY	894,646	-	894,646
<b>TOTAL EXPENDITURES</b>	<u>4,471,332</u>	<u>3,340,542</u>	<u>1,130,790</u>
<b>OTHER FINANCING USE:</b>			
Operating transfers out	149,343	149,343	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 4,620,675</u>	<u>\$ 3,489,885</u>	<u>\$ 1,130,790</u>



**SPECIAL REVENUE FUNDS**





CITY OF THE DALLES, OREGON

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

YEAR ENDED JUNE 30, 1999

<u>ASSETS</u>	Street and Storm Sewer	Public Works Reserve	Vietnam Memorial	Street and Bridge Replace- ment
Cash and cash equivalents	\$ 645,235	\$ 180,635	\$ 1,684	\$ 144,494
Accounts receivable, net	72,375	-	-	5,150
<b>TOTAL ASSETS</b>	<u>\$ 717,610</u>	<u>\$ 180,635</u>	<u>\$ 1,684</u>	<u>\$ 149,644</u>
 <u>LIABILITIES AND FUND EQUITY</u>				
Liabilities:				
Accounts payable	\$ 45,239	\$ -	\$ -	\$ 988
Compensated absences payable	2,448	-	-	-
Deferred revenue	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>47,687</u>	<u>-</u>	<u>-</u>	<u>988</u>
Fund equity:				
Fund balances:				
Unreserved:				
Undesignated	669,923	180,635	1,684	148,656
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 717,610</u>	<u>\$ 180,635</u>	<u>\$ 1,684</u>	<u>\$ 149,644</u>

Special Grants	Parks Reserve	State Office Building	Total
\$ 86,785	\$ 57	\$ 26,277	\$ 1,085,167
-	-	3,308	80,833
<u>\$ 86,785</u>	<u>\$ 57</u>	<u>\$ 29,585</u>	<u>\$ 1,166,000</u>
\$ -	\$ -	\$ 5,154	\$ 51,381
-	-	-	2,448
-	-	3,308	3,308
<u>-</u>	<u>-</u>	<u>8,462</u>	<u>57,137</u>
<u>86,785</u>	<u>57</u>	<u>21,123</u>	<u>1,108,863</u>
<u>\$ 86,785</u>	<u>\$ 57</u>	<u>\$ 29,585</u>	<u>\$ 1,166,000</u>

CITY OF THE DALLES, OREGON

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1999

	Street and Storm Sewer	Public Works Reserve	Vietnam Memorial	Street and Bridge Replace- ment
<b>REVENUES:</b>				
Taxes	\$ 306,692	\$ -	\$ -	\$ -
Intergovernmental	691,797	-	-	141,821
Rental income	-	-	-	-
Charges for services	38,721	-	-	-
Interest on investments	27,546	6,308	80	4,172
Miscellaneous	447	-	-	-
Total revenues	<u>1,065,203</u>	<u>6,308</u>	<u>80</u>	<u>145,993</u>
<b>EXPENDITURES:</b>				
General government	-	-	229	-
Highways and streets	802,189	-	-	-
Capital outlay	132,580	-	-	159,221
Total expenditures	<u>934,769</u>	<u>-</u>	<u>229</u>	<u>159,221</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>130,434</u>	<u>6,308</u>	<u>(149)</u>	<u>(13,228)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating transfers in	81,604	110,000	-	30,000
Operating transfers out	(107,022)	-	-	-
Total other financing sources (uses)	<u>(25,418)</u>	<u>110,000</u>	<u>-</u>	<u>30,000</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>105,016</u>	<u>116,308</u>	<u>(149)</u>	<u>16,772</u>
<b>FUND BALANCES, July 1, 1998</b>	<u>564,907</u>	<u>64,327</u>	<u>1,833</u>	<u>131,884</u>
<b>FUND BALANCES, June 30, 1999</b>	<u>\$ 669,923</u>	<u>\$ 180,635</u>	<u>\$ 1,684</u>	<u>\$ 148,656</u>

Special Grants	Parks Reserve	State Office Building	Total
\$ -	\$ -	\$ -	\$ 306,692
7,000	-	-	840,618
-	-	122,772	122,772
-	-	-	38,721
5,243	-	1,644	44,993
1,105	-	836	2,388
<u>13,348</u>	<u>-</u>	<u>125,252</u>	<u>1,356,184</u>
12,467	-	148,159	160,855
-	-	-	802,189
-	-	-	291,801
<u>12,467</u>	<u>-</u>	<u>148,159</u>	<u>1,254,845</u>
881	-	(22,907)	101,339
5,306	-	-	226,910
(76,371)	-	-	(183,393)
<u>(71,065)</u>	<u>-</u>	<u>-</u>	<u>43,517</u>
(70,184)	-	(22,907)	144,856
156,969	57	44,030	964,007
<u>\$ 86,785</u>	<u>\$ 57</u>	<u>\$ 21,123</u>	<u>\$ 1,108,863</u>





CITY OF THE DALLES, OREGON

STREET AND STORM SEWER FUND

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Taxes	\$ 320,000	\$ 306,692	\$ (13,308)
Intergovernmental	682,378	691,797	9,419
Charges for services	39,058	38,721	(337)
Interest on investments	20,000	27,546	7,546
Miscellaneous	-	447	447
<b>Total revenues</b>	<u>1,061,436</u>	<u>1,065,203</u>	<u>3,767</u>
<b>EXPENDITURES:</b>			
Personal services	456,804	431,577	25,227
Materials and services	408,009	370,612	37,397
Capital outlay	335,189	132,580	202,609
Contingency	228,943	-	228,943
<b>Total expenditures</b>	<u>1,428,945</u>	<u>934,769</u>	<u>494,176</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(367,509)</u>	<u>130,434</u>	<u>497,943</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	81,604	81,604	-
Operating transfers out	(107,022)	(107,022)	-
<b>Total other financing sources (uses)</b>	<u>(25,418)</u>	<u>(25,418)</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(392,927)</u>	<u>105,016</u>	<u>497,943</u>
<b>FUND BALANCE, July 1, 1998</b>	<u>392,927</u>	<u>564,907</u>	<u>171,980</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ -</u>	<u>\$ 669,923</u>	<u>\$ 669,923</u>

CITY OF THE DALLES, OREGON

PUBLIC WORKS RESERVE FUND

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Interest on investments	\$ 5,000	\$ 6,308	\$ 1,308
<b>EXPENDITURES:</b>			
Capital outlay	173,358	-	173,358
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(168,358)	6,308	174,666
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	110,000	110,000	-
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	(58,358)	116,308	174,666
<b>FUND BALANCE, July 1, 1998</b>	58,358	64,327	5,969
<b>FUND BALANCE, June 30, 1999</b>	\$ -	\$ 180,635	\$ 180,635

CITY OF THE DALLES, OREGON

VIETNAM MEMORIAL FUND

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Interest on investments	\$ 75	\$ 80	\$ 5
<b>EXPENDITURES:</b>			
Materials and services	<u>1,910</u>	<u>229</u>	<u>1,681</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(1,835)	(149)	1,686
<b>FUND BALANCE, July 1, 1998</b>	<u>1,835</u>	<u>1,833</u>	<u>(2)</u>
<b>FUND BALANCE, June 30, 1999</b>	<u><u>\$ -</u></u>	<u><u>\$ 1,684</u></u>	<u><u>\$ 1,684</u></u>

CITY OF THE DALLES, OREGON  
STREET AND BRIDGE REPLACEMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Intergovernmental	\$ 101,120	\$ 141,821	\$ 40,701
Interest on investments	5,000	4,172	(828)
	106,120	145,993	39,873
<b>EXPENDITURES:</b>			
Capital outlay	268,004	159,221	108,783
	(161,884)	(13,228)	148,656
<b>REVENUES OVER (UNDER) EXPENDITURES</b>			
<b>OTHER FINANCING SOURCES:</b>			
Operating transfer in	30,000	30,000	-
	(131,884)	16,772	148,656
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>			
<b>FUND BALANCE, July 1, 1998</b>	131,884	131,884	-
<b>FUND BALANCE, June 30, 1999</b>	\$ -	\$ 148,656	\$ 148,656

CITY OF THE DALLES, OREGON

SPECIAL GRANTS FUND

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Intergovernmental	\$ 122,958	\$ 7,000	\$ (115,958)
Interest on investments	6,500	5,243	(1,257)
Miscellaneous	20,000	1,105	(18,895)
Total revenues	149,458	13,348	(136,110)
<b>EXPENDITURES:</b>			
Materials and services	215,154	12,467	202,687
Capital outlay	27,492	-	27,492
Total expenditures	242,646	12,467	230,179
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(93,188)</u>	<u>881</u>	<u>94,069</u>
<b>OTHER FINANCING SOURCES (USED):</b>			
Operating transfers in	5,306	5,306	-
Operating transfers out	(86,939)	(76,371)	10,568
Total other financing sources (uses)	<u>(81,633)</u>	<u>(71,065)</u>	<u>10,568</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(174,821)</u>	<u>(70,184)</u>	<u>104,637</u>
<b>FUND BALANCE, July 1, 1998</b>	<u>174,821</u>	<u>156,969</u>	<u>(17,852)</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ -</u>	<u>\$ 86,785</u>	<u>\$ 86,785</u>

CITY OF THE DALLES, OREGON

STATE OFFICE BUILDING FUND

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Rental income	\$ 122,772	\$ 122,772	\$ -
Interest on investments	2,700	1,644	(1,056)
Miscellaneous	-	836	836
	<hr/>	<hr/>	<hr/>
Total revenues	125,472	125,252	(220)
<b>EXPENDITURES:</b>			
Materials and services	169,916	148,159	21,757
	<hr/>	<hr/>	<hr/>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(44,444)	(22,907)	21,537
<b>FUND BALANCE, July 1, 1998</b>	44,444	44,030	(414)
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, June 30, 1999</b>	\$ -	\$ 21,123	\$ 21,123
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

DEBT SERVICE FUNDS







CITY OF THE DALLES, OREGON

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1999

<u>ASSETS</u>	Water Bond Debt	Senior Center Grant Debt	Police Facility Revenue Bond	Total
Cash and cash equivalents	\$ 51,321	\$ 268	\$ 144,145	\$ 195,734
Property taxes receivable	30,315	-	-	30,315
<b>TOTAL ASSETS</b>	<u>\$ 81,636</u>	<u>\$ 268</u>	<u>\$ 144,145</u>	<u>\$ 226,049</u>
 <u>LIABILITIES AND FUND EQUITY</u>				
Liability:				
Deferred revenue - property taxes	\$ 27,622	\$ -	\$ -	\$ 27,622
Fund equity:				
Fund balances:				
Reserved:				
Reserved for debt service	54,014	268	144,145	198,427
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$ 81,636</u>	<u>\$ 268</u>	<u>\$ 144,145</u>	<u>\$ 226,049</u>

CITY OF THE DALLES, OREGON

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1999

	Water Bond Debt	Senior Center Grant Debt Service	Police Facility Revenue Bond	Total
<b>REVENUES:</b>				
Property taxes	\$ 353,132	\$ -	\$ -	\$ 353,132
Rental income	-	3,180	141,925	145,105
Interest on investments	3,156	-	6,605	9,761
<b>Total revenues</b>	<b>356,288</b>	<b>3,180</b>	<b>148,530</b>	<b>507,998</b>
<b>EXPENDITURES:</b>				
Debt service	360,875	3,180	47,249	411,304
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(4,587)</b>	<b>-</b>	<b>101,281</b>	<b>96,694</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of refunding bonds	-	-	1,013,412	1,013,412
Operating transfers out	-	-	(63,000)	(63,000)
Payments to refund bonds	-	-	(1,015,422)	(1,015,422)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(65,010)</b>	<b>(65,010)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(4,587)</b>	<b>-</b>	<b>36,271</b>	<b>31,684</b>
<b>FUND BALANCES, July 1, 1998</b>	<b>58,601</b>	<b>268</b>	<b>107,874</b>	<b>166,743</b>
<b>FUND BALANCES, June 30, 1999</b>	<b>\$ 54,014</b>	<b>\$ 268</b>	<b>\$ 144,145</b>	<b>\$ 198,427</b>

CITY OF THE DALLES, OREGON

WATER BOND DEBT FUND

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

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Property taxes	\$ 349,020	\$ 353,132	\$ 4,112
Interest on investments	1,500	3,156	1,656
	<hr/>	<hr/>	<hr/>
Total revenues	350,520	356,288	5,768
 <b>EXPENDITURES:</b>			
Debt service	361,475	360,875	600
	<hr/>	<hr/>	<hr/>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(10,955)	(4,587)	6,368
 <b>FUND BALANCE, July 1, 1998</b>	<hr/> 24,793	<hr/> 58,601	<hr/> 33,808
 <b>FUND BALANCE, June 30, 1999</b>	<hr/> <u>\$ 13,838</u>	<hr/> <u>\$ 54,014</u>	<hr/> <u>\$ 40,176</u>

CITY OF THE DALLES, OREGON

SENIOR CENTER GRANT DEBT SERVICE FUND

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

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Rental income	\$ 3,180	\$ 3,180	\$ -
<b>EXPENDITURES:</b>			
Debt service	3,180	3,180	-
<b>REVENUES OVER EXPENDITURES</b>	-	-	-
<b>FUND BALANCE, July 1, 1998</b>	-	268	268
<b>FUND BALANCE, June 30, 1999</b>	\$ -	\$ 268	\$ 268

**CITY OF THE DALLES, OREGON**  
**POLICE FACILITY REVENUE BOND DEBT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL**

**YEAR ENDED JUNE 30, 1999**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Rental income	\$ 142,806	\$ 141,925	\$ (881)
Interest on investments	6,400	6,605	205
	149,206	148,530	(676)
<b>EXPENDITURES:</b>			
Debt service	135,299	47,249	88,050
	13,907	101,281	87,374
<b>REVENUES OVER (UNDER) EXPENDITURES</b>			
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds of refunding bonds	1,013,412	1,013,412	-
Operating transfers out	(63,000)	(63,000)	-
Payments to refund bonds	(1,015,422)	(1,015,422)	-
	(65,010)	(65,010)	-
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	(51,103)	36,271	87,374
<b>FUND BALANCE, July 1, 1998</b>	190,821	107,874	(82,947)
<b>FUND BALANCE, June 30, 1999</b>	\$ 139,718	\$ 144,145	\$ 4,427

COMPONENT UNIT







**CITY OF THE DALLES, OREGON**

**CAPITAL PROJECTS FUNDS**

**COMBINING BALANCE SHEET**

JUNE 30, 1999

	Special Assessments	Capital Projects	F.A.A. Grant Improvement	Total
<b><u>ASSETS</u></b>				
Cash and cash equivalents	\$ 520,007	\$ 848,233	\$ -	\$ 1,368,240
Assessments receivable	172,701	-	-	172,701
Accounts receivable	-	-	4,313	4,313
Interfund receivable	-	3,272	-	3,272
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL ASSETS</b>	<b>692,708</b>	<b>851,505</b>	<b>4,313</b>	<b>1,548,526</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b><u>LIABILITIES AND FUND EQUITY</u></b>				
Liabilities:				
Accounts payable	-	156,857	-	156,857
Interfund payable	-	-	3,272	3,272
Retainage payable	-	26,047	-	26,047
Deferred revenues	172,701	-	-	172,701
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	172,701	182,904	3,272	358,877
	<hr/>	<hr/>	<hr/>	<hr/>
Fund equity:				
Fund balances:				
Unreserved:				
Undesignated	520,007	668,601	1,041	1,189,649
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 692,708</b>	<b>\$ 851,505</b>	<b>\$ 4,313</b>	<b>\$ 1,548,526</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**ADDITIONAL SCHEDULES**



**CAPITAL PROJECTS FUNDS**



CITY OF THE DALLES, OREGON

CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 1999

	Special Assessments	Capital Projects	F.A.A. Grant Improvement	Total
<b>REVENUES:</b>				
Special assessments	\$ 131,118	\$ -	\$ -	\$ 131,118
Intergovernmental	-	53,000	1,335,746	1,388,746
Rental income	-	12,616	-	12,616
Interest on investments	23,483	43,167	4,550	71,200
Miscellaneous	-	209,676	5,314	214,990
	<u>154,601</u>	<u>318,459</u>	<u>1,345,610</u>	<u>1,818,670</u>
<b>EXPENDITURES:</b>				
General government	60	104,459	-	104,519
Capital outlay	-	594,853	1,286,434	1,881,287
	<u>60</u>	<u>699,312</u>	<u>1,286,434</u>	<u>1,985,806</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>				
	<u>154,541</u>	<u>(380,853)</u>	<u>59,176</u>	<u>(167,136)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds of refunding bonds	-	126,588	-	126,588
Operating transfers in	-	126,800	5,059	131,859
Operating transfers out	(24,900)	(5,306)	(126,065)	(156,271)
	<u>(24,900)</u>	<u>248,082</u>	<u>(121,006)</u>	<u>102,176</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>129,641</u>	<u>(132,771)</u>	<u>(61,830)</u>	<u>(64,960)</u>
FUND BALANCE, July 1, 1998	<u>390,366</u>	<u>801,372</u>	<u>62,871</u>	<u>1,254,609</u>
FUND BALANCE, June 30, 1999	<u>\$ 520,007</u>	<u>\$ 668,601</u>	<u>\$ 1,041</u>	<u>\$ 1,189,649</u>

CITY OF THE DALLES, OREGON

SPECIAL ASSESSMENTS FUND

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

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Special assessments			
Principal	\$ 52,827	\$ 118,872	\$ 66,045
Interest	18,400	12,246	(6,154)
Interest on investments	15,000	23,483	8,483
Total revenues	<u>86,227</u>	<u>154,601</u>	<u>68,374</u>
<b>EXPENDITURES:</b>			
Materials and services	1,192,729	60	1,192,669
Contingency	83,373	-	83,373
Total expenditures	<u>1,276,102</u>	<u>60</u>	<u>1,276,042</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,189,875)</u>	<u>154,541</u>	<u>1,344,416</u>
<b>OTHER FINANCING SOURCES (USED):</b>			
Bond proceeds	787,500	-	(787,500)
Operating transfers out	(39,756)	(24,900)	14,856
Total other financing sources (uses)	<u>747,744</u>	<u>(24,900)</u>	<u>(772,644)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(442,131)</u>	<u>129,641</u>	<u>571,772</u>
<b>FUND BALANCE, July 1, 1998</b>	<u>442,131</u>	<u>390,366</u>	<u>(51,765)</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ -</u>	<u>\$ 520,007</u>	<u>\$ 520,007</u>



CITY OF THE DALLES, OREGON

CAPITAL PROJECTS FUND

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

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Intergovernmental	\$ 53,000	\$ 53,000	\$ -
Rental income	6,210	12,616	6,406
Interest on investments	20,000	43,167	23,167
Miscellaneous	213,000	209,676	(3,324)
<b>Total revenues</b>	<u>292,210</u>	<u>318,459</u>	<u>26,249</u>
<b>EXPENDITURES:</b>			
Materials and services	169,501	104,459	65,042
Capital outlay	1,128,047	594,853	533,194
<b>Total expenditures</b>	<u>1,297,548</u>	<u>699,312</u>	<u>598,236</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,005,338)</u>	<u>(380,853)</u>	<u>624,485</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds of refunding bonds	135,000	126,588	(8,412)
Operating transfers in	139,774	126,800	(12,974)
Operating transfers out	(5,306)	(5,306)	-
<b>Total other financing sources (uses)</b>	<u>269,468</u>	<u>248,082</u>	<u>(21,386)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	<u>(735,870)</u>	<u>(132,771)</u>	<u>603,099</u>
<b>FUND BALANCE, July 1, 1998</b>	<u>735,870</u>	<u>801,372</u>	<u>65,502</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ -</u>	<u>\$ 668,601</u>	<u>\$ 668,601</u>

CITY OF THE DALLES, OREGON

F.A.A. GRANT IMPROVEMENT FUND

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Intergovernmental revenue	\$ 1,335,746	\$ 1,335,746	\$ -
Interest on investments	4,575	4,550	(25)
Miscellaneous	4,594	5,314	720
<b>Total revenues</b>	<b>1,344,915</b>	<b>1,345,610</b>	<b>695</b>
<b>EXPENDITURES:</b>			
Capital outlay	1,286,474	1,286,434	40
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>58,441</b>	<b>59,176</b>	<b>735</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	5,059	5,059	-
Operating transfers out	(126,065)	(126,065)	-
<b>Total other financing sources (uses)</b>	<b>(121,006)</b>	<b>(121,006)</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(62,565)</b>	<b>(61,830)</b>	<b>735</b>
<b>FUND BALANCE, July 1, 1998</b>	<b>62,565</b>	<b>62,871</b>	<b>306</b>
<b>FUND BALANCE, June 30, 1999</b>	<b>\$ -</b>	<b>\$ 1,041</b>	<b>\$ 1,041</b>

**ENTERPRISE FUNDS**



CITY OF THE DALLES, OREGON

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

JUNE 30, 1999

	Water Utility	Waste Water Utility	Airport	Total
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 651,665	\$ 519,028	\$ 7,048	\$ 1,177,741
Receivables	232,070	188,613	-	420,683
Inventories	66,617	23,494	-	90,111
<b>Total current assets</b>	<b>950,352</b>	<b>731,135</b>	<b>7,048</b>	<b>1,688,535</b>
Restricted assets				
Cash and cash equivalents	1,447,809	1,908,323	-	3,356,132
Receivables	-	100,000	-	100,000
<b>Total restricted assets</b>	<b>1,447,809</b>	<b>2,008,323</b>	<b>-</b>	<b>3,456,132</b>
Fixed assets	13,150,705	6,745,285	1,733,352	21,629,342
Accumulated depreciation	(4,030,390)	(2,252,678)	(146,380)	(6,429,448)
<b>Net fixed assets</b>	<b>9,120,315</b>	<b>4,492,607</b>	<b>1,586,972</b>	<b>15,199,894</b>
<b>TOTAL ASSETS</b>	<b>\$ 11,518,476</b>	<b>\$ 7,232,065</b>	<b>\$ 1,594,020</b>	<b>\$ 20,344,561</b>
<b>LIABILITIES AND EQUITY</b>				
Current liabilities:				
Accounts payable	31,002	39,193	926	71,121
Retainage payable	1,071	6,369	-	7,440
Compensated absences payable	40,130	20,714	-	60,844
Deferred revenue	445	-	-	445
<b>Total current liabilities-unrestricted</b>	<b>72,648</b>	<b>66,276</b>	<b>926</b>	<b>139,850</b>
Liabilities payable from restricted assets:				
Accounts payable	8,039	63,762	-	71,801
Notes payable	-	540,000	-	540,000
<b>Total liabilities - restricted assets</b>	<b>8,039</b>	<b>603,762</b>	<b>-</b>	<b>611,801</b>
<b>Total liabilities</b>	<b>80,687</b>	<b>670,038</b>	<b>926</b>	<b>751,651</b>
Equity:				
Contributed capital	912,674	1,037,393	1,060,010	3,010,077
Retained earnings:				
Reserved for construction	1,439,770	1,404,561	-	2,844,331
Unreserved	9,085,345	4,120,073	533,084	13,738,502
<b>Total equity</b>	<b>11,437,789</b>	<b>6,562,027</b>	<b>1,593,094</b>	<b>19,592,910</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 11,518,476</b>	<b>\$ 7,232,065</b>	<b>\$ 1,594,020</b>	<b>\$ 20,344,561</b>

**CITY OF THE DALLES, OREGON**

**ENTERPRISE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS**

**YEAR ENDED JUNE 30, 1999**

	Water Utility	Waste Water Utility	Airport	Total
<b>OPERATING REVENUES:</b>				
Service charges and fees	\$ 2,171,196	\$ 1,823,349	\$ 1,157	\$ 3,995,702
Rental income	-	-	16,203	16,203
Other operating income	4,610	39,395	10,663	54,668
	<hr/>	<hr/>	<hr/>	<hr/>
Total operating revenues	2,175,806	1,862,744	28,023	4,066,573
<b>OPERATING EXPENSES:</b>				
Personal services	852,306	421,446	24,772	1,298,524
Materials and services	610,666	781,490	56,700	1,448,856
Depreciation	351,918	293,345	39,249	684,512
	<hr/>	<hr/>	<hr/>	<hr/>
Total operating expenses	1,814,890	1,496,281	120,721	3,431,892
<b>Operating income (loss)</b>	<hr/>	<hr/>	<hr/>	<hr/>
	360,916	366,463	(92,698)	634,681
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Intergovernmental	10,748	350,748	-	361,496
Interest on investments	105,243	96,840	1,374	203,457
Interest expense	-	(10,703)	-	(10,703)
	<hr/>	<hr/>	<hr/>	<hr/>
Total nonoperating revenues (expenses)	115,991	436,885	1,374	554,250
<b>Income before operating transfers</b>	<hr/>	<hr/>	<hr/>	<hr/>
	476,907	803,348	(91,324)	1,188,931
<b>TRANSFERS TO (FROM) OTHER FUNDS:</b>				
Transfers in	7,824	5,350	131,932	145,106
Transfers out	(292,891)	(242,985)	(59)	(535,935)
	<hr/>	<hr/>	<hr/>	<hr/>
Total operating transfers	(285,067)	(237,635)	131,873	(390,829)
<b>Net income</b>	<hr/>	<hr/>	<hr/>	<hr/>
	191,840	565,713	40,549	798,102
<b>RETAINED EARNINGS, July 1, 1998</b>	<hr/>	<hr/>	<hr/>	<hr/>
	10,333,275	4,958,921	492,535	15,784,731
<b>RETAINED EARNINGS, June 30, 1999</b>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 10,525,115	\$ 5,524,634	\$ 533,084	\$ 16,582,833

**CITY OF THE DALLES, OREGON**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**

**YEAR ENDED JUNE 30, 1999**

	Water Utility	Waste Water Utility	Airport	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ 360,916	\$ 366,463	\$ (92,698)	\$ 634,681
Adjustments to reconcile operating income to net cash provided by operations:				
Depreciation	351,918	293,345	39,249	684,512
Change in current assets and liabilities:				
Receivables	(109,890)	(91,157)	492	(200,555)
Inventories	109,863	391	-	110,254
Accounts payable	(140,201)	64,339	(962)	(76,824)
Retainage payable	(422)	6,369	-	5,947
Compensated absences payable	(969)	310	-	(659)
Deferred revenue	445	-	-	445
Net cash provided (used) by operations	<u>571,660</u>	<u>640,060</u>	<u>(53,919)</u>	<u>1,157,801</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Intergovernmental revenue	10,748	350,748	-	361,496
Operating transfers, net	(285,067)	(237,635)	131,873	(390,829)
Net cash provided (used) by noncapital financing activities	<u>(274,319)</u>	<u>113,113</u>	<u>131,873</u>	<u>(29,333)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Debt proceeds - Notes payable	-	600,000	-	600,000
Principal payments - Notes payable	-	(364,936)	-	(364,936)
Interest paid	-	(10,703)	-	(10,703)
Acquisition of fixed assets	(272,735)	(348,783)	(122,523)	(744,041)
Net cash used by capital and related financing activities	<u>(272,735)</u>	<u>(124,422)</u>	<u>(122,523)</u>	<u>(519,680)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest earnings	105,243	96,840	1,374	203,457
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>129,849</b>	<b>725,591</b>	<b>(43,195)</b>	<b>812,245</b>
<b>CASH AND CASH EQUIVALENTS, July 1, 1998</b>	<b><u>1,969,625</u></b>	<b><u>1,701,760</u></b>	<b><u>50,243</u></b>	<b><u>3,721,628</u></b>
<b>CASH AND CASH EQUIVALENTS, June 30, 1999</b>	<b><u>\$ 2,099,474</u></b>	<b><u>\$ 2,427,351</u></b>	<b><u>\$ 7,048</u></b>	<b><u>\$ 4,533,873</u></b>
<b>COMPRISED AS FOLLOWS:</b>				
Cash and cash equivalents	651,665	519,028	7,048	1,177,741
Restricted cash and cash equivalents	1,447,809	1,908,323	-	3,356,132
	<u>\$ 2,099,474</u>	<u>\$ 2,427,351</u>	<u>\$ 7,048</u>	<u>\$ 4,533,873</u>

CITY OF THE DALLES, OREGON

WATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE -  
BUDGET (NON-GAAP) AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Charges for services	\$ 2,137,767	\$ 2,117,100	\$ (20,667)
Interest on investments	20,000	34,373	14,373
Intergovernmental	-	10,748	10,748
Miscellaneous	200,000	4,610	(195,390)
Total revenues	<u>2,357,767</u>	<u>2,166,831</u>	<u>(190,936)</u>
<b>EXPENDITURES:</b>			
Personal services	904,502	853,276	51,226
Materials and services	753,249	500,803	252,446
Capital outlay	393,765	184,153	209,612
Contingency	127,069	-	127,069
Total expenditures	<u>2,178,585</u>	<u>1,538,232</u>	<u>640,353</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>179,182</u>	<u>628,599</u>	<u>449,417</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	5,350	7,824	2,474
Operating transfers out	(629,933)	(429,933)	200,000
Total other financing sources (uses)	<u>(624,583)</u>	<u>(422,109)</u>	<u>202,474</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(445,401)</u>	<u>206,490</u>	<u>651,891</u>
<b>FUND BALANCE, July 1, 1998</b>	<u>445,401</u>	<u>651,734</u>	<u>206,333</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ -</u>	<u>\$ 858,224</u>	<u>\$ 858,224</u>



CITY OF THE DALLES, OREGON  
WATER CAPITAL RESERVE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE -  
BUDGET (NON-GAAP) AND ACTUAL  
YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Charges for services	\$ 13,440	\$ 54,096	\$ 40,656
Interest on investments	30,000	70,870	40,870
	<u>43,440</u>	<u>124,966</u>	<u>81,526</u>
<b>EXPENDITURES:</b>			
Capital outlay	1,421,961	88,582	1,333,379
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(1,378,521)	36,384	1,414,905
<b>OTHER FINANCING SOURCES:</b>			
Operating transfers in	337,042	137,042	(200,000)
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	(1,041,479)	173,426	1,214,905
<b>FUND BALANCE, July 1, 1998</b>	1,041,479	1,266,343	224,864
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ -</u>	<u>\$ 1,439,769</u>	<u>\$ 1,439,769</u>

CITY OF THE DALLES, OREGON

WATER UTILITY FUND

SCHEDULE OF RECONCILIATION OF  
REVENUES AND EXPENDITURES  
TO NET INCOME

YEAR ENDED JUNE 30, 1999

	<u>Revenues</u>	<u>Expenditures</u>	<u>Net Income (Loss)</u>
<b>BUDGETARY BASIS (NON-GAAP):</b>			
Water Utility fund	\$ 2,166,831	\$ 1,538,232	\$ 628,599
Water Capital Reserve Fund	<u>124,966</u>	<u>88,582</u>	<u>36,384</u>
	<u>\$ 2,291,797</u>	<u>\$ 1,626,814</u>	664,983
 Adjustments:			
Depreciation expense			(351,918)
Change in compensated absences payable			970
Change in physical inventory			(109,863)
Expenditures capitalized			272,735
Revenues budgeted as other financing sources			144,866
Expenses budgeted as other financing uses			<u>(429,933)</u>
 <b>GENERALLY ACCEPTED ACCOUNTING PRINCIPLES BASIS (GAAP) NET INCOME</b>			 <u>\$ 191,840</u>

CITY OF THE DALLES, OREGON

WASTE WATER FUND

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE -  
BUDGET (NON-GAAP) AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Charges for services	\$ 1,750,227	\$ 1,775,440	\$ 25,213
Intergovernmental	-	10,748	10,748
Interest on Investments	30,000	31,465	1,465
Miscellaneous	38,524	38,809	285
<b>Total revenues</b>	<u>1,818,751</u>	<u>1,856,462</u>	<u>37,711</u>
<b>EXPENDITURES:</b>			
Personal services	424,938	421,136	3,802
Materials and services	806,346	776,786	29,560
Capital outlay	422,476	255,683	166,793
Contingency	253,531	-	253,531
<b>Total expenditures</b>	<u>1,907,291</u>	<u>1,453,605</u>	<u>453,686</u>
<b>REVENUES OVER EXPENDITURES</b>	<u>(88,540)</u>	<u>402,857</u>	<u>491,397</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	5,350	5,350	-
Operating transfers out	(872,985)	(721,202)	151,783
<b>Total other financing sources (uses)</b>	<u>(867,635)</u>	<u>(715,852)</u>	<u>151,783</u>
<b>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(956,175)</u>	<u>(312,995)</u>	<u>643,180</u>
<b>FUND BALANCE, July 1, 1998</b>	<u>956,175</u>	<u>948,949</u>	<u>(7,226)</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ -</u>	<u>\$ 635,954</u>	<u>\$ 635,954</u>

CITY OF THE DALLES, OREGON

SEWER SPECIAL RESERVE FUND

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE -  
BUDGET (NON-GAAP) AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Charges for services	\$ 13,200	\$ 47,909	\$ 34,709
Interest on investments	30,000	65,375	35,375
Intergovernmental	300,000	340,000	40,000
Other revenue	-	586	586
Total revenues	<u>343,200</u>	<u>453,870</u>	<u>110,670</u>
<b>EXPENDITURES:</b>			
Materials and services	330,000	4,313	325,687
Capital outlay	1,911,567	93,100	1,818,467
Debt service	75,010	70,703	4,307
Total expenditures	<u>2,316,577</u>	<u>168,116</u>	<u>2,148,461</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,973,377)</u>	<u>285,754</u>	<u>2,259,131</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	630,000	478,217	(151,783)
Debt proceeds	600,000	600,000	-
Total other financing sources (uses)	<u>1,230,000</u>	<u>1,078,217</u>	<u>(151,783)</u>
<b>REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>(743,377)</u>	<u>1,363,971</u>	<u>2,107,348</u>
<b>FUND BALANCE, July 1, 1998</b>	<u>743,377</u>	<u>580,590</u>	<u>(162,787)</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ -</u>	<u>\$ 1,944,561</u>	<u>\$ 1,944,561</u>

CITY OF THE DALLES, OREGON  
WASTE WATER UTILITY FUND  
SCHEDULE OF RECONCILIATION OF  
REVENUES AND EXPENDITURES  
TO NET INCOME

YEAR ENDED JUNE 30, 1999

	Revenues	Expenditures	Net Income (Loss)
<b>BUDGETARY BASIS (NON-GAAP):</b>			
Waste Water Fund	\$ 1,856,462	\$ 1,453,605	\$ 402,857
Sewer Special Reserve Fund	453,870	168,116	285,754
	\$ 2,310,332	\$ 1,621,721	688,611
 Adjustments:			
Depreciation expense			(293,345)
Expenditures capitalized			348,783
Loan principal payments budgeted as debt service			60,000
Change in physical inventory			(391)
Change in compensated absences payable			(310)
Revenues budgeted as other financing sources			483,567
Expenses budgeted as other financing uses			(721,202)
 <b>GENERALLY ACCEPTED ACCOUNTING PRINCIPLES BASIS (GAAP) NET INCOME</b>			 <b>\$ 565,713</b>

CITY OF THE DALLES, OREGON

AIRPORT FUND

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE -  
BUDGET (NON-GAAP) AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Rental income	\$ 19,000	\$ 16,203	\$ (2,797)
Charges for services (net of sales taxes)	1,400	1,157	(243)
Interest on investments	500	1,374	874
Intergovernmental	50,000	-	(50,000)
Miscellaneous	59	10,663	10,604
<b>Total revenues</b>	<b>70,959</b>	<b>29,397</b>	<b>(41,562)</b>
<b>EXPENDITURES:</b>			
Personal services	24,800	24,772	28
Materials and services	68,380	56,700	11,680
Capital outlay	172,408	122,523	49,885
<b>Total expenditures</b>	<b>265,588</b>	<b>203,995</b>	<b>61,593</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(194,629)</b>	<b>(174,598)</b>	<b>20,031</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	131,932	131,932	-
Operating transfers out	(59)	(59)	-
<b>Total other financing sources (uses)</b>	<b>131,873</b>	<b>131,873</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(62,756)</b>	<b>(42,725)</b>	<b>20,031</b>
<b>FUND BALANCE, July 1, 1998</b>	<b>62,756</b>	<b>48,846</b>	<b>(13,910)</b>
<b>FUND BALANCE, June 30, 1999</b>	<b>\$ -</b>	<b>\$ 6,121</b>	<b>\$ 6,121</b>
<b>RECONCILIATION OF REVENUES AND EXPENDITURES/EXPENSES BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES BASIS:</b>			
		<b>Revenues</b>	<b>Expenditures/ Expenses</b>
Budgetary basis - (Non-GAAP)		\$ 29,397	\$ 203,995
Revenues budgeted as other financing sources (uses)		131,932	59
Capital outlay		-	(122,523)
Depreciation expense		-	39,249
		<b>\$ 161,329</b>	<b>\$ 120,780</b>
<b>GENERALLY ACCEPTED ACCOUNTING PRINCIPLES BASIS - (GAAP) NET INCOME</b>			<b>\$ 40,549</b>

**INTERNAL SERVICE FUND**





CITY OF THE DALLES, OREGON

INTERNAL SERVICE FUND

BALANCE SHEET

YEAR ENDED JUNE 30, 1999

	<u>Unemployment Reserve</u>
<b><u>ASSETS</u></b>	
Cash and cash equivalents	\$ <u>39,031</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>39,031</u></b>
<b><u>LIABILITIES AND EQUITY</u></b>	
Liabilities:	
Accounts payable	\$ <u>5,953</u>
<b>TOTAL LIABILITIES</b>	<b><u>5,953</u></b>
Equity:	
Retained earnings	<u>33,078</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ <u>39,031</u></b>

CITY OF THE DALLES, OREGON  
INTERNAL SERVICE FUND  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN RETAINED EARNINGS  
YEAR ENDED JUNE 30, 1999

	Unemployment Reserve
<b>OPERATING EXPENSES:</b>	
Personal services	\$ 16,966
<b>Operating income (loss)</b>	(16,966)
<b>NONOPERATING INCOME:</b>	
Interest earnings	1,712
<b>OTHER FINANCING SOURCES</b>	
Transfers in	22,983
<b>Net Income</b>	7,729
<b>RETAINED EARNINGS, July 1, 1998</b>	25,349
<b>RETAINED EARNINGS, June 30, 1998</b>	\$ 33,078

CITY OF THE DALLES, OREGON  
INTERNAL SERVICE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 1999

	Unemployment Reserve
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Operating income (loss)	\$ (16,966)
Adjustments to reconcile operating income to net cash provided by operations:	
Change in current assets and liabilities:	
Accounts payable	(71)
Net cash (used) provided by operations	(17,037)
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers from other funds	22,983
 <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest earnings	1,712
 <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	7,658
 <b>CASH AND CASH EQUIVALENTS, July 1, 1998</b>	31,373
 <b>CASH AND CASH EQUIVALENTS, June 30, 1999</b>	\$ 39,031

CITY OF THE DALLES, OREGON

UNEMPLOYMENT RESERVE FUND

SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-  
BUDGET (NON-GAAP) AND ACTUAL

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	<u>(Unfavorable)</u>
<b>REVENUES:</b>			
Interest on investments	\$ 1,300	\$ 1,712	\$ 412
<b>EXPENDITURES:</b>			
Personal services	<u>54,108</u>	<u>16,966</u>	<u>37,142</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(52,808)	(15,254)	37,554
<b>OTHER FINANCING SOURCES (USES):</b>			
Operating transfers in	<u>22,983</u>	<u>22,983</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	(29,825)	7,729	37,554
<b>FUND BALANCE, July 1, 1998</b>	<u>29,825</u>	<u>25,349</u>	<u>(4,476)</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ -</u>	<u>\$ 33,078</u>	<u>\$ 33,078</u>
 <b>RECONCILIATION OF REVENUES AND EXPENDITURES/EXPENSES BUDGETARY BASIS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES BASIS:</b>		<u>Revenues</u>	<u>Expenditures/ Expenses</u>
Budgetary basis - (Non-GAAP)		\$ 1,712	\$ 16,966
Revenues budgeted as other financing sources		<u>22,983</u>	<u>-</u>
		<u>\$ 24,695</u>	<u>\$ 16,966</u>
 <b>GENERALLY ACCEPTED ACCOUNTING PRINCIPLES BASIS - (GAAP) NET INCOME</b>			<u>\$ 7,729</u>



CITY OF THE DALLES, OREGON

COLUMBIA GATEWAY URBAN RENEWAL AGENCY  
A COMPONENT UNIT

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

YEAR ENDED JUNE 30, 1999

	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES:</b>			
Property taxes	\$ 191,266	\$ 762,506	\$ 571,240
Interest on investments	38,400	50,392	11,992
<b>Total Revenues</b>	<u>229,666</u>	<u>812,898</u>	<u>583,232</u>
<b>EXPENDITURES:</b>			
Materials and services	452,136	129,316	322,820
Capital outlay	4,488,283	628,782	3,859,501
Contingency	75,000	-	75,000
<b>Total Expenditures</b>	<u>5,015,419</u>	<u>758,098</u>	<u>4,257,321</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(4,785,753)</u>	<u>54,800</u>	<u>4,840,553</u>
<b>OTHER FINANCING SOURCES</b>			
Bond proceeds	4,500,000	-	(4,500,000)
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	<u>(285,753)</u>	<u>54,800</u>	<u>340,553</u>
<b>FUND BALANCE, July 1, 1998</b>	<u>735,753</u>	<u>726,926</u>	<u>(8,827)</u>
<b>FUND BALANCE, June 30, 1999</b>	<u>\$ 450,000</u>	<u>\$ 781,726</u>	<u>\$ 331,726</u>

**AGENCY FUND**







CITY OF THE DALLES, OREGON

AGENCY FUND

STATEMENT OF CHANGES IN  
ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 1999

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
<b><u>TOURISM AGENCY FUND</u></b>				
<b><u>ASSETS</u></b>				
Restricted assets:	\$ 89	\$ 172,685	\$ (172,774)	\$ -
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 1,092	\$ 171,682	\$ (172,774)	\$ -
<b><u>FUND EQUITY</u></b>				
Fund balance	(1,003)	1,003	-	-
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 89</b>	<b>\$ 172,685</b>	<b>\$ (172,774)</b>	<b>\$ -</b>

**GENERAL FIXED ASSETS**



CITY OF THE DALLES, OREGON

SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE

JUNE 30, 1999

GENERAL FIXED ASSETS:

Land and land improvements	\$ 1,994,496
Buildings and improvements	3,092,315
Machinery and equipment	<u>2,283,567</u>

**TOTAL GENERAL FIXED ASSETS** \$ 7,370,378

INVESTMENTS IN GENERAL FIXED ASSETS:

General Fund	\$ 2,204,667
Special Revenue Funds	2,038,654
Capital Projects Funds	<u>3,127,057</u>

**TOTAL INVESTMENT IN GENERAL FIXED ASSETS** \$ 7,370,378

CITY OF THE DALLES, OREGON

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY SOURCE

YEAR ENDED JUNE 30, 1999

	Land and Land Improvements	Buildings and Improvements	Machinery and Equipment	Totals
Balance, July 1, 1998	\$ 425,566	\$ 2,567,284	\$ 2,069,142	\$ 5,061,992
Additions:				
General Fund	-	-	135,298	135,298
Special Revenue Funds	282,496	-	9,305	291,801
Capital Projects Funds	1,286,434	525,031	69,822	1,881,287
Total additions	1,568,930	525,031	214,425	2,308,386
Balance, June 30, 1999	\$ 1,994,496	\$ 3,092,315	\$ 2,283,567	\$ 7,370,378

CITY OF THE DALLES, OREGON

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION

JUNE 30, 1999

	Land and Land Improvements	Buildings and Improvements	Machinery and Equipment	Totals
General government	\$ 1,491,550	\$ 2,632,902	\$ 406,872	\$ 4,531,324
Public safety	-	-	493,743	493,743
Highways and streets	426,661	158,388	1,240,553	1,825,602
Culture and recreation	<u>76,285</u>	<u>301,025</u>	<u>142,399</u>	<u>519,709</u>
	<u>\$ 1,994,496</u>	<u>\$ 3,092,315</u>	<u>\$ 2,283,567</u>	<u>\$ 7,370,378</u>

CITY OF THE DALLES, OREGON

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION

YEAR ENDED JUNE 30, 1999

	General Government	Public Safety	Highways and Streets	Culture and Recreation	Total
Balance, July 1, 1998	\$ 2,574,612	\$ 436,118	\$ 1,533,801	\$ 517,461	\$ 5,061,992
Additions	1,956,712	57,625	291,801	2,248	2,308,386
Balance, June 30, 1998	<u>\$ 4,531,324</u>	<u>\$ 493,743</u>	<u>\$ 1,825,602</u>	<u>\$ 519,709</u>	<u>\$ 7,370,378</u>





CITY OF THE DALLES, OREGON

SCHEDULE OF BONDED DEBT TRANSACTIONS

YEAR ENDED JUNE 30, 1999

	Interest Rate	Principal			Outstanding June 30, 1999
		Outstanding July 1, 1998	Issued	Matured and Redeemed	
1993 General Obligation Bonds	2.75% to 4.25%	\$ 975,000	\$ -	\$ 320,000	\$ 655,000
1997 Police Facility Revenue Bonds	4.50% to 5.40%	1,005,000	-	1,005,000	-
1999 Police Facility Revenue Bonds	3.65% to 4.60%	<u>-</u>	<u>1,140,000</u>	<u>-</u>	<u>1,140,000</u>
		<u>\$ 1,980,000</u>	<u>\$ 1,140,000</u>	<u>\$ 1,325,000</u>	<u>\$ 1,795,000</u>

**SUPPLEMENTAL INFORMATION**



Interest

Outstanding July 1, 1998	Matured	Redeemed	Outstanding June 30, 1999
\$ -	\$ 40,475	\$ 40,475	\$ -
-	33,647	33,647	-
<u>-</u>	<u>16,338</u>	<u>16,338</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 90,460</u>	<u>\$ 90,460</u>	<u>\$ -</u>



CITY OF THE DALLES, OREGON

SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS

JUNE 30, 1999

Fiscal Year	Series 1993 Bonds		1999 Police Facilities Revenue		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
1999-00	325,000	27,675	95,000	47,281	420,000	74,956
2000-01	330,000	14,025	95,000	43,695	425,000	57,720
2001-02	-	-	100,000	39,793	100,000	39,793
2002-03	-	-	105,000	35,538	105,000	35,538
2003-04	-	-	110,000	30,968	110,000	30,968
2004-08	-	-	635,000	74,609	635,000	74,609
	<u>\$ 655,000</u>	<u>\$ 41,700</u>	<u>\$ 1,140,000</u>	<u>\$ 271,884</u>	<u>\$ 1,795,000</u>	<u>\$ 313,584</u>

**CITY OF THE DALLES, OREGON**  
**SCHEDULE OF PROPERTY TAX TRANSACTIONS**  
**YEAR ENDED JUNE 30, 1999**

CITY OF THE DALLES:

	Tax Year	Uncollected July 1, 1998	Extended by Assessor	Discounts, Interest and Adjustments	Collections	Uncollected June 30, 1999
<b>GENERAL FUND:</b>						
Current	1998-99	\$ -	\$ 1,318,294	\$ (29,694)	\$ (1,231,967)	\$ 56,633
Prior	1997-98	61,652	-	21,028	(52,837)	29,843
	1996-97	36,237	-	3,575	(19,370)	20,442
	1995-96	18,424	-	2,331	(14,357)	6,398
	1994-95	9,978	-	4,593	(13,062)	1,509
	1993-94	1,492	-	(277)	(864)	351
	1992-93	297	-	(52)	(129)	116
	1991-92	33	-	-	-	33
	and prior	1,264	-	(54)	(36)	1,174
Total prior		129,377	-	31,144	(100,655)	59,866
Total General fund		129,377	1,318,294	1,450	(1,332,622)	116,499
<b>WATER BOND DEBT FUND:</b>						
Current	1998-99	-	366,210	(23,258)	(327,880)	15,072
Prior	1997-98	17,126	-	5,842	(14,678)	8,290
	1996-97	9,107	-	144	(4,114)	5,137
	1995-96	3,913	-	(92)	(2,462)	1,359
	1994-95	1,711	-	1,663	(3,115)	259
	1993-94	357	-	(81)	(192)	84
	1992-93	67	-	(1)	(40)	26
	1991-92	10	-	-	-	10
	and prior	89	-	(7)	(4)	78
Total prior		32,380	-	7,468	(24,605)	15,243
Total Water Bond Debt Fund		32,380	366,210	(15,790)	(352,485)	30,315
Total City of The Dalles		\$ 161,757	\$ 1,684,504	\$ (14,340)	\$ (1,685,107)	\$ 146,814



**AUDITOR'S COMMENTS AND REPORTS**









November 17, 1999

To the Mayor and Council Members of the  
City of The Dalles  
The Dalles, Oregon

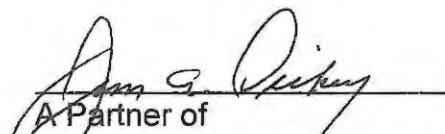
110 SE First St.  
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We have audited the general purpose financial statements of the City of The Dalles, Oregon, and its component unit, the Columbia Gateway Urban Renewal Agency as of and for the year ended June 30, 1999, and have issued our report thereon, dated November 17, 1999, which was qualified because insufficient audit evidence exists to support the City's disclosure with respect to the year 2000 issue. Except as disclosed in the preceding sentence, our audit was made in accordance with generally accepted auditing standards, *Government Auditing Standards* issued by the Comptroller General of the United States, and the Oregon Minimum Standards for Audits of Municipal Corporations. Accordingly, we included such tests of the accounting records and such other auditing procedures, as we considered necessary in the circumstances.

Oregon Administrative Rules 162-10-000 through 162-10-330 set forth the Oregon Minimum Standards for Audits of Municipal Corporations. The standards were developed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, and enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required statements and schedules are set forth in the Financial Section of this report. Required comments and disclosures related to our audit of such statements are set forth in this Audit Section.

This report is intended for the information and use of the Honorable Mayor, members of the City Council, the City Administrator, and management of the City of The Dalles, Oregon, federal grantor agencies and the Secretary of State, Division of Audits, of the State of Oregon. However, this report is a matter of public record and its distribution is not limited.

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

**ACCOUNTING SYSTEMS**

We found the accounting system of the City of The Dalles, Oregon to be generally well maintained and adequate for audit purposes

**COLLATERAL**

Oregon Revised Statutes (ORS) Chapter 295 provides that public officials maintain sufficient collateral certificates to secure deposits of public funds, in excess of those insured by the Federal Deposit Insurance Corporation.

Our review of the adequacy of collateral certificates securing depository balances indicated the City's collateral was adequate during the year ended June 30, 1999. The component unit of the City, Columbia Gateway Urban Renewal had uncollateralized deposits in excess of FDIC coverage during April and May of 1999.

**INDEBTEDNESS**

Nothing came to our attention during the audit that caused us to believe the City was not in compliance with statutory requirements of ORS 440.275.

**BUDGET**

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 1998-99 and 1999-00, and the execution of its 1998-99 budget except as follows:

The City overexpended its appropriations for:

General Fund:	
Nondepartmental	<u>\$(4,685)</u>

The City established the levels of budgetary control at the personal services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for all funds except the General Fund and the Special Grants Fund. For the General Fund, budgetary control is at the department level. For the Special Grants Fund, appropriations are at the grant level.

## **INSURANCE AND FIDELITY BONDS**

We reviewed the City's insurance policies and fidelity bond coverage at June 30, 1999, and 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, 1999. The City has complied with the provisions of ORS 221.903 regarding the bonding of City personnel.

## **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.

## **HIGHWAY FUNDS**

The City appears to have complied with the provisions of Article IX, Section 3a of the Oregon Constitution and ORS Sections 294, 368 and 373 in regards to the expenditures of motor vehicle use funds.

## **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, 1998,

## **PUBLIC CONTRACTS AND PURCHASING**

We have reviewed the City's compliance with ORS 279, pertaining to the awarding of public contracts and the construction of public improvements. Our review indicated that bid laws were not followed for the grain elevator demolition project.





GOVERNMENT AUDITING STANDARDS

COMPLIANCE REPORTS





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## **Report of Independent Accountants on Supplementary Schedule of Expenditures of Federal Awards**

November 17, 1999

To the Honorable Mayor and  
Members of the City Council  
City of 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, 1999, and have issued our report thereon dated November 17, 1999. 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.

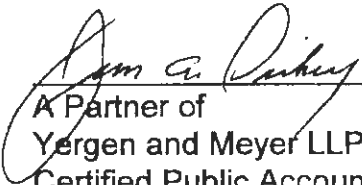
We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 estimated made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the City of The Dalles, Oregon, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the City of The Dalles. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the general purpose financial statements. Such information has been subjected to the auditing

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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.



A Partner of  
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Certified Public Accountants

CITY OF THE DALLES, OREGON  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 1999

**Note A – Basis of Accounting**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of The Dalles, Oregon and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

**CITY OF THE DALLES, OREGON  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 1999**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Award Number	Federal Revenue	Federal Expenditures
<b>Federal Emergency Management Agency</b>				
Passed through State of Oregon:				
Emergency management	83.548	DSR 71317	\$ 38,524	\$ 38,524
Repair and maintenance	83.544		141,821	141,821
Total Federal Emergency Management Agency			<u>180,345</u>	<u>180,345</u>
<b>US Department of Justice</b>				
Direct:				
COP's Grant	16.710	95-CF-WX-2640	11,731	11,731
Passed through the State of Oregon				
Department of State Police:				
Local Law Enforcement				
Block Grant	16.592	97-515	12,235	12,235
Total Department of Justice			<u>23,966</u>	<u>23,966</u>
<b>Department of the Interior</b>				
Passed through the State Historical Preservation Office:				
Historic Preservation Fund	15.904	HPF 9717	7,000	7,000
<b>Federal Aviation Administration *</b>				
Airport Improvement Program	20.106	AIP 3-41-0059-04	1,284,868	1,157,791
<b>US Department of Agriculture</b>				
Passed through Mid-Columbia Economic Development District:				
National Scenic Act	10.664		100,000	100,000
Total federal awards			<u>\$ 1,596,179</u>	<u>\$ 1,469,102</u>

\* Indicates a major program.



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**Report on Compliance and on Internal Control over Financial Reporting  
Based on an Audit of Financial Statements Performed in Accordance  
With Government Auditing Standards**

November 17, 1999

To the Honorable Mayor and  
Members of the City Council  
City of 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, 1999, and have issued our report thereon, dated November 17, 1999, which was qualified due to the inclusion of the Year 2000 disclosures that are required by *Government Accounting Standards Board* technical bulletin 98-1, disclosures about the Year 2000 Issue's. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City of The Dalles, Oregon's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

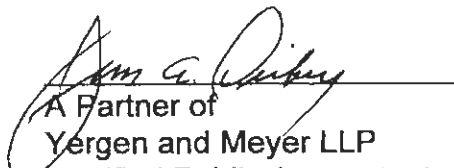
In planning and performing our audit, we considered the City of The Dalles, Oregon's internal control over financial reporting in order to determine our

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auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the City of The Dalles in a separate letter dated November 17, 1999.

This report is intended for the information and use of the Honorable Mayor, members of the City Council, the City Administrator, and management of the City of The Dalles, Oregon, federal grantor agencies and the Secretary of State, Division of Audits, of the State of Oregon. However, this report is a matter of public record and its distribution is not limited.

  
A Partner of  
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CITY OF THE DALLES, OREGON  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 1999

There are no prior audit findings.







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**Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133**

November 17, 1999

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

We have audited the compliance of the City of The Dalles with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 compliance supplement* that are applicable to each of its major federal programs for the year ended June 30, 1999. The City of The Dalles's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and question costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of The Dalles's management. Our responsibility is to express an opinion on the City of The Dalles's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of The Dalles's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of The Dalles's compliance with those requirements.

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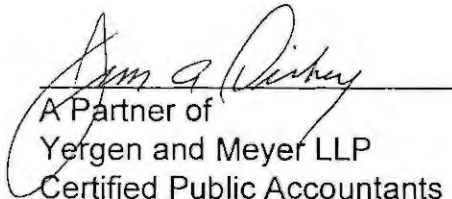
In our opinion, the City of The Dalles complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

Internal Control Over Compliance

The management of the City of The Dalles is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of The Dalles' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program 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 over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Honorable Mayor, members of the City Council, the City Administrator, and management of the City of The Dalles, Oregon, federal grantor agencies and the Secretary of State, Division of Audits, of the State of Oregon. However, this report is a matter of public record and its distribution is not limited.

  
A Partner of  
Yergen and Meyer LLP  
Certified Public Accountants

CITY OF THE DALLES, OREGON  
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 1999

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses a qualified opinion on the general purpose financial statements of the City of The Dalles, Oregon due to the inclusion of the Year 2000 disclosures that are required by *Government Accounting Standards Board* technical bulletin 98-1, disclosures about the Year 2000 Issue's.
2. No reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instances of noncompliance material to the financial statements of the City of The Dalles, Oregon, were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and On Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the City of The Dalles, Oregon, expresses an unqualified opinion.
6. The audit did not disclose any audit findings, which the auditor is required to report.
7. The program tested as a major program was Federal Aviation Administration, Airport Improvement Program CFDA 20.106.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The City of The Dalles, Oregon was determined to be a low risk auditee.

**B. FINDINGS – FINANCIAL STATEMENTS AUDIT**

None

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

**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-governmental Revenues</u>	<u>Charges for Services</u>	<u>Fines and Forfeitures</u>	<u>Investment Income</u>	<u>Special Assessments</u>	<u>Other Revenues</u>	<u>Totals</u>
1990	\$2,435,763	\$272,819	\$985,155	\$186,417	\$106,012	\$185,252	\$242,622	\$392,490	\$4,806,530
1991	2,883,615	318,128	809,562	223,815	73,193	196,954	305,646	84,841	4,895,754
1992	2,832,970	328,689	1,146,363	408,935	73,190	305,833	238,176	237,514	5,571,670
1993	2,620,169	190,604	1,818,669	405,077	81,748	144,874	107,696	259,816	5,628,653
1994	2,682,851	219,477	1,147,154	411,252	101,474	98,317	118,505	521,410	5,300,440
1995	3,241,507	230,359	1,683,909	418,362	101,844	144,716	116,953	379,588	6,317,238
1996	2,354,125	237,642	1,820,162	139,022	128,354	192,448	17,696	345,792	5,235,241
1997	2,466,175	250,291	1,172,906	333,992	145,822	151,935	140,231	277,307	4,938,659
1998	2,209,207	248,688	1,350,496	171,570	168,922	215,837	261,614	135,271	4,761,605
1999	2,290,378	258,755	2,877,482	63,125	208,750	198,811	131,118	579,384	6,607,803

Note: The schedule above includes only those revenues recorded in the governmental fund types, and does not include the City's component unit or enterprise funds.

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

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

<u>Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Highways and Streets</u>	<u>Culture and Recreation</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	<u>Totals</u>
1990	\$1,351,295	\$1,478,940	\$582,474	\$227,172	\$ 618,986	\$ 505,885	\$4,764,752
1991	1,499,011	1,473,773	492,511	244,990	370,173	562,719	4,643,177
1992	1,375,512	1,714,254	552,431	261,846	734,932	569,928	5,208,903
1993	2,024,769	1,891,226	734,023	283,644	1,183,995	2,966,585	9,084,242
1994	1,567,628	2,030,700	740,212	297,728	921,545	440,008	5,997,821
1995	1,517,413	2,126,472	763,453	267,656	1,217,615	382,767	6,275,376
1996	1,590,782	1,221,837	756,693	339,522	1,191,750	380,533	5,481,117
1997	1,866,720	1,307,395	840,677	516,399	277,719	372,441	5,181,351
1998	1,638,006	1,272,708	774,485	306,413	917,209	507,718	5,416,539
1999	1,519,639	1,394,577	802,189	540,337	2,308,386	427,369	6,992,497

Note: The schedule above includes only those expenditures recorded in the governmental fund types, and does not include the City's component unit or enterprise funds.

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

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 Collections</u>	<u>Percent of Tax Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collections as Percent of Current Tax Levy</u>
1990	\$ 2,096,136.00	\$ 1,812,273.00	86.46%	\$ 300,909.00	\$ 2,113,182.00	100.81%
1991	2,210,998.00	1,917,228.00	86.71%	425,475.00	2,342,703.00	105.96%
1992	2,346,777.00	2,062,986.00	87.91%	273,971.00	2,336,957.00	99.58%
1993	2,108,756.00	1,788,232.00	84.80%	224,477.00	2,012,709.00	95.45%
1994	2,205,323.00	1,766,206.00	80.09%	273,341.00	2,039,547.00	92.48%
1995	2,491,195.00	2,251,730.00	90.38%	491,763.00	2,743,493.00	110.12%
1996	1,725,455.00	1,596,041.00	92.50%	183,978.00	1,780,019.00	103.16%
1997	1,899,755.00	1,734,435.00	91.30%	142,344.00	1,876,779.00	98.79%
1998	1,666,937.00	1,543,639.00	92.60%	109,738.00	1,653,377.00	99.19%
1999	1,684,505.18	1,570,145.94	93.21%	134,879.68	1,705,025.62	101.22%

Source: Wasco County Department of Assessment and Taxation, Schedules of Property tax transactions by year.

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

CITY OF THE DALLES, OREGON  
PROPERTY TAX RATES - ALL  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS

Year	City of The Dalles	Wasco County	Port of The Dalles	Mid-Columbia Fire and Rescue	Northern Wasco County Parks and Recreation District	School District No. 12	School District No. 9	School District No. 14	Wasco County Educational Service District	Columbia Gorge Community College	Norco
1990	\$ 8.37	\$ 7.41	\$ 1.57	\$ 4.55	\$ 1.00	\$ 19.74	\$ 23.24	\$ 15.20	\$ 1.87	\$ 1.16	\$-
1991	8.44	6.34	1.31	4.12	0.99	18.80	22.93	10.37	1.71	1.06	-
1992	8.00	6.23	1.21	3.45	1.24	22.60	21.54	13.94	1.72	1.06	-
1993	7.23	5.40	1.03	2.62	1.06	21.51	16.15	12.20	1.53	0.94	-
1994	7.12	5.38	1.04	3.09	1.12	21.05	20.10	13.54	1.58	1.65	-
1995	8.24	4.95	0.89	2.83	0.89	18.25	19.54	13.65	1.49	1.57	-
1996	5.76	4.25	0.76	2.14	0.85	17.87	15.27	10.33	1.37	1.38	-
1997	6.89	4.20	0.75	2.08	0.75	18.20	15.63	12.02	1.36	1.31	-
1998	3.85	4.25	0.81	2.10	0.90	5.49	6.18	4.49	0.47	0.84	0.47
1999	3.82	4.22	0.75	2.45	0.90	5.49	6.12	(1)	0.47	0.83	0.33

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

Source: Wasco County Department of Assessment and Taxation.

(1) School District 14, Petersburg, merged with School District 29, Dufur.

CITY OF THE DALLES, OREGON  
COMPUTATION OF LEGAL DEBT MARGIN  
JUNE 30, 1999

Total estimated true cash value		<u>\$ 441,801,391</u>
State debt limit - 3% of total equalized value		\$ 13,254,042
Amount of debt applicable to debt limit:		
General bonded long-term debt	\$ 1,795,000	
Less amount in debt service funds available for payment of principle:		
Water Bond Debt Fund	(54,014)	
Police Facility Revenue Bond	<u>(144,145)</u>	
Total amount of debt applicable to limit		<u>1,596,841</u>
LEGAL DEBT MARGIN		<u>\$ 11,657,201</u>

CITY OF THE DALLES, OREGON  
RATIOS OF GROSS GENERAL BONDED DEBT TO TRUE CASH AND  
ASSESSED VALUE AND GROSS BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS

Year	Gross General Bonded Debt	True Cash Value and Assessed Value	Ratio of Gross General Bonded Debt To Assessed Value	Population	Gross General Bonded Debt per Capita
1990	\$ 2,935,000	\$ 250,408,479	1.17%	11,060	\$ 265
1991	2,730,000	261,778,914	1.04%	11,130	245.00
1992	2,515,000	305,002,343	0.82%	11,200	225.00
1993	2,290,000	338,832,980	0.68%	11,370	201.00
1994	2,165,000	361,571,408	0.60%	11,325	191.00
1995	1,885,000	444,517,119	0.42%	11,325	166.00
1996	1,590,000	464,027,786	0.34%	11,355	140.00
1997	2,380,000	496,383,585	0.48%	11,460	208.00
1998	1,980,000	541,217,509	0.37%	11,765	168.00
1999	1,795,000	441,801,391	0.41%	11,880	151.00

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  
RATIO OF ANNUAL DEBT SERVICE  
EXPENDITURES FOR GENERAL BONDED DEBT TO  
TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS

Year	Annual Debt Service Expenditures for General Bonded Debt	Total General Government Expenditures	Ratio of Debt Service to Total Expenditures
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%
1995	379,587	6,275,376	6.04%
1996	377,618	5,481,117	6.88%
1997	369,261	5,181,351	7.13%
1998	507,718	5,416,539	9.37%
1999	427,369	6,992,497	6.11%

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, 1999

<u>GOVERNMENTS</u>	<u>Percent Within The City</u>	<u>Gross Bonded Debt</u>
City of the Dalles	100.00%	\$ 1,795,000
Wasco County	41.90%	1,930,485
Northern Wasco Parks and Recreation District	75.03%	90,036
Port of The Dalles	54.39%	1,522,881
Mid Columbia Fire and Rescue	62.69%	2,194,322
Wasco County School District #9	13.84%	399,425
Columbia Gorge Community College	42.07%	2,984,845
Northern Oregon Regional Corrections (NORCOR)	18.78%	2,479,528

Source: Municipal Debt Advisory Commission, State of Oregon

CITY OF THE DALLES, OREGON  
ASSESSMENTS LEVIED AND COLLECTIONS  
LAST TEN FISCAL YEARS

<u>Year</u>	<u>New Assessments Levied</u>	<u>Assessments Collected</u>
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
1995	120,135	116,953
1996	1,096	17,696
1997	213,454	140,231
1998	188,947	261,614
1999	2,181	118,872

Source: Assessment Subsidiary Ledger, Lien Docket #4  
 Combined Statements of Revenue, 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>Unemployment Rate</u>
1990	11,060	\$ 16,501.00	7.60
1991	11,130	16,726.00	7.70
1992	11,200	18,667.00	9.70
1993	11,370	19,437.00	7.10
1994	11,325	17,990.00	7.30
1995	11,325	N/A	7.10
1996	11,355	N/A	7.50
1997	11,460	N/A	N/A
1998	11,765	N/A	N/A
1999	11,880	N/A	N/A

Notes: Per capita income and unemployment rate figures are stated for Wasco county in its entirety.

N/A-Not available

Sources: US 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

Year	Commercial		Residential		Bank Deposits	Value True Cash Valuation
	Permits	Value	Permits	Value		
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
1995	81	4,781,849	142	4,471,773	177,366,000	444,517,119
1996	78	5,371,334	177	2,753,471	209,880,000	464,027,786
1997	64	14,107,657	194	4,001,277	209,072,000	496,383,585
1998	132	16,370,229	123	3,877,808	222,893,000	541,217,509
1999	116	7,840,302	130	3,024,242	213,467,000	441,801,391

Sources: State of Oregon, Commerce Department/Building Codes Agency  
State of Oregon, Division of Finance and Corporate Securities  
Wasco County Department of Assessment and Taxation

CITY OF THE DALLES, OREGON  
PRIMARY TAXPAYERS  
JUNE 30, 1999

	<u>Assessed Valuation</u>	<u>Percentage of Total District's Assessed Value</u>
Sprint Corporation	\$ 10,314,576	1.90%
Northern Wasco County PUD	9,360,302	1.73%
Oregon Cherry Growers	6,419,074	1.19%
Kerr McGee Chemical Corp	6,394,010	1.18%
Union Pacific Railroad Company	6,117,043	1.13%
GFI The Dalles Investment LTD	5,140,173	0.95%
Cascade Fruit Co	4,664,961	0.86%
Portland Fixture LTD Partnership	4,164,886	0.77%
Gershman Harold Family Trust	3,924,762	0.72%
Stadelman, George P et al	3,855,916	0.71%
Sub total	<u>60,355,703</u>	<u>11.14%</u>
All other taxpayers	<u>481,336,658</u>	<u>88.86%</u>
Grand Total	<u><u>\$ 541,692,361</u></u>	<u><u>100.00%</u></u>

Source: Wasco County Department of Assessment and Taxation

CITY OF THE DALLES, OREGON  
MISCELLANEOUS STATISTICS  
JUNE 30, 1999

City's charter granted by Territorial Legislature	1857
Total Housing Units (within City limits)	4,907
Vacancy rate	6.20%
Total area of the City of The Dalles in square miles	4,646
Altitude in feet	80 - 720
Mean temperatures-Fahrenheit	58
Annual rainfall in inches	13.97
Water Enterprise:	
Daily consumption in gallons	2,443,811
System storage capacity in gallons	16,000,000
Total connections/services	4,340
Number of motel rooms	594
Miles of paved streets within the City	73
Employees:	
Total employees	91
Full-time	81
Part-time/temporary	10

Sources: Bureau of Governmental Research, University of Oregon  
Dalles Area Chamber of Commerce  
Finance Department, City of the Dalles  
Oregon Employment Division; Research Section  
Planning Department, City of the Dalles  
Oregon Economic Development Dept.