



**CITY OF DALLAS  
POLK COUNTY, OREGON**

Annual Comprehensive Financial Report



For the Year Ended June 30, 2023

City of Dallas, Oregon

Annual Comprehensive Financial Report

For the Fiscal Year Ended

June 30, 2023

Prepared by

The Financial Department

City of Dallas, Oregon

Cecilia Ward, Finance Director

**CITY OF DALLAS, OREGON**  
**TABLE OF CONTENTS**

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**INTRODUCTORY SECTION**

Letter of Transmittal ..... i  
Certificate of Achievement ..... vii  
Organizational Chart ..... viii  
Mayor and Council Members ..... ix

**FINANCIAL SECTION**

Independent Auditor’s Report.....x  
Management’s Discussion and Analysis .....xiv

**Basic Financial Statements**..... 1

Government-Wide Financial Statements:  
    Statement of Net Position .....2  
    Statement of Activities .....3  
Fund Financial Statements: .....4  
    Governmental Funds:  
        Balance Sheet .....5  
        Reconciliation of the Balance Sheet of Governmental Funds to the  
            Statement of Net Position .....6  
        Statement of Revenues, Expenditures, and Changes in Fund Balances.....7  
        Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund  
            Balances of Governmental Funds to the Statement of Activities .....8  
    Proprietary Funds: .....9  
        Statement of Net Position .....10  
        Statement of Revenues, Expenses, and Changes in Net Position.....11  
        Statement of Cash Flows .....12  
Notes to the Basic Financial Statements ..... 13

**Required Supplementary Information** .....55

Budgetary Comparison Schedules:  
    Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual  
        General Fund – Budgetary Basis .....56  
    Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual  
        Street Fund.....57  
Schedule of the Proportionate Share of the Net Pension Liability.....58  
Schedule of Contributions – Pension .....59  
Schedule of Proportionate Share of OPEB - RHIA .....60  
Schedule of Contributions to OPEB - RHIA.....61

**Required Supplementary Information (continued)**

Schedule of Changes in Total OPEB Liability and Related Ratios – Implicit Rate Subsidy.....62  
Notes to the Required Supplemental Information .....63

**Other Supplementary Information** .....64

Major Governmental Fund:

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
System Development Fund.....66

Combining Schedules:

Nonmajor Governmental Funds Combining Balance Sheet.....67  
Nonmajor Governmental Funds Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances.....68  
Nonmajor Special Revenue Funds Combining Balance Sheet.....69  
Nonmajor Special Revenue Funds Combining Schedule of Revenues, Expenditures, and  
Changes in Fund Balances .....71  
General Fund – Generally Accepted Accounting Principles Combining Balance Sheet .....73  
General Fund – Generally Accepted Accounting Principles Combining Schedule of  
Revenues, Expenditures, and Changes in Fund Balance .....74

Schedule of Expenditures – Budget and Actual

General Fund –Budgetary Basis.....75

Budgetary Comparison Schedules: .....77

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:

Risk Management Fund .....78  
Grants Fund.....79  
Police Officer Fee and Firefighter/EMS Fee Fund .....80  
Building Inspections Fund .....81  
Trust/Reserve Fund .....82  
Urban Renewal Fund .....83  
General Long Term Debt Fund.....84  
Improvement Fund.....85

Proprietary Funds:

Enterprise Funds: .....86  
Sewer Fund.....87  
Water Fund.....88  
Storm Water Fund .....89  
Internal Service Fund:.....90  
Fleet Management Fund.....91

**STATISTICAL SECTION**

Introduction.....92  
Net Position by Component (Last Ten Fiscal Years) .....93  
Changes in Net Position (Last Ten Fiscal Years) .....95  
Fund Balances, Governmental Funds (Last Ten Fiscal Years).....97  
Changes in Fund Balances, Governmental Funds (Last Ten Fiscal Years).....99  
Program Revenues by Function/Program (Last Ten Fiscal Years).....101  
Tax Revenue by Source, Governmental Funds (Last Ten Fiscal Years) .....103  
Assessed and Estimated Value of Taxable Property (Last Ten Fiscal Years) .....104

Property Tax Rates – All Direct and Overlapping Governments (Last Ten Fiscal Years).....	106
Principal Taxpayers for Polk County (Current Year and Nine Years Ago) .....	108
Property Tax Levies and Collections (Last Ten Fiscal Years) .....	109
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita (Last Ten Fiscal Years) .....	110
Computation of Direct and Overlapping Governmental Activities Debt .....	111
Computation of Legal Debt Margin (Last Ten Fiscal Years) .....	112
Schedule of Pledged Revenue Bond Coverage (Last Ten Fiscal Years) .....	113
Demographic and Economic Statistics (Last Ten Fiscal Years).....	114
Principle Employers (Current Year and Nine Years Ago) .....	115
Full-Time Equivalent City Employees by Function (Last Ten Fiscal Years).....	116
Operating Indicators (Last Ten Fiscal Years).....	117
Capital Asset Statistics by Function (Last Ten Fiscal Years).....	118

**AUDIT COMMENTS AND DISCLOSURES**

Independent Auditor’s Report on Compliance and Internal Control over Financial Reporting on an Audit of Financial Statements Performed in Accordance with <i>Oregon State Regulation</i> .....	119
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## **INTRODUCTORY SECTION**



February 29, 2024

**To the Honorable Mayor Kenneth Woods Jr, Members of the City Council, and Citizens of the City of Dallas:**

We are pleased to submit the Annual Comprehensive Financial Report of the City of Dallas, Oregon for the fiscal year ended June 30, 2023.

This report presents the financial position of the City as of June 30, 2023 and the results of its operations for the fiscal year then ended. The financial statements and supporting schedules have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and meet the requirements of the standards prescribed by the Oregon Secretary of State Audits Division. Management is responsible for the content of the Annual Comprehensive Financial Report. We believe the data, as presented, is accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the various funds of the City.

This report includes all funds of the City including the Dallas Community Development Commission Urban Renewal Agency. Financial data for the Urban Renewal District is included in these statements as a blended component unit and has been provided as a separate financial report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A is located immediately following the independent auditor’s report.

The City provides a range of services as authorized in its Charter and Ordinances. This includes police protection, ambulance service, fire protection, municipal court, street construction and maintenance, water, sanitary and storm sewers, parks, aquatic center, land use planning and zoning, building inspection, economic development, public improvements, library services and administrative services.

#### ABOUT DALLAS, OREGON

The City of Dallas is located in the foothills of the Oregon Coast Range, with close proximity to the state capitol, a large metropolitan area, and extensive recreational opportunities relating to the Coast Range mountains and Pacific Ocean beaches. It is the county seat and largest city in Polk County. The certified population estimate as of July 1<sup>st</sup> 2023 for the City of Dallas was 17,960.



The City of Dallas operates under the city manager-council form of government. Policy-making and legislative authority are vested in the City Council, consisting of the mayor and nine other members. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager and the City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the city, and for appointing the heads of the various departments.

Population City of Dallas and Polk County:

<u>Year</u>	<u>City of Dallas</u>	<u>Polk County</u>
2023 PSU Estimate	17,960	90,223
2010 Census	14,583	75,403
2000 Census	12,459	62,380

### **ECONOMIC OUTLOOK**

In its November 2023 Economic Forecast, the State of Oregon’s baseline economic outlook continues to call for the soft landing, and remains effectively unchanged from the prior forecast. Local economic growth is driven by a return to full employment, combined with stronger business investment and productivity gains. Recently released Census data confirm that the economic recovery from the pandemic has been inclusive and broad-based. Looking forward, a modest rebound in migration in the years ahead will allow local businesses to hire and expand at a faster pace than the nation. However, should migration not return as expected, Oregon’s economy will not crater, but rather grow at a slower rate than in the baseline.

The City of Dallas continues to see strong building permit activity keeping pace with the quantity and valuation of permit activity during the same time period last year.

The City's business sector continues to experience growth, in retail, manufacturing and health care. Two major local employers are noteworthy – West Valley Hospital and OpenRoad Transportation. The hospital, a key economic driver for the community and a part of Salem Health expanded in 2023 from six to 25 beds and has invested over \$8 million into expansion, modernization and new services in 2023, part of an overall investment of \$25 million and the creation of over 80 new jobs. OpenRoad is a local, family-owned global transportation logistics company, headquartered here with operations nationwide. The firm is tripling their operating square footage with a \$5 million investment and the addition of more than 50 new jobs.

### **LONG-TERM FINANCIAL PLANNING**

Long-term financial planning is performed on an ongoing basis through the Capital Improvements Plan (CIP) document. The CIP plan identifies capital project and some major equipment purchases, during a five year period, providing a planning schedule and identifying opportunities for financing the project in the CIP.

In regards to the City's long-term debt, including compensated absences, the City has a total of \$12.16 million (excluding premium) in long-term debt outstanding as of June 30, 2023.

## MAJOR INITIATIVES

### Citywide Strategic Plan

The City Council renews its strategic plan each year. This plan contains several direct economic goals and action items, as listed below.

#### **FY2023-24 Council Priority Goals:**

##### **Goal 3. Growing a Robust Community**

- a. With more industry, development and commercial uses.
  - i. By increasing commercial land availability, providing a market analysis, ensuring robust street maintenance, redeveloping South Dallas / old mill site, and investing downtown.

*Strategic Plan Goals: 9, 12, 15, 16, 18, 19, and 37*

##### **Goal 9: Preserve Dallas’s cherished historic downtown.**

###### *Actions:*

- a. *Create and maintain an educational plan on the National Register and other preservation interests. Continues in FY 2024.*
- b. *Have the Economic Development Specialist position, among other tasks, provide staff support to the Dallas Downtown Association.*

##### **Goal 12: Diversify our local economy by adding new businesses and expanding existing businesses in our commercial, industrial and manufacturing sectors, including creating and maintaining local incentives.**

###### *Actions:*

- a. *Better promote and utilize our Enterprise Zone tax abatement program by authorizing a minimum of one business per year.*
- b. *Consider tax incentive and SDC relief for certain projects. c. Complete a Commercial Market Analysis for the La Creole Node by end of FY 2025.*

##### **Goal 13: Capitalize on our surrounding agricultural and natural assets to bring new businesses to the city.**

###### *Actions:*

- a. *Utilize an Americorps/RARE member to reestablish a Farmer’s Market in Dallas for the summer of 2024.*
- b. *Continue and maintain our participation with the Polk County Tourism Alliance to encourage and support tourism-related business opportunities.*

##### **Goal 15: The Dallas Development Commission will use urban renewal funds to leverage private investment into downtown privately-owned buildings.**

###### *Actions:*

- a. *Building and minor improvement grant programs will continue to be offered to building owners, as funding allows.*

- b. *The commission will pursue opportunities to purchase land and/or property within the district for redevelopment. Continues in FY 2024.*
- c. *Prepare site at 791 for redevelopment with the overriding goal of maximizing new tax increment upon project completion. Demolish current structures by end of FY 2024 Complete vision/design process with public engagement by end of FY 2025.*

**Goal 16: Prepare the former mill site for redevelopment.**

*Actions:*

- a. *Complete the TGM study and continue working with the property owners to market the site for redevelopment. Complete by the end of FY 2024.*
- b. *Implement rezoning portions of the former mill site consistent with the TGM study’s redevelopment plan.*
- c. *Work with property owner on implementing grant funded work to design rerouting of N. Fork of Ash Creek to the south of its current location.*

**Goal 18: Prepare the La Creole Node for development.**

*Actions:*

- a. *Complete sewer project design by December 2023.*
- b. *Complete the La Creole master plan and implement rezoning consistent with the plan by end of FY 2024.*
- c. *Construct La Creole sewer system by end of FY 2025*

**2022-26 Economic Development Strategy**

In November 2021 the City Council adopted the Dallas 2022-26 Economic Development Strategy. This new Strategy, developed by the City’s Economic Development Commission, with staff support, identified the following:

Purpose statement:

- Increase the Commercial and Industrial property tax base in Dallas.

This purpose will be accomplished through the following two long-range activities:

- PRIORITY #1. Address the Commercial Lands deficit in Dallas.
- PRIORITY #2. Prepare the Dallas Mill Site for development.

This purpose will be supported by the following short-term activity:

- PRIORITY #3. Continue Urban Renewal and downtown revitalization efforts.

This purpose will be supported by the following Primary Objective to guide day-to-day activities:

- Engage with the Dallas business community and regional partners to facilitate a healthy, growing and diverse local economy.

FINANCIAL INFORMATION

To provide a reasonable basis for making the presentations contained in this report, the City of Dallas has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Dallas’ financial statements in conformity with GAAP. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from

unauthorized use or disposition and the assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

A budget is prepared and legally adopted by the City Council for each fund. All changes to the budget must be approved by City Council. These budgets are 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 organizational unit which includes, personnel services, materials and services, and capital outlay. Transfers, debt service, contingencies and all other requirements levels are separate. For the General Fund, appropriations are at the department level for personnel services, materials and services, capital outlay, transfers and other uses.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and budget transfer appropriations resolution. A supplemental budget requires hearings before the public, publications in the newspaper and approval by City Council, if the change is greater than, or equal to, 10% of the original budget. Budgets may be modified by the use of appropriation transfers between levels of control. The City Council approved several appropriation transfer resolutions during the year ending June 30, 2023.

#### INDEPENDENT AUDIT

The State of Oregon (ORS 298.405 to 298.555) requires an annual audit of the fiscal affairs of the City by an independent certified public accountant. The City of Dallas' financial statements have been audited by SingerLewak, a firm of licensed, certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Dallas for the fiscal year ended June 30, 2023, are free of material misstatement. The independent auditor's report is presented as the first component of the financial section of this report.

#### FINANCIAL REPORTING AWARD

**Annual Comprehensive Financial Reporting Award.** 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 Dallas for its annual comprehensive financial report for the fiscal year ended June 30, 2022. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

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

A Certificate of Achievement is valid for a period of one year only. The City of Dallas has received a Certificate of Achievement for the last thirty-two consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## ACKNOWLEDGMENTS

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Finance Department, City Department Heads and the certified public accountants of Merina+Co and SingerLewak. Each has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the Dallas City Council, preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Cecilia Ward". The signature is fluid and cursive, with the first name being more prominent than the last.

Cecilia Ward  
Finance Director  
Dallas, Oregon



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Dallas  
Oregon**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

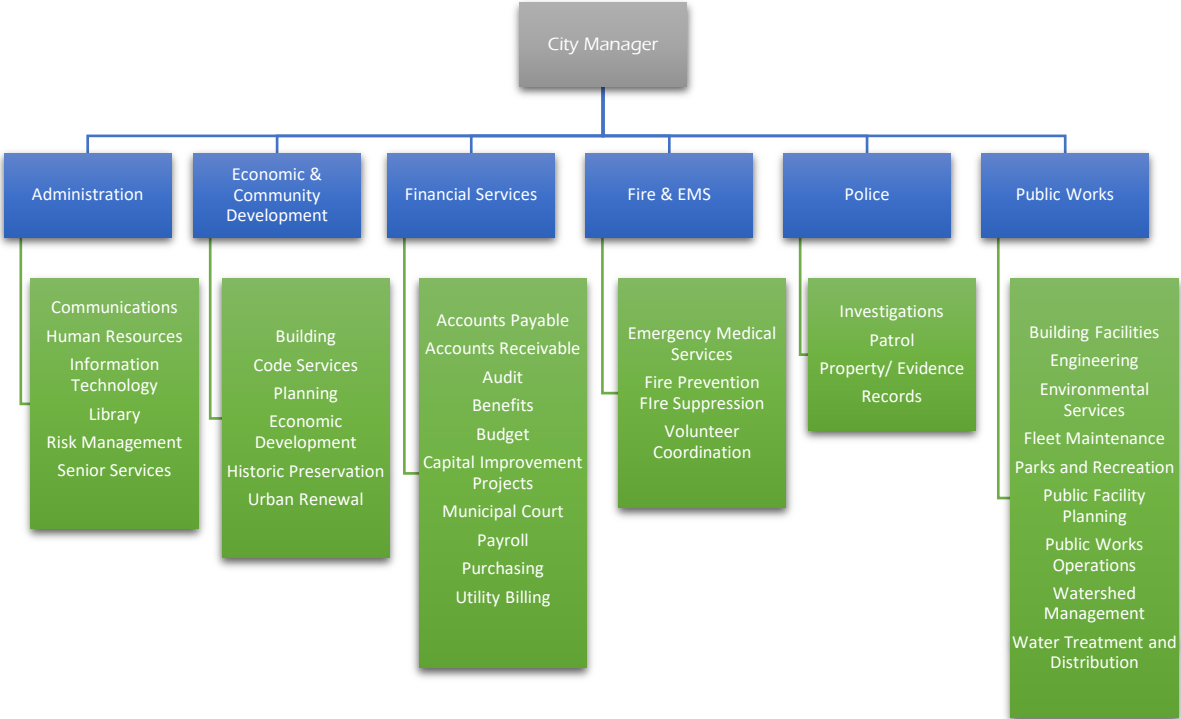
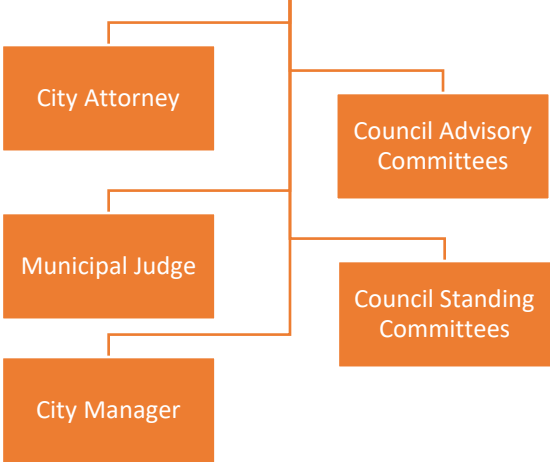
Executive Director/CEO

**ELECTORATE**

**MAYOR**  
Kenneth Woods, Jr.

**CITY COUNCIL**

Nancy Adams	Carlos Barrientos	Larry Briggs
Kirsten Collins	Kim Fitzgerald	Micah Jantz
Michael Schilling	David Shein	Debbie Virden



**CITY OF DALLAS, OREGON  
MAYOR AND COUNCIL MEMBERS  
June 30, 2023**

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<u>Name</u>	<u>Term Expires</u>
Kenneth L Woods Jr, Mayor 130 Main St Dallas, OR 97338	December 2024
Michael Schilling, Council President 860 SE LeCreole Dr Dallas, OR 97338	December 2026
Micah Jantz 785 SE Muir Ln Dallas, OR 97338	December 2026
Debbie Virden 571 SE Mifflin St Dallas, OR 97338	December 2024
David Shein 1680 SE Bridlewood Dr Dallas, OR 97338	December 2026
Nancy Adams 589 SE Cypress Ave Dallas, OR 97338	December 2024
Larry Briggs 1244 SE Academy St Dallas, OR 97338	December 2026
Kirsten Collins 1990 SE Gordon Ct Dallas, OR 97338	December 2024
Carlos Barrientos 1168 SE Barberry Ave Dallas, OR 97338	December 2024
Kim Fitzgerald 490 SE Fir Villa Rd Dallas, OR 97338	December 2024

**City Officials**

Brian Latta, City Manager  
Cecilia Ward, Finance Director



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## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of City Council  
City of Dallas  
Dallas, Oregon

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dallas, Oregon (the "City"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dallas, Oregon as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis of Matter**

##### *Adoption of New Accounting Standard*

As discussed in Note 18 to the financial statements, the City implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* and GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. Our opinions are not modified with respect to this matter.

##### *Prior Period Adjustment*

As discussed in Note 19 to the financial statements, the beginning net position of the governmental activities and the beginning fund balances of the ARPA fund have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages xiii – xxii and the other "Required Supplementary Information", as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the management's discussion and analysis and the pension and OPEB schedules on pages 58 – 62, as listed in the table of contents under required supplementary information, in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The schedules of revenues, expenditures and changes in fund balance – budget to actual, as listed in the table of contents under required supplementary information, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with audited standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information, as listed in the table of contents including the combining financial statements and individual fund schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Mayor and Members of City Council  
City of Dallas, Oregon  
Independent Auditor's Report  
February 29, 2024

**Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Oregon State Regulations**

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated February 29, 2024, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

*Singer Lewak LLP*

February 29, 2024

By:



Brad Bingenheimer, Partner

**CITY OF DALLAS  
POLK COUNTY, OREGON**

**Year Ended June 30, 2023**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

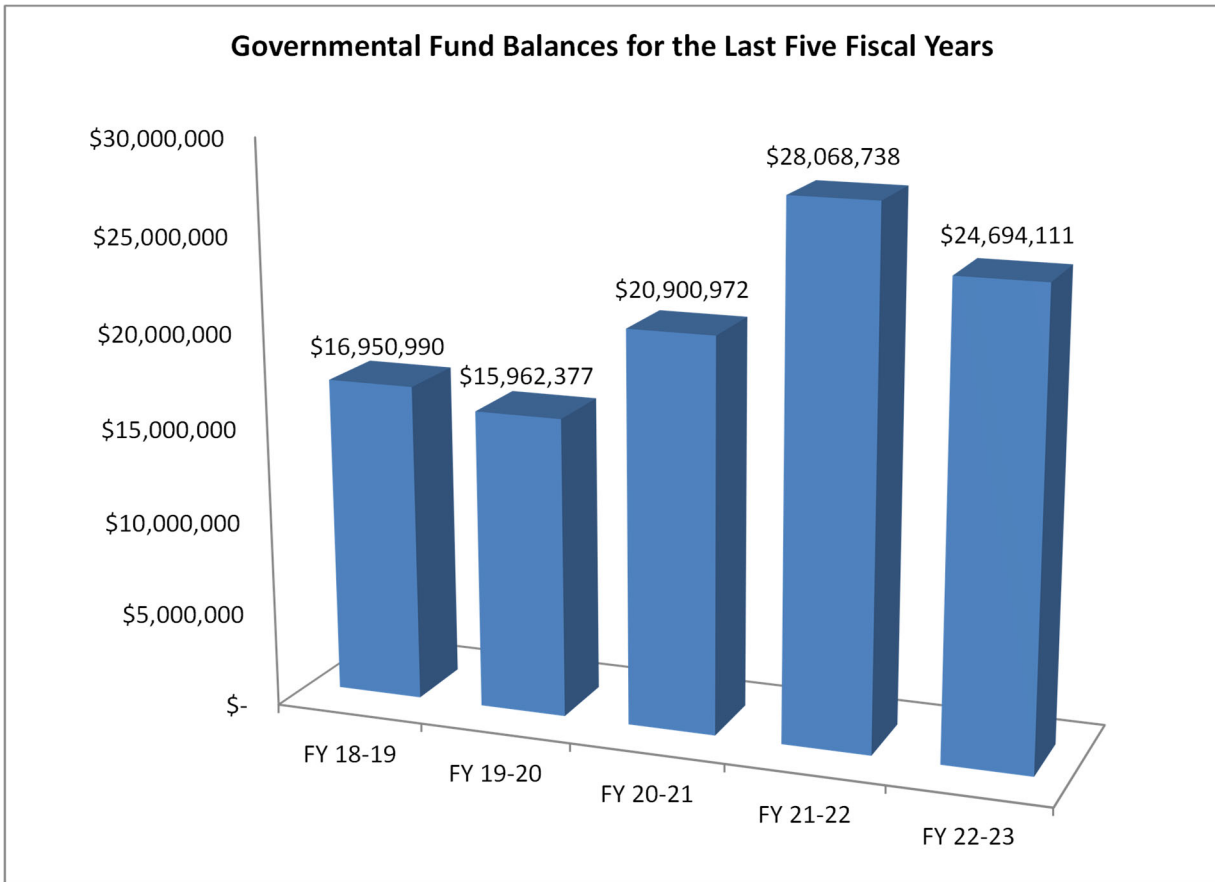
The Management's Discussion and Analysis of the City of Dallas Annual Comprehensive Financial Report (ACFR) presents a discussion and analysis of the City's financial performance during the fiscal year ended June 30, 2023. The information presented here should be considered in conjunction with the accompanying transmittal letter presented in the introductory section and notes to the financial statements included in this report.

**FINANCIAL HIGHLIGHTS**

As of the close of the current fiscal year the City's governmental funds reported a combined ending fund balance of \$24,694,111, a decrease of \$3,374,627 in comparison with the previous year. The General Fund ending fund balance decreased 28.56 percent to \$4,492,617 due to a prior period adjustment in relation to ARPA funds.

**Governmental Funds: Changes in Fund Balances**

Fund	June 30, 2023 Fund Balance	June 30, 2022 Fund Balance	Increase (decrease)	Percent Change
General Fund	\$ 4,492,617	\$ 6,288,395	\$ (1,795,778)	-28.56%
Systems Development Fund	15,221,081	13,728,752	1,492,329	10.87%
Grants Fund	(7,895)	2,317	(10,212)	-440.74%
Risk Management Fund	47,550	24,528	23,022	93.86%
Building Inspection Fund	1,562,677	1,207,155	355,522	29.45%
Street Fund	2,616,954	6,072,818	(3,455,864)	-56.91%
Police Officer and Firefighter/EMS Fee Fund	219,190	257,654	(38,464)	-14.93%
Trust/Reserve Fund	157,640	131,393	26,247	19.98%
Urban Renewal Fund	384,286	355,715	28,571	8.03%
General Debt Fund	11	11	-	0.00%
	<u>\$ 24,694,111</u>	<u>\$ 28,068,738</u>	<u>\$ (3,374,627)</u>	<u>-12.02%</u>

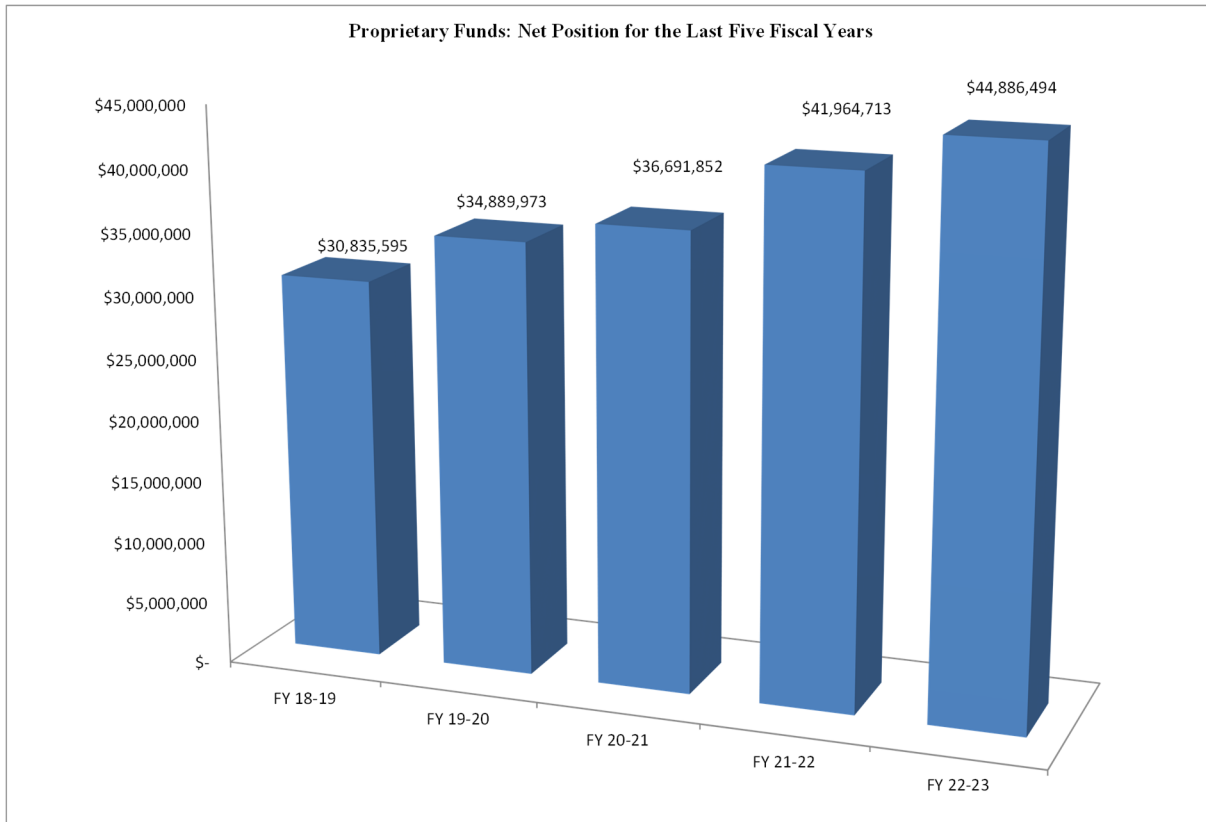


Business-type net position increased \$2,992,298 (7.13 percent) for the 2022-23 fiscal year. Operating income for the Sewer, Water, and Storm Water Funds was \$3,722,005. The net position from non-operating revenues and expenses was \$27,800. During 2022-23 the wastewater treatment facility added new flooring to the operations building; the water fund started the Clay Street Line Rehab and Clay Street Reservoir projects; and the sewer, water and storm water funds shared the cost of the ongoing project of a new Public Works building.

**Changes in Net Position: Proprietary Funds**

Fund	June 30, 2023	June 30, 2022	Increase (decrease)	Percent Change
	Net Position	Net Position		
Water Fund	\$ 17,118,661	\$ 15,965,355	\$ 1,153,306	7.22%
Sewer Fund	22,871,904	21,732,289	1,139,615	5.24%
Storm Water Fund	4,895,929	4,267,069	628,860	14.74%
	<u>\$ 44,886,494</u>	<u>\$ 41,964,713</u>	<u>\$ 2,921,781</u>	<u>6.96%</u>





For fiscal year 2022-23 there was a moderate growth in net position for the three enterprise funds where net position increased 7.22 percent in the Water Fund and increased 5.24 percent in the Sewer Fund. The increase in the Sewer Fund reflects an increase in cash and investments. The Storm Water Fund, shows an increase of 14.74 percent due to a storm water rate increase reflected in operating revenues and an increase in cash and investments.

Internal Service Fund (Fleet Management Fund) net position decreased by \$152,401 for the 2022-23 fiscal year due to reduced capital assets and an increase in liabilities.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Dallas' basic financial statements. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide financial statements.** The government-wide financial statements present the net position (*statement of net position*) and results of operations (*statement of activities*) of the total reporting government. Included are all governmental and proprietary assets, liabilities and activities of the City. The measurement focus and basis of accounting are the same for the entire entity. The measurement focus is on all economic resources of the fund, including current financial resources (assets) and non-current financial resources (capital assets) and the related current and non-current liabilities and equity accounts. Both government-wide statements are prepared using the accrual basis of accounting, which is similar to the methods used by most businesses and takes into account all revenues and expenses connected with the fiscal year, even if cash involved has not been received or paid.

*The statement of net position* presents information on all the City of Dallas' assets and liabilities, with the difference between the two reported as total net position. Increases or decreases in net position may indicate whether the City's financial position is improving or deteriorating.

*The statement of activities* presents the expenses incurred in providing services to the public and the revenues associated with those activities for both governmental and business-type activities. The statement of activities begins with expenses by function. To these functions are applied charges for services, operating grants and contributions and capital grants and contributions. The resulting sums, with some adjustments, represent charges to general taxpayers and may equate to the nearest that governments can determine the "bottom line."

These government-wide financial statements are divided into two categories. Governmental activities are most services provided by the City of Dallas, which are funded through property taxes and intergovernmental revenues. The governmental activities for the City of Dallas include general government, public safety, highways and streets, community development and culture and recreation. Business-type activities reflect those operations for which a fee is charged to external users of goods and services and are intended to be funded primarily through charges for services. Business-type activities include sewage disposal, water service and storm water service.

The government-wide financial statements are on pages 2 and 3 of this report.

**Fund Financial Statements.** A fund is a fiscal and accounting entity with a self-balancing set of accounts that is used to segregate resources that are restricted to a particular activity. The use of funds deters comingling of resources designated for specific purpose, prevents unauthorized transfer of surpluses, and ensures compliance with legal and contractual requirements. The City of Dallas has two types of fund categories: governmental funds and proprietary funds. The City has no fiduciary funds.

*Governmental Funds.* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources and use the modified accrual basis of accounting. Operating statements include all sources and uses of financial resources, and display the excess of revenues and other financial sources over (under) expenditures and other uses. Included in the balance sheet are liquid assets and receivables that will be converted into cash currently and short-term liabilities, including payables to vendors and employees. Un-matured bond principal or liabilities for compensated absences not to be paid in the fiscal year are not included. Because the governmental fund statements do not encompass the long-term focus of the government-wide statements, reconciliations are provided on the subsequent page of the governmental fund statements. The emphasis is on major funds that account for the predominant assets and activities of all funds.

The City of Dallas maintains 10 individual governmental funds. Information is presented separately for the General Fund, Street Fund and System Development Fund in the fund Balance Sheet and Statement of Revenue, Expenditures and Changes in Fund Balances. The other governmental funds are combined into a single, aggregated presentation. Information for these non-major governmental funds is provided in the form of *combining statements* on pages 67 through 72 in this report.

The City of Dallas adopts an annual appropriated budget for all of its funds. Budgetary comparison schedules, demonstrating compliance with this budget, have been provided on pages 77 through 91 of this report.

*Proprietary Funds.* The City of Dallas maintains two different types of proprietary funds - enterprise and internal service fund. These funds are used to show activities that operate more like those of commercial enterprises. Fees are charged for services provided, both to outside customers and to other units of the City of Dallas. Enterprise funds are presented as business-type activities in the government-wide financial statements. The City of Dallas uses enterprise funds to account for its Sewage Disposal, Water and Storm Water. An internal service fund accounts for activities furnishing goods or services to other units of the government. Charges for these services are on a cost-reimbursement basis. The City of Dallas uses an internal service fund to account for its fleet management services, which rents equipment and labor to the other operating funds.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sewage Disposal, Water, Storm Water and Internal Service Funds.

**Notes to the Financial Statements.** The notes to the financial statements are an integral part of the basic financial statements and should be read along with them. The notes provide additional information necessary to communicate the financial position of the City of Dallas and are on pages 13 through 54 in this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information concerning the City of Dallas.

Increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. To assess the overall health of the City, additional nonfinancial factors such as changes in the City's property tax base, and the condition of the City's infrastructure must be considered.

## **STATEMENT OF NET POSITION**

Net position serves as a useful indicator of a government's financial position. The City has continued to see assets exceeding liabilities. Total assets and deferred outflows of resources for the City of Dallas were \$140,200,977 while total liabilities and deferred inflows of resources were \$31,729,539 resulting in combined net position (governmental and business-type activities) of \$108,471,438. The largest component of the City's total net position, \$84,051,117 or 77 percent, reflects its investment in capital assets (i.e., land, buildings, equipment and infrastructure, less any related debt outstanding that was needed to acquire or construct the assets). The City of Dallas uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Combined net position of the City of Dallas at June 30, 2023 and 2022 was as follows:

Statement of Net Position  
Years ended June 30, 2023 and 2022

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>
Current assets	\$30,912,897	\$31,578,688	\$ 9,084,798	\$ 6,822,103	\$ 39,997,695	\$ 38,400,791
Non-current assets:						
Lease receivable	143,529	213,205	-	-	143,529	213,205
Net OPEB asset	126,173	104,250	17,204	14,738	143,377	118,988
Capital assets	52,162,488	49,776,905	42,989,816	42,986,620	95,152,304	92,763,525
<i>Total Assets</i>	<u>83,345,087</u>	<u>81,673,048</u>	<u>52,091,818</u>	<u>49,823,461</u>	<u>135,436,905</u>	<u>131,496,509</u>
Deferred outflows of resources	4,192,431	4,814,481	571,641	680,642	4,764,072	5,495,123
<i>Total assets and deferred outflows of resources</i>	<u>\$87,537,518</u>	<u>\$86,487,529</u>	<u>\$52,663,459</u>	<u>\$50,504,103</u>	<u>\$140,200,977</u>	<u>\$136,991,632</u>
Long-term liabilities	\$14,342,374	\$13,096,013	\$ 6,447,938	\$ 6,696,040	\$ 20,790,312	\$ 19,792,053
Other liabilities	6,677,802	3,803,166	958,265	1,109,718	7,636,067	4,912,884
<i>Total Liabilities</i>	<u>21,020,176</u>	<u>16,899,179</u>	<u>7,406,203</u>	<u>7,805,758</u>	<u>28,426,379</u>	<u>24,704,937</u>
Deferred inflows of resources	2,932,398	5,471,157	370,762	733,632	3,303,160	6,204,789
Net Position:						
Net investment in capital assets	46,824,760	43,944,286	37,226,357	36,763,923	84,051,117	80,708,209
Restricted	20,075,808	21,600,094	17,204	14,738	20,093,012	21,614,832
Unrestricted	(3,315,624)	(1,427,187)	7,642,933	5,186,052	4,327,309	3,758,865
<i>Total Net Position</i>	<u>63,584,944</u>	<u>64,117,193</u>	<u>44,886,494</u>	<u>41,964,713</u>	<u>108,471,438</u>	<u>106,081,906</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$87,537,518</u>	<u>\$86,487,529</u>	<u>\$52,663,459</u>	<u>\$50,504,103</u>	<u>\$140,200,977</u>	<u>\$136,991,632</u>

Combined statement of activities of the City of Dallas for the years ended June 30, 2023 and 2022 was as follows:

Statement of Activities  
Years ended June 30, 2023 and 2022

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>
<i>Revenues:</i>						
<i>Program Revenues:</i>						
Charges for services	\$ 6,809,398	\$ 5,591,236	\$ 8,696,765	\$ 7,940,982	\$ 15,506,163	\$ 13,532,218
Operating grants and contributions	1,586,300	296,609	14,530	-	1,600,830	296,609
Capital grants and contributions	714,131	2,904,396	591,160	3,292,320	1,305,291	6,196,716
<i>General Revenues:</i>						
Property taxes	5,707,123	5,390,902	-	-	5,707,123	5,390,902
Public service taxes	2,497,967	3,005,747	-	-	2,497,967	3,005,747
Franchise fees	1,519,868	-	-	-	1,519,868	-
Interest and investment earnings	146,023	105,234	173,843	51,209	319,866	156,443
Other Revenues	381,019	4,150,940	186,728	177,380	567,747	4,328,320
<i>Total Revenues</i>	<u>19,361,829</u>	<u>21,445,064</u>	<u>9,663,026</u>	<u>11,461,891</u>	<u>29,024,855</u>	<u>32,906,955</u>
<i>Expenses:</i>						
General government	(3,339,778)	(4,019,169)	-	-	(3,339,778)	(4,019,169)
Public safety	(8,139,754)	(7,213,285)	-	-	(8,139,754)	(7,213,285)
Highways and street	(3,053,100)	(2,714,590)	-	-	(3,053,100)	(2,714,590)
Culture and recreation	(2,590,297)	(1,074,861)	-	-	(2,590,297)	(1,074,861)
Community development	(2,080,542)	(2,936,614)	-	-	(2,080,542)	(2,936,614)
Interest on long-term debt	(153,629)	(160,114)	-	-	(153,629)	(160,114)
Sewage disposal	-	-	(2,525,114)	(2,144,924)	(2,525,114)	(2,144,924)
Water	-	-	(2,408,976)	(2,406,875)	(2,408,976)	(2,406,875)
Storm Water	-	-	(458,488)	(400,431)	(458,488)	(400,431)
<i>Total Expenses</i>	<u>(19,357,100)</u>	<u>(18,118,633)</u>	<u>(5,392,578)</u>	<u>(4,952,230)</u>	<u>(24,749,678)</u>	<u>(22,670,432)</u>
Increase (decrease) in net position before transfers	4,729	3,326,431	4,270,448	6,509,661	4,275,177	9,836,092
Transfers in (out)	<u>1,348,667</u>	<u>1,236,800</u>	<u>(1,348,667)</u>	<u>(1,236,800)</u>	<u>-</u>	<u>-</u>
Change in net position	1,353,396	4,563,231	2,921,781	5,272,861	4,275,177	9,836,092
Net position - beginning	64,117,193	59,553,962	41,964,713	36,691,852	106,081,906	96,245,814
Prior period adjustment	<u>(1,885,645)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,885,645)</u>	<u>-</u>
Net position - ending	<u>\$63,584,944</u>	<u>\$64,117,193</u>	<u>\$44,886,494</u>	<u>\$41,964,713</u>	<u>\$108,471,438</u>	<u>\$106,081,906</u>

**Governmental Activities.** Total revenues for the City of Dallas' governmental activities for the fiscal year ended June 30, 2023, were \$19,361,829 (excluding transfers). Approximately 29 percent of the total revenue for the governmental activities was derived from property taxes and approximately 35 percent of the total revenue is from charges for services. Total expenses for governmental activities were \$19,357,100 (excluding transfers), resulting in an increase in net position of \$1,353,396. The majority of the governmental activities revenue was used to fund public safety, which accounts for approximately 42 percent of the total governmental activities expense. Culture and recreation expenses account for 13 percent of the total, community development accounts for 11 percent, highways and streets account for 16 percent, and general government expenses account for 17

percent of the total. Interest on long-term debt expenses is less than 1 percent of total governmental activities expenses. All depreciation expense related to governmental activities has been allocated to individual governmental functions.

**Business-Type Activities.** Charges for services, capital grants and contributions, and general revenues of business-type activities totaled \$9,663,026 (excluding transfers) for the current fiscal year. Approximately 90 percent of the total business-type activities revenue was derived from charges for services. The total expenses for business-type activities were \$5,392,578 (excluding transfers), resulting in an increase of net position by \$2,921,781. Business-type activities for the City of Dallas consist of operations for sewage disposal, water and storm water.

## **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

As noted previously, the City of Dallas uses fund accounting to segregate resources that are restricted to a particular activity. An unreserved fund balance represents the excess of the assets of the fund over its liabilities. Because the fund financial statements focus on current sources and uses of spendable resources, unreserved fund balances relating to each fund may be useful in assessing the government's net resources available.

**Governmental Funds.** At the end of the audited fiscal year, the City of Dallas' governmental funds reported combined ending fund balances of \$24,694,111 a decrease of \$3,374,627 or 12.02 percent, from the prior year. The City's governmental funds include the General fund, Street fund, Systems Development Fund, and other non-major governmental funds.

The General fund is the chief operating fund of the City. At the end of the audited fiscal year, the General fund reported a fund balance of \$4,492,617, a decrease of \$1,795,778 (28.56 percent) from the prior year (on the modified accrual basis). The decrease was due a prior period adjustment in relation to ARPA funds.

The Street fund accounts for state highway apportionment, federal funds, and grants, which are restricted to road maintenance. The fund balance of the Street fund at the end of the fiscal year was \$2,616,954, a decrease of 56.91 percent from the prior year. The decrease was due to a decrease in revenues and completion of phase 2 of the Street Rehabilitation Project. Additionally, there were no new loan proceeds during the year.

The Systems Development Fund is used to account for fees and capital improvements associated with growth and development. The fund balance of the Systems Development Fund at June 30, 2023 was \$15,221,081. An increase of \$1,492,329 due to a decrease in projects and increase in building permits.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

There were several amendments to the original budget. Actual revenues (budgetary basis) were less by 7.6 percent of budgeted amounts due reclassification of ARPA funds. Actual expenditures were 25 percent less than budgeted amounts due primarily to controlled spending of materials and services across all departments and uncompleted capital projects. The City continues its commitment to maintaining all facilities and equipment in good condition and providing excellent service to its citizens.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets.** The City of Dallas' capital assets for its governmental and business-type activities at the end of the current fiscal year equaled, \$95,152,304 net of accumulated depreciation, compared to \$92,763,525 at the end of last fiscal year. Capital assets include land, buildings, improvements, equipment, infrastructure, right to use lease asset, and right to use SBITA asset. The increase in capital assets for governmental activities is due to completion of phase 2 of the Street Rehabilitation Project. For business-type activities, capital asset additions consisted of building improvements at the waste water treatment facility; and water line and reservoir projects. Additional information about the City's capital assets is presented in the notes to the financial statements on pages 27 through 28.

Capital Assets  
Years ended June 30, 2023 and 2022

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>
Land	\$ 1,108,613	\$ 1,108,613	\$ 2,999,811	\$ 2,999,811	\$ 4,108,424	\$ 4,108,424
Buildings and improvements	18,728,432	18,243,669	71,413,888	70,097,736	90,142,320	88,341,405
Machinery and equipment	12,705,952	11,956,036	1,545,287	1,489,199	14,251,239	13,445,235
Infrastructure	90,662,259	86,029,551	-	-	90,662,259	86,029,551
Right-to-use lease asset	50,327	-	-	-	50,327	-
Right-to-use SBITA asset	74,628	-	-	-	74,628	-
Accumulated depreciation/amortization	<u>(71,167,723)</u>	<u>(67,560,964)</u>	<u>(32,969,170)</u>	<u>(31,600,126)</u>	<u>(104,136,893)</u>	<u>(99,161,090)</u>
<i>Total Net Capital Assets</i>	<u>\$52,162,488</u>	<u>\$49,776,905</u>	<u>\$42,989,816</u>	<u>\$42,986,620</u>	<u>\$ 95,152,304</u>	<u>\$92,763,525</u>

**Long-term Obligations.** At the end of the current fiscal year, long-term debt outstanding for the governmental activities totaled \$5,984,981 (excluding compensated absences payable), compared to \$6,697,619 the prior year. For business-type activities, long term debt outstanding totaled \$5,692,942 (excluding compensated absences payable), compared to \$6,222,697 the prior year. The decrease in governmental debt is due to the principal payments made on outstanding debt. The decrease in business-type activity debt is also due to the principal payments on debt outstanding. New debt for business-type activity was issued for FY 2022-23. Additional information about the City's long-term debt is presented in the notes to the financial statements on page 30 through 35.

Long-Term Debt  
Years ended June 30, 2023 and 2022

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>
Bonds	\$ 5,729,000	\$ 6,291,000	\$ 3,466,000	\$ 3,871,000	\$ 9,195,000	\$10,162,000
Loans	171,132	295,083	2,297,459	2,351,697	2,468,591	2,646,780
Notes Payable	84,849	111,536	-	-	84,849	111,536
<i>Total Long-Term Debt</i>	<u>\$ 5,984,981</u>	<u>\$ 6,697,619</u>	<u>\$ 5,763,459</u>	<u>\$ 6,222,697</u>	<u>\$11,748,440</u>	<u>\$12,920,316</u>

## **ECONOMIC FACTORS 2023**

The city's tax base is comprised of residential, commercial, and industrial properties. Residential property accounts for the highest percentage of the tax base. Dallas saw expansion in both commercial and residential development. Building permit activity in 2023 was down slightly from 2022 with YTD 708 permits issued. However, the total valuation was up significantly at \$71,552,226. Overall, the population of the City of Dallas is continuing to see growth year over year. Portland State population growth estimates show the City of Dallas grew 2.2% this year and now has an estimated population of 17,960. This growth rate is much higher than the statewide total over the same period of 0.53%.

The 2023 unemployment rate in the Dallas area is 3.6%, which is lower than the 2022 rate and in fact is at the same rate as just prior to the pandemic in late 2019 and which is lowest rate since prior to 2006. The pandemic affected unemployment rates statewide in 2020 and 2021, but the state and the region have largely recovered from losses incurred during the pandemic's peak. The Salem MSA, of which Dallas and Polk County are a part, has now surpassed its pre-pandemic numbers in 2023 and is now outpacing the rest of the state as well.

Property taxes, franchise fees and charges for services are the three primary funding sources for the General Fund of the City. Of the three, property tax revenue is the largest single revenue stream the City's General Fund has, but the State laws capping property tax rates and maximum yearly increases does not allow this revenue stream to keep up with expenditures.

The Economic Development Commission and staff continue to carry out the city's economic development strategy to encourage and support business and employment growth, which will add to the tax base of the city. In 2022, the City created its second Urban Renewal District, the South Dallas URD, which covers over 420 acres of mostly industrial land in the southern portion of the city, to include the Dallas Mill Site. Early tax revenues in the new District look favorable. It will still take a few years for the District to earn meaningful increment. The City's Downtown Urban Renewal District continues to support and leverage investments in private building projects with building improvement grants to the private sector, leading to additional investment in the District, coupled with ARPA funds.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide the City of Dallas's citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report or requests for additional financial information should be addressed to: City of Dallas, 187 SE Court Street, Dallas, Oregon 97338.



## **BASIC FINANCIAL STATEMENTS**

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements include interrelated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
  - Governmental Funds
  - Proprietary Funds

In addition, the notes to the basic financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

CITY OF DALLAS, OREGON  
STATEMENT OF NET POSITION  
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Current assets:			
Cash and investments	\$ 28,716,155	\$ 9,234,144	\$ 37,950,299
Cash held with county	41,096	-	41,096
Accounts receivable, net	1,179,543	381,153	1,560,696
Property taxes receivable	169,843	-	169,843
Current portion of lease receivable	69,676	-	69,676
Interfund loan receivable (payable)	736,584	(736,584)	-
Inventory	-	206,085	206,085
	<u>30,912,897</u>	<u>9,084,798</u>	<u>39,997,695</u>
Total current assets			
Noncurrent assets:			
Lease receivable	143,529	-	143,529
Net OPEB asset	126,173	17,204	143,377
Capital assets:			
Nondepreciable/Nonamortizable	1,108,613	2,999,811	4,108,424
Depreciable/amortizable, net	51,053,875	39,990,005	91,043,880
	<u>52,432,190</u>	<u>43,007,020</u>	<u>95,439,210</u>
Total noncurrent assets			
Total assets			
	<u>83,345,087</u>	<u>52,091,818</u>	<u>135,436,905</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Deferred outflows related to pension	4,176,206	569,429	4,745,635
Deferred outflows related to OPEB	16,225	2,212	18,437
	<u>4,192,431</u>	<u>571,641</u>	<u>4,764,072</u>
Total deferred outflows of resources			
	<u>87,537,518</u>	<u>52,663,459</u>	<u>140,200,977</u>
Total assets and deferred outflows of resources			
<b>LIABILITIES:</b>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 1,937,971	\$ 189,415	\$ 2,127,386
Payroll liabilities	308,271	-	308,271
Unearned revenue	3,146,037	7,038	3,153,075
Interest payable	18,659	54,778	73,437
Deposits payable	387,337	150,500	537,837
Current portion of leases payable	10,101	-	10,101
Current portion of SBITA payable	23,708	-	23,708
Current portion of compensated absences	107,080	13,151	120,231
Current portion of long-term debt	738,638	543,383	1,282,021
	<u>6,677,802</u>	<u>958,265</u>	<u>7,636,067</u>
Total current liabilities			
Noncurrent liabilities:			
Net pension liability	8,494,465	1,158,224	9,652,689
Net OPEB liability	221,388	30,187	251,575
Noncurrent portion of leases payable	34,081	-	34,081
Noncurrent portion of SBITA payable	24,857	-	24,857
Noncurrent portion of compensated absences	321,240	39,451	360,691
Noncurrent portion of long-term debt	5,246,343	5,220,076	10,466,419
	<u>14,342,374</u>	<u>6,447,938</u>	<u>20,790,312</u>
Total noncurrent liabilities			
Total liabilities			
	<u>21,020,176</u>	<u>7,406,203</u>	<u>28,426,379</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred inflow related to lease receivable	213,205	-	213,205
Deferred inflow related to pension	2,518,594	343,411	2,862,005
Deferred inflow related to OPEB	200,599	27,351	227,950
	<u>2,932,398</u>	<u>370,762</u>	<u>3,303,160</u>
Total deferred inflows of resources			
<b>NET POSITION:</b>			
Net investment in capital assets	46,824,760	37,226,357	84,051,117
Restricted for:			
OPEB benefits	126,173	17,204	143,377
Urban renewal projects	391,272	-	391,272
Debt service	11	-	11
Streets	2,616,954	-	2,616,954
Building department	1,562,677	-	1,562,677
Trust	157,640	-	157,640
System development	15,221,081	-	15,221,081
Unrestricted	(3,315,624)	7,642,933	4,327,309
	<u>63,584,944</u>	<u>44,886,494</u>	<u>108,471,438</u>
Total net position			
Total liabilities, deferred inflows of resources, and net position			
	<u>\$ 87,537,518</u>	<u>\$ 52,663,459</u>	<u>\$ 140,200,977</u>

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

CITY OF DALLAS, OREGON  
STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net Expense Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental activities:							
General government	\$ 3,339,778	\$ 3,864,493	\$ 956,176	\$ -	\$ 1,480,891	\$ -	\$ 1,480,891
Public safety	8,139,754	572,138	73,645	-	(7,493,971)	-	(7,493,971)
Highways and streets	3,053,100	1,130,862	240,390	533,770	(1,148,078)	-	(1,148,078)
Culture and recreation	2,590,297	776,673	44,567	180,361	(1,588,696)	-	(1,588,696)
Community development	2,080,542	465,232	271,522	-	(1,343,788)	-	(1,343,788)
Interest on long-term debt	153,629	-	-	-	(153,629)	-	(153,629)
Total governmental activities	19,357,100	6,809,398	1,586,300	714,131	(10,247,271)	-	(10,247,271)
Business type activities:							
Sewer Fund	2,525,114	3,976,271	6,773	193,860	-	1,651,790	1,651,790
Water Fund	2,408,976	3,753,871	7,757	213,450	-	1,566,102	1,566,102
Storm Water Fund	458,488	966,623	-	183,850	-	691,985	691,985
Total business-type activities	5,392,578	8,696,765	14,530	591,160	-	3,909,877	3,909,877
Total government	\$ 24,749,678	\$ 15,506,163	\$ 1,600,830	\$ 1,305,291	(10,247,271)	3,909,877	(6,337,394)
General revenues:							
Taxes:							
Property taxes					5,707,123	-	5,707,123
Public service taxes					2,497,967	-	2,497,967
Interest and investment earnings					146,023	173,843	319,866
Franchise fees					1,519,868	-	1,519,868
Other revenues					381,019	186,728	567,747
Transfers in (out)					1,348,667	(1,348,667)	-
Total general revenues and transfers					11,600,667	(988,096)	10,612,571
Change in net position					1,353,396	2,921,781	4,275,177
Net position - beginning					64,117,193	41,964,713	106,081,906
Prior period adjustment					(1,885,645)	-	(1,885,645)
Net position - ending					\$ 63,584,944	\$ 44,886,494	\$ 108,471,438

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

**FUND FINANCIAL STATEMENTS**  
**Major Governmental Funds**

**General Fund**

The General Fund is the City's primary operation fund. It accounts for all the financial operations of the City except those required to be accounted for in another fund. Principal sources of revenues are property taxes, charges for services and licenses.

**Street Fund**

The Street Fund accounts for state highway apportionment, federal funds, and grants, which are restricted to road maintenance.

**System Development Fund**

The System Development Fund accounts for construction of oversize sewers, over-wide streets, water mains and other related needs.

CITY OF DALLAS, OREGON  
BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2023

	General Fund	Street Fund	System Development Fund	Other Governmental	Total Governmental
<b>ASSETS:</b>					
Cash and investments	\$ 7,944,252	\$ 4,359,472	\$ 13,823,218	\$ 2,375,698	\$ 28,502,640
Cash held with county	39,407	-	-	1,689	41,096
Accounts receivable	999,634	138,292	-	23,934	1,161,860
Property taxes receivable	162,857	-	-	6,986	169,843
Lease receivable	213,205	-	-	-	213,205
Due from other funds	1,486	-	-	-	1,486
Interfund loan receivable	-	-	1,397,863	-	1,397,863
Total assets	<u>\$ 9,360,841</u>	<u>\$ 4,497,764</u>	<u>\$ 15,221,081</u>	<u>\$ 2,408,307</u>	<u>\$ 31,487,993</u>
<b>LIABILITIES:</b>					
Accounts payable and other current liabilities	\$ 265,072	\$ 1,604,976	\$ -	\$ 36,376	\$ 1,906,424
Payroll liabilities	308,271	-	-	-	308,271
Deposits payable	387,337	-	-	-	387,337
Due to other funds	-	-	-	1,486	1,486
Unearned revenue	3,146,037	-	-	-	3,146,037
Interfund loan payable	385,445	275,834	-	-	661,279
Total liabilities	<u>4,492,162</u>	<u>1,880,810</u>	<u>-</u>	<u>37,862</u>	<u>6,410,834</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable revenue - property taxes	162,857	-	-	6,986	169,843
Unavailable revenue - lease receivable	213,205	-	-	-	213,205
Total deferred inflows of resources	<u>376,062</u>	<u>-</u>	<u>-</u>	<u>6,986</u>	<u>383,048</u>
<b>FUND BALANCES:</b>					
Restricted for:					
Debt	-	-	-	11	11
Urban renewal projects	-	-	-	384,286	384,286
Streets	-	2,616,954	-	-	2,616,954
Building department	-	-	-	1,562,677	1,562,677
Trust	-	-	-	157,640	157,640
System development	-	-	15,221,081	-	15,221,081
Committed for:					
Public safety	-	-	-	219,190	219,190
Assigned for:					
General government	-	-	-	47,550	47,550
Unassigned (deficit)	4,492,617	-	-	(7,895)	4,484,722
Total fund balances	<u>4,492,617</u>	<u>2,616,954</u>	<u>15,221,081</u>	<u>2,363,459</u>	<u>24,694,111</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,360,841</u>	<u>\$ 4,497,764</u>	<u>\$ 15,221,081</u>	<u>\$ 2,408,307</u>	<u>\$ 31,487,993</u>

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

**CITY OF DALLAS, OREGON**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**June 30, 2023**

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Total fund balances - governmental funds \$ 24,694,111

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Non - depreciable	\$ 1,101,603	
Depreciable, net	50,907,536	52,009,139

Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds:

Property taxes earned but not available	169,843
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Pension - related changes	(6,660,345)
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OPEB related - changes	(272,370)
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Compensated absences payable	\$ (417,639)	
Lease payable	(44,182)	
SBITA payable	(48,565)	
Notes and bonds payable	(5,984,981)	
Interest payable	(18,659)	(6,514,026)

Internal service funds are used by management to charge costs of insurance and information systems and services to individual funds.

Assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	158,592
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Total net position - governmental activities	\$ 63,584,944
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*The accompanying notes are an integral part of the basic financial statements.*

**CITY OF DALLAS, OREGON**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2023**

	General Fund	Street Fund	System Development Fund	Other Governmental	Total Governmental
<b>REVENUES:</b>					
Property taxes	\$ 5,448,342	\$ -	\$ -	\$ 231,132	\$ 5,679,474
Public service taxes	1,115,077	1,382,890	-	-	2,497,967
Franchise fees	1,519,868	-	-	-	1,519,868
Grants	956,177	240,390	-	389,733	1,586,300
Charges for services	2,797,725	78,485	2,294,282	-	5,170,492
Licenses and permits	1,560	-	-	967,520	969,080
Fees	-	-	-	447,465	447,465
Fines and forfeitures	124,673	-	-	-	124,673
Contributions and donations	-	-	-	180,361	180,361
Interest	199,032	130,097	(169,849)	(10,636)	148,644
Miscellaneous	271,019	47,474	9,195	221,616	549,304
<b>Total revenues</b>	<b>12,433,473</b>	<b>1,879,336</b>	<b>2,133,628</b>	<b>2,427,191</b>	<b>18,873,628</b>
<b>EXPENDITURES:</b>					
Current:					
General government	1,859,271	-	-	94,646	1,953,917
Public safety	7,329,001	-	-	577,212	7,906,213
Highways and streets	-	591,119	-	-	591,119
Culture and recreation	2,206,996	-	-	96,652	2,303,648
Community development	585,295	-	-	1,499,015	2,084,310
Capital outlay	1,489,568	4,149,532	517,474	9,923	6,166,497
Debt service:					
Principal	188,638	399,000	-	125,000	712,638
Interest	33,389	79,049	-	43,285	155,723
<b>Total expenditures</b>	<b>13,692,158</b>	<b>5,218,700</b>	<b>517,474</b>	<b>2,445,733</b>	<b>21,874,065</b>
Revenues over (under) expenditures	(1,258,685)	(3,339,364)	1,616,154	(18,542)	(3,000,437)
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from lease and SBITA obligations	124,955	-	-	-	124,955
Transfers in	1,612,897	-	-	674,825	2,287,722
Transfers out	(389,300)	(116,500)	(123,825)	(271,597)	(901,222)
<b>Total other financing sources (uses)</b>	<b>1,348,552</b>	<b>(116,500)</b>	<b>(123,825)</b>	<b>403,228</b>	<b>1,511,455</b>
Net changes in fund balances	89,867	(3,455,864)	1,492,329	384,686	(1,488,982)
<b>FUND BALANCES, BEGINNING</b>	<b>6,288,395</b>	<b>6,072,818</b>	<b>13,728,752</b>	<b>1,978,773</b>	<b>28,068,738</b>
Prior period adjustment (see note 19)	(1,885,645)	-	-	-	(1,885,645)
<b>FUND BALANCES, ENDING</b>	<b>\$ 4,492,617</b>	<b>\$ 2,616,954</b>	<b>\$ 15,221,081</b>	<b>\$ 2,363,459</b>	<b>\$ 24,694,111</b>

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



**CITY OF DALLAS, OREGON**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2023**

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Amounts reported in the statement of activities are different because:

Net change in fund balances \$ (1,488,982)

The statement of revenues, expenditures, and changes if fund balances report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which depreciation and amortization expense exceeded capital outlay in the current period.

Capital asset additions	\$	5,321,782	
Lease additions		50,327	
SBITA additions		74,628	
Current year depreciation and amortization		<u>(3,553,323)</u>	<u>1,893,414</u>

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

Capital contributions 533,770

Some revenue provide current financial resources in the governmental funds and are not reported in the statement of activities 27,649

Governmental funds report pension contributions as expenditures. However, in the statements of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. (39,024)

Governmental funds report OPEB contributions as expenditures. However, in the statements of activities, the cost of OPEB benefits earned net of employee contributions is reported as OPEB expense. (11,466)

Internal service funds are used by management to charge the costs of the administrative services department to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. (152,401)

The issuance of long-term debt (e.g., bonds, leases, SBITAs) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the amount by which proceeds exceeded repayments.

Debt service principal payments	\$	712,638	
Accrued interest expense		2,094	
Compensated absences		(31,549)	
Proceeds from lease and SBITA obligations		(124,955)	
Lease principal payments		6,145	
Subscription-based information technology arrangements payable		<u>26,063</u>	<u>590,436</u>

Change in net position of governmental activities \$ 1,353,396

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

## **FUND FINANCIAL STATEMENTS**

### **Proprietary Funds**

#### Enterprise Funds

These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing the services to the general public on a continuing basis be financed primarily through user charges.

#### **Sewer Fund**

The Sewer Fund accounts for sewer operations of the City's sewer utilities.

#### **Water Fund**

The Water Fund accounts for the operation of the City's water department.

#### **Storm Water Fund**

The Storm water Fund accounts for storm drain services for residents of the City.

For Generally Accepted Accounting Principles purposes, these aforementioned funds are consolidated and included as three separate Enterprises funds.

#### Internal Service Funds

These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

#### **Fleet Management Fund**

The Fleet Management Fund is used to account for equipment rentals to other funds of the City.

**CITY OF DALLAS, OREGON**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**June 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Fund	Water Fund	Storm Water Fund	Total	Internal Service Fund
<b>ASSETS:</b>					
Current assets:					
Cash and investments	\$ 4,356,105	\$ 3,559,310	\$ 1,318,729	\$ 9,234,144	\$ 213,515
Accounts receivables, net	165,114	175,816	40,223	381,153	17,683
Inventories	19,191	186,894	-	206,085	-
Total current assets	4,540,410	3,922,020	1,358,952	9,821,382	231,198
Noncurrent assets:					
Net OPEB asset	6,325	10,056	823	17,204	3,257
Capital assets - nondepreciable	663,527	2,336,284	-	2,999,811	7,010
Capital assets - depreciable, net	18,651,928	17,594,284	3,743,793	39,990,005	146,339
Total noncurrent assets	19,321,780	19,940,624	3,744,616	43,007,020	156,606
Total assets	23,862,190	23,862,644	5,103,568	52,828,402	387,804
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Deferred outflow related to pension	209,363	332,830	27,236	569,429	107,817
Deferred outflow related to OPEB benefits	813	1,293	106	2,212	419
Total deferred outflows of resources	210,176	334,123	27,342	571,641	108,236
Total assets and deferred outflows of resources	\$ 24,072,366	\$ 24,196,767	\$ 5,130,910	\$ 53,400,043	\$ 496,040
<b>LIABILITIES:</b>					
Current liabilities:					
Accounts payable and accrued expenses	\$ 17,056	\$ 79,194	\$ 93,165	\$ 189,415	\$ 31,547
Interest payable	5,031	49,747	-	54,778	-
Deposits payable	-	150,500	-	150,500	-
Unearned revenue	-	7,038	-	7,038	-
Interfund loan payable	-	669,850	66,734	736,584	-
Current accrued compensated absences	5,028	7,996	127	13,151	2,670
Current portion of long-term debt	59,000	484,383	-	543,383	-
Total current liabilities	86,115	1,448,708	160,026	1,694,849	34,217
Noncurrent liabilities:					
Noncurrent accrued compensated absences	15,083	23,988	380	39,451	8,011
Noncurrent portion of long-term debt	526,000	4,694,076	-	5,220,076	-
Net other postemployment benefit liability	11,099	17,644	1,444	30,187	5,716
Net pension liability	425,846	676,980	55,398	1,158,224	219,302
Total noncurrent liabilities	978,028	5,412,688	57,222	6,447,938	233,029
Total liabilities	1,064,143	6,861,396	217,248	8,142,787	267,246
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Deferred inflow related to pension	126,263	200,723	16,425	343,411	65,023
Deferred inflow related to OPEB benefits	10,056	15,987	1,308	27,351	5,179
Total deferred inflows of resources	136,319	216,710	17,733	370,762	70,202
<b>NET POSITION:</b>					
Net investment in capital assets	18,730,455	14,752,109	3,743,793	37,226,357	153,349
Restricted for:					
OPEB benefits	6,325	10,056	823	17,204	3,257
Unrestricted	4,135,124	2,356,496	1,151,313	7,642,933	1,986
Total net position	22,871,904	17,118,661	4,895,929	44,886,494	158,592
Total liabilities, deferred inflows of resources, and net position	\$ 24,072,366	\$ 24,196,767	\$ 5,130,910	\$ 53,400,043	\$ 496,040

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

**CITY OF DALLAS, OREGON**  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**For the Fiscal Year Ended June 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental
	Sewer Fund	Water Fund	Storm Water Fund	Total	Internal Service Fund
<b>OPERATING REVENUES:</b>					
Charges for services	\$ 3,976,271	\$ 3,753,871	\$ 966,623	\$ 8,696,765	\$ 540,688
Miscellaneous	94,559	92,169	-	186,728	-
Grants	6,773	7,757	-	14,530	-
Total operating revenues	4,077,603	3,853,797	966,623	8,898,023	540,688
<b>OPERATING EXPENSES:</b>					
Personnel services	641,421	821,562	45,231	1,508,214	236,209
Materials and services	1,219,147	829,343	320,786	2,369,276	328,324
Depreciation and amortization	648,466	628,108	92,471	1,369,045	53,435
Total operating expenses	2,509,034	2,279,013	458,488	5,246,535	617,968
Operating income (loss)	1,568,569	1,574,784	508,135	3,651,488	(77,280)
<b>NON-OPERATING INCOME (EXPENSE):</b>					
Interest income	75,282	77,686	20,875	173,843	-
Interest expense	(16,080)	(129,963)	-	(146,043)	(2,621)
Total non-operating income (expenses)	59,202	(52,277)	20,875	27,800	(2,621)
Net income (loss) before operating transfers	1,627,771	1,522,507	529,010	3,679,288	(79,901)
<b>OPERATING TRANSFERS:</b>					
Transfers in (out)	(682,016)	(582,651)	(84,000)	(1,348,667)	(72,500)
Net income (loss) before contributions	945,755	939,856	445,010	2,330,621	(152,401)
<b>CAPITAL CONTRIBUTIONS:</b>					
Capital contributions	193,860	213,450	183,850	591,160	-
Change in net position	1,139,615	1,153,306	628,860	2,921,781	(152,401)
<b>NET POSITION, BEGINNING</b>	21,732,289	15,965,355	4,267,069	41,964,713	310,993
<b>NET POSITION, ENDING</b>	<u>\$ 22,871,904</u>	<u>\$ 17,118,661</u>	<u>\$ 4,895,929</u>	<u>\$ 44,886,494</u>	<u>\$ 158,592</u>

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

**CITY OF DALLAS, OREGON**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**For the Fiscal Year Ended June 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental
	Sewer Fund	Water Fund	Storm Water Fund	Total	Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash received from customers	\$ 3,967,873	\$ 3,670,473	\$ 958,676	\$ 8,597,022	\$ 526,774
Other receipts	101,332	99,926	-	201,258	-
Cash paid to employees	(564,801)	(910,761)	(64,645)	(1,540,207)	(256,335)
Cash paid to suppliers	(1,485,023)	(796,381)	(249,220)	(2,530,624)	(322,836)
Net cash provided (used) by operating activities	2,019,381	2,063,257	644,811	4,727,449	(52,397)
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>					
Payment from (to) other funds	-	(81,494)	(15,731)	(97,225)	-
Transfers from (to) other funds	(682,016)	(582,651)	(84,000)	(1,348,667)	(72,500)
Net cash provided (used) by non-capital financing activities	(682,016)	(664,145)	(99,731)	(1,445,892)	(72,500)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Purchase of capital assets	(56,216)	(711,499)	(13,366)	(781,081)	(11,834)
Principal paid on capital debt	(57,000)	(472,755)	-	(529,755)	-
Proceeds from issuance of debt	-	70,517	-	70,517	-
Interest paid on capital debt	(16,570)	(134,294)	-	(150,864)	-
Net cash provided (used) by capital and related financing activities	(129,786)	(1,248,031)	(13,366)	(1,391,183)	(11,834)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Interest on investments	75,282	77,686	20,875	173,843	(2,621)
Net (increase) decrease in investments	(1,655,815)	(657,812)	(640,504)	(2,954,131)	-
Net cash provided (used) by investing activities	(1,580,533)	(580,126)	(619,629)	(2,780,288)	(2,621)
Net increase (decrease) in cash and cash equivalents	(372,954)	(429,045)	(87,915)	(889,914)	(139,352)
<b>CASH AND CASH EQUIVALENTS, BEGINNING, RESTATED</b>	466,882	505,791	116,350	1,089,023	352,867
<b>CASH AND CASH EQUIVALENTS, ENDING</b>	\$ 93,928	\$ 76,746	\$ 28,435	\$ 199,109	\$ 213,515
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION:</b>					
Cash and cash equivalents	\$ 93,928	\$ 76,746	\$ 28,435	\$ 199,109	\$ 213,515
Investments	4,262,177	3,482,564	1,290,294	9,035,035	-
Total cash and investments	\$ 4,356,105	\$ 3,559,310	\$ 1,318,729	\$ 9,234,144	\$ 213,515
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ 1,568,569	\$ 1,574,784	\$ 508,135	\$ 3,651,488	\$ (77,280)
Adjustments					
Depreciation and amortization	648,466	628,108	92,471	1,369,045	53,435
Decrease (increase) in:					
Accounts receivable	(8,398)	(78,498)	(7,947)	(94,843)	(13,914)
Inventories	-	(6,410)	-	(6,410)	-
OPEB asset	(2,112)	(481)	127	(2,466)	-
Increase (decrease) in:					
Net OPEB liability and OPEB related items	5,285	(1,882)	(749)	2,654	175
Accounts payable and accrued expenses	(265,876)	39,372	71,566	(154,938)	5,488
Deposits	-	(3,000)	-	(3,000)	(375)
Unearned revenue	-	(1,900)	-	(1,900)	-
Accrued compensated absences	5,890	(6,269)	(1,314)	(1,693)	(8,172)
Net pension liability and pension related items	67,557	(80,567)	(17,478)	(30,488)	(11,754)
Net cash provided (used) by operating activities	\$ 2,019,381	\$ 2,063,257	\$ 644,811	\$ 4,727,449	\$ (52,397)
<b>NON-CASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Unrealized gain (loss) on investments	\$ (53,484)	\$ (43,701)	\$ (16,191)	\$ (113,376)	\$ -
Capital contributions	193,860	213,450	183,850	591,160	-
Total non-cash investing, capital and related financing activities	\$ 140,376	\$ 169,749	\$ 167,659	\$ 477,784	\$ -

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

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Dallas, Oregon (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

### **The Financial Reporting Entity**

The City of Dallas, Oregon (the "City") is governed by an elected mayor and elected council members who comprise the City Council. The City Council exercises supervisory responsibilities over the City operations, but day-to-day management control is the responsibility of the City Manager. As required by the Generally Accepted Accounting Principles, all activities of the City have been included in these basic financial statements.

The basic financial statements include all financial activities, organizations, and functions for which the City Council has financial accountability as defined by GASB Statement 61. The financial reporting consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be governmental organizations for which the primary government is not financially accountable, but for which the nature and significance of their financial relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City of Dallas's basic financial statements include the Dallas Community Development Commission Urban Renewal Agency and is reported as blended governmental fund. Blended component units, although legally separate entities are, in substance, part of the government's operations and data from these units are combined with data of the primary government. The City Council and Board of Directors and Dallas Community Development Commission Urban Renewal Agency are composed of the same individuals and the City is financially responsible for the Agency. Therefore, the City has operational responsibility over the Agency.

### **Basic Financial Statements**

The Basic financial statements are presented at both the governmental-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

---

Government-wide financial statements display information about the City as a whole. For the most part, the effect of interfund activity has been removed from these statements. The exceptions to this are the elimination of interfund services provided and used because elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. These statements focus on the sustainability of the City and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) fees, fines, and charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental or proprietary. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column within each fund type in the basic financial statements and are detailed in the supplemental information.

**Basis of Presentation**

The financial transactions are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the basic financial statements.

There are stated minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. Management may present any fund as major, regardless of whether percentage requirements are met, if they determine this presentation is warranted due to non-quantitative factors.

These are the major governmental funds:

*General Fund* – This is the primary operating fund. It accounts for all the financial operations except those required to be accounted for in another fund. Principal sources of revenue are property taxes licenses and permits, state shared revenues and charges for administrative services from other funds. Primary expenditures are for general government, police protection and capital outlay.

*Street Fund* - This fund accounts for state highway apportionment, federal funds, and grants, which are restricted to road maintenance. The principal source of revenue is public service taxes.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

---

*System Development Fund* – This fund accounts for system development fees charged to developers.

Additionally, the non-major special revenue funds, general debt service funds, and capital project funds are reported within the governmental fund type. Non-major special revenue funds include the Risk Management Fund, Grants Fund, Police Officer and Firefighter/EMS Fee Fund, Building Inspections Fund, Trust/Reserve Fund and Urban Renewal Fund. Non-major debt service funds include the General Long Term Debt Fund.

Each of the three proprietary funds are major funds. These funds are used to account for the acquisition, operation, and maintenance of the sewer, water and storm water systems. These funds are predominately self-supported through user charges to customers. The proprietary funds are:

Sewer Fund  
Water Fund  
Storm Water Fund

Additionally, a non-major fund reported within the proprietary fund type:

Internal Service Funds account for administration services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Fleet Management Fund, the City's only internal service fund, accounts for equipment rentals to other funds of the City.

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus.

Government-wide Financial Statements and Proprietary Funds Financial Statements are presented on a full accrual basis of accounting with an economic resource measurement focus. An economic resource focus concentrates on equity or a fund's net position. All transactions and events that affect the total economic resources (net position) during the period are reported. An economic resources measurement is inextricably connected with full accrual accounting. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred regardless of the timing of related cash inflows and outflows.

Governmental Fund Financial Statements are presented on a modified accrual basis of accounting with a current financial resource measurement focus. This focus concentrates on the fund's resources available for spending currently or in the near future. Only transactions and events affecting the fund's current financial resources are reported. Similar to the connection between an economic resource measurement focus and full accrual accounting, a current financial resource measurement focus is inseparable from a modified accrual basis of accounting. Under modified accrual accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered



**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

---

to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Property taxes, franchise fees, licenses and permits, and interest associated with the current financial period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period if received within 60 days of year end. All other revenues are considered to be measurable and available only when cash is received.

An unavailable revenue liability arises in the Governmental Funds Balance Sheet when revenue does not meet both the measurable and available criteria for recognition in the current period. This unavailable revenue consists primarily of uncollected property taxes not deemed available to finance operations of the current period. In the government-wide Statement of Activities, with a full accrual basis of accounting, revenue is recognized as soon as it is earned regardless of its availability. Thus, the liability created on the Governmental Fund Balance Sheet for unavailable revenue is eliminated. Unearned and unavailable revenues also arise outside the scope of measurement focus and basis of accounting, such as when resources are received before there is legal claim to them. For instance, when grant moneys are received prior to the incurrence of qualifying expenditures.

Similar to the way its revenues are recorded, governmental funds only record those expenditures that affect current financial resources. Principal and interest on general long-term debt are recorded as fund liabilities only when due. Vested compensated absences are recorded as expenditures only to the extent that they are expected to be liquidated with expendable financial resources. In the government-wide financial statements, however, with a full accrual basis of accounting, all expenditures affecting the economic resource status are recognized. Thus, the expense and related accrued liability for long-term portions of debt and compensated absences must be included.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is provided to explain the differences between the fund based financial statements and the governmental column of the government-wide presentation. This reconciliation is part of the basic financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the Sewer, Water, and Storm Water Funds are charges to customers for sales and services. Operating expenses for enterprises funds include the cost of sales and services, administrative expenses and overhead, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### **Cash and Investments**

A common cash and investment pool is maintained. All short-term, highly liquid investments, including investments in the State Treasurer's Local Government Investment Pool (LGIP) where the remaining maturity at the time of purchase is one year or less are stated at amortized cost, which approximates fair value. Investments with a remaining maturity at the time of purchase of more than one year are stated at fair value. Fair value is determined as the quoted market price if available otherwise the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties. Earnings on pooled cash and investments are credited to each fund monthly based on the average daily balance of each participating fund.

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, and repurchase agreements.

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

### **Receivables and Payables**

Activity between funds that represents lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds."

Recorded property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as unearned revenue. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are shown in the government-wide Statement of Net Position. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

Lease receivables are recognized at the net present value of the leased assets at a borrowing rate either explicitly described in the agreement or implicitly determined by the City, reduced by principal payments received.

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and enterprise funds are stated net of an allowance for uncollectible accounts.

### **Interfund Loans Receivables/Payables**

Short-term interfund loans are classified as “due to and due from other funds”. Long-term interfund loans are classified as “interfund loan receivable” and “interfund loan payable.”

### **Inventories**

Inventories purchased are valued at cost (first-in, first-out method). Inventory is recorded as expenditures when received rather than as consumed in the governmental funds.

### **Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their acquisition at the date of donation.

Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

- Buildings and improvements 20-100 years
- Infrastructure 20-100 years
- Machinery and equipment 5-10 years

Monthly depreciation is taken in the year the assets are acquired or retired. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

### **Lease and Subscription-Based Information Technology Arrangement Assets**

Lease and subscription-based information technology arrangement assets are assets which the City has the right to use for a term of more than one year. The value of these assets is determined by the net present value of the asset’s payback at the City’s incremental borrowing rate at the time of the agreement, amortized over the term of the agreement.

### **Leases Payable**

In the government-wide financial statements, leases payable is reported as a liability in the statement of net position. In the governmental fund financial statements, the lease payments are reported as debt service expenditures.

### **Accrued Compensated Absences and Sick Pay**

Accumulated vested vacation and compensatory pay is accrued as it is earned. For governmental funds, compensation not expected to be liquidated with current resources is not reported as a liability and represents a reconciling item between the fund-level and government-wide presentations. In business-type/enterprise funds, both the current and long-term liabilities are recorded.

Sick pay, which does not vest, is recognized in the applicable funds when leave is taken.

### **Pension**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's two separate plans - the Implicit Rate Subsidy and Oregon Public Employees Retirement Systems (OPERS) - and additions to/deductions from Implicit Rate Subsidy and OPERS fiduciary net position have been determined on the same basis as they are reported by the Implicit Rate Subsidy and OPERS. For this purpose, the Implicit Rate Subsidy and OPERS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

### **Long-Term Debt**

In the government-wide financial statements, and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds, whereas issuance costs are expensed. Bonds payable are reported net of the applicable bond premium or discount.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the governmental fund-type financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Use of Estimates**

In preparing the basic financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Net Position**

Net position comprises the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

Net Investment in Capital Assets consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

**Fund Balance**

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund-type Definitions, is followed. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications are nonspendable, restricted, committed, assigned, and unassigned.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

---

- Nonspendable fund balance represents amounts that are not in a spendable form.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The authority to classify portions of ending fund balances as assigned has been granted to the City Manager and Finance Director.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The following order of spending regarding fund balance categories is followed: restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

There were no nonspendable balances as of June 30, 2023.

#### **Deferred Outflows/Inflows of Resources**

In addition to assets, the basic financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2023, there were pension related deferred outflows of \$4,745,635 representing PERS pension related deferrals reported in the Statement of Net Position and \$18,437 representing OPEB related deferrals reported in the Statement of Net Position.

In addition to liabilities, the basic financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has four types of items which qualify for reporting in this category. The first item, unavailable revenue of \$169,843, is reported only in the governmental funds balance sheet for property taxes. The second item, lease receivable of \$213,205 is reported in the governmental funds balances sheet as well as in the Statement of Net Position. At June 30, 2023, there were also deferred inflows of \$2,862,005 representing PERS pension related deferrals and deferred inflows of \$227,950 representing OPEB related deferrals reported in the Statement of Net Position.

### **Fair Value Inputs and Methodologies and Hierarchy**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

**Level 1** - unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access.

**Level 2** - other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

**Level 3** - unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

## **2. DEPOSITS AND INVESTMENTS**

The City pools its cash for investment purposes. The total amount, \$37,950,299, is invested with the State of Oregon Local Government Investment Pool (LGIP), financial institutions, and U.S. Government obligations.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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Following is a summary of the City’s deposit and investment balances at June 30, 2023:

	<u>2023</u>
Cash Deposits:	
Cash on hand	\$ 745
Bank deposits	<u>905,615</u>
	906,360
Pooled cash and investments:	
State of Oregon LGIP	23,516,792
Other investments	<u>13,527,147</u>
Total cash and investments	<u><u>\$ 37,950,299</u></u>

**Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned. The City does not have a deposit policy for custodial credit risk. The Federal Depository Insurance Corporation (FDIC) provides insurance for the City’s deposits up to \$250,000 for the combined total of all deposit accounts at each financial institution. The remaining deposits are covered by the Public Funds Collateralization program (PFCP) of the State of Oregon in accordance with ORS 295. Depositories qualified under this program are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank failure or loss. ORS 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable. ORS 295 creates a shared liability structure for participating depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. As of June 30, 2023, the book value of the City’s deposits was \$905,615 and the bank balance was \$1,004,103. \$541,785 of the City’s bank balances were exposed to custodial credit risk as they were collateralized under PFCP.

**Credit Risk - Deposits**

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2023, none of the bank balances were exposed to custodial credit risk.

**Investments**

State of Oregon statutes restrict the types of investments in which the City may invest. Authorized investments include obligations of the United States Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers’ acceptances, time certificates of deposit, certain commercial paper, and the State of Oregon Local Government Investment Pool (LGIP).



**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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Investments held by the City at June 30, 2023, were amounts invested in obligations of the United States Government and amounts deposited with the LGIP. The government obligations are held in an investment custody account at Time Value Investments, a widely recognized provider of institutional fixed income investment services. The LGIP is one of five asset classes approved for the investment of State of Oregon (State) funds. A number of local governments in Oregon as well as all State agencies participate in the LGIP, thus it is an external investment pool as defined in Statement No. 31 of the Government Accounting Standards Board, Accounting and Financial Reporting for Certain Investments and for External Investment Pools.

The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by the Oregon Revised Statutes and the Investment Council (Council). The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. These funds must be invested, and the investments managed, as a prudent investor would, exercising reasonable care, skill, and caution.

Investments in the LGIP are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The LGIP was in compliance with all portfolio guidelines at June 30, 2023. The reported value of the LGIP approximates the fair value of the LGIP shares as determined by the financial statements of the Oregon Short-Term Fund. This included a fair value reduction of \$87,335 at June 30, 2023.

The Oregon Local Government Investment Pool issues monthly statements to participants. The Office of the State Treasurer issues publicly available financial reports on the Oregon Short-Term Fund. The reports can be obtained from the Office of the State Treasurer, 350 Winter Street NE, Suite 100, Salem, OR, 97301-3896, the Office of the State Treasurer's website, or by calling 1-503-378-4000.

### **Interest Rate Risk - Investments**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the risk that its fair value will decline if interest rates rise. The City invests in federal agency securities and the State of Oregon Local Government Investment Pool. The above chart shows the average number of days for the City's investments. The investment in the Local Government Investment Pool is included in the amount reported on the Statement of Net Position as cash and investments. That investment policy requires that at least 10% of the portfolio matures in less than 30 days, 25% matures in less than one year and 100% matures in less than five years.

### **Credit Risk – Investments**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. Oregon Revised Statutes, Chapter 294, authorizes the City to invest in obligations of the United States Treasury and United States Governments agencies and instrumentalities, certain bankers' acceptances, repurchase agreements, certain high-grade commercial paper and corporate bonds and obligations of states and municipalities and the State external investment pool. The City adheres to the State Statute. The City investments are all rated AA+ or AAA by Standard & Poors and/or Moody. Investments in the LGIP are not required to be rated.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

At June 30, 2023, the City's investments were rated as follows:

<b>Investment Type</b>	<b>Moody's Rating or S&amp;P</b>	<b>Fair Value</b>	<b>Weighted Average Maturity (yrs)</b>	<b>Percent of Total Portfolio</b>
U.S. Government agency obligations:				
U.S. Treasury Bills	NR	\$ 1,986,320	0.13	5%
U.S. Treasury Note	AAA	1,960,625	0.42	5%
U.S. Treasury Note	AAA	1,379,297	1.84	4%
U.S. Treasury Note	AAA	902,148	2.34	2%
Federal Farm Credit Banks	AA+	1,993,144	0.07	5%
Federal Home Loan Banks	AA+	1,990,269	0.61	5%
Fannie Mae	AA+	988,610	1.14	3%
Federal Home Loan Mortgage Corporation	AA+	514,927	1.33	1%
Federal Farm Credit Banks	AA+	459,637	1.79	1%
Fannie Mae	AA+	1,352,170	2.33	4%
Oregon Short-term Fund	NR	23,516,792	0.00	63%
Totals		<u>\$ 37,043,939</u>		<u>100%</u>
Portfolio weighted average maturity			<u>0.98</u>	

**Concentration of Credit Risk – Investments**

The City of Dallas has an investment policy for concentration of credit risk.

**Custodial Credit Risk – Investments**

Custodial credit risk is the risk that, in the event of a failure of the counterparty to a transaction, the City will not be able to recover the value of an investment or collateral securities in the possession of an outside party. The State's investment rules provide that broker/dealers meet certain qualifications and that investments are delivered to and held by a third-party custodian and provide annual financial statements to the investment holders.

GASB Statement No. 72, Fair Value Measurement and Application, specifies a hierarchy of valuation classifications based on whether the inputs to the valuation techniques used in each valuation classification are observable or unobservable. These classifications are summarized in three broad levels listed below:

Level 1 – Unadjusted quoted prices for identical instruments in active markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, including quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as exchange rates, financing terms, interest rates, yield curves, volatilities, prepayments speeds, loss severities, credit risk and default rates).

Level 3 – Valuations derived from valuation techniques in which significant inputs or significant valuation drivers are unobservable.

US Treasury bonds are categorized as Level 1 based upon readily available values in an active market.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

Federal Agency Securities are categorized as Level 2 based upon matrix pricing technique that values securities based on their relationship to benchmark quoted prices.

Commercial paper is valued using broker quotes with observable market inputs.

At June 30, 2023, the City had the following recurring fair value measurements:

<u>Investments by Fair Value Level</u>	<u>6/30/2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Government agency obligations:				
U.S. Treasury Bills	\$ 1,986,320	\$ 1,986,320	\$ -	\$ -
U.S. Treasury Note	1,960,625	1,960,625	-	-
U.S. Treasury Note	1,379,297	1,379,297	-	-
U.S. Treasury Note	902,148	902,148	-	-
Federal Farm Credit Banks	1,993,144	-	1,993,144	-
Federal Home Loan Banks	1,990,269	-	1,990,269	-
Fannie Mae	988,610	-	988,610	-
Federal Home Loan Mortgage Corporation	514,927	-	514,927	-
Federal Farm Credit Banks	459,637	-	459,637	-
Fannie Mae	1,352,170	-	1,352,170	-
Totals	<u>\$ 13,527,147</u>	<u>\$ 6,228,390</u>	<u>\$ 7,298,757</u>	<u>\$ -</u>

### 3. NET POSITION

The government-wide statement of net position reports \$20,093,012 of restricted net position, of which \$19,935,372 is restricted by enabling legislation.

### 4. INVENTORY

Inventory is maintained for the proprietary activities for normal use in day to day activities and for city projects. At June 30, 2023, the total amount of inventory on hand for all funds was \$206,085.

### 5. LEASE RECEIVABLE

<b>Governmental Activities:</b>	<b>June 30, 2022</b>			<b>June 30, 2023</b>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>
Fast Farms Land Leases; interest at 0.47%, total annual principal and interest payments start at \$67,625 increasing 1.5% per year, due 2026	\$ 281,845	\$ -	\$ 68,640	\$ 213,205
	<u>\$ 281,845</u>	<u>\$ -</u>	<u>\$ 68,640</u>	<u>\$ 213,205</u>

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

Future maturities are as follows:

<b>Fiscal Year</b>	<b>Governmental Activities</b>	
	<b>Principal</b>	<b>Interest</b>
2024	\$ 69,676	\$ 994
2025	71,061	669
2026	72,468	337
	<u>\$ 213,205</u>	<u>\$ 2,000</u>

Deferred inflows of resources mirror the principal payment maturities described above.

**6. CAPITAL ASSETS**

Capital asset activity for governmental activities for the year ended June 30, 2023 was as follows:

<b>Primary Government</b>	<b>Beginning Balance June 30, 2022</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance June 30, 2023</b>
<b>Capital assets, nondepreciable:</b>				
Land and land improvements	\$ 1,108,613	\$ -	\$ -	\$ 1,108,613
Total capital assets, nondepreciable	<u>1,108,613</u>	<u>-</u>	<u>-</u>	<u>1,108,613</u>
<b>Capital assets, depreciable/amortizable:</b>				
Infrastructure	86,029,551	4,632,708	-	90,662,259
Buildings and improvements	18,243,669	484,763	-	18,728,432
Machinery and equipment	11,956,036	749,916	-	12,705,952
Right-to-use leased asset - equipment	-	50,327	-	50,327
Subscription-based information technology arrangement assets	-	74,628	-	74,628
Total capital assets, depreciable/amortizable	<u>116,229,256</u>	<u>5,992,342</u>	<u>-</u>	<u>122,221,598</u>
<b>Less accumulated depreciation/amortization for:</b>				
Infrastructure	(46,188,610)	(2,831,037)	-	(49,019,647)
Buildings and improvements	(11,233,403)	(351,792)	-	(11,585,195)
Machinery and equipment	(10,138,951)	(391,935)	-	(10,530,886)
Right-to-use leased asset - equipment	-	(7,119)	-	(7,119)
Subscription-based information technology arrangement assets	-	(24,876)	-	(24,876)
Total accumulated depreciation/amortization	<u>(67,560,964)</u>	<u>(3,606,759)</u>	<u>-</u>	<u>(71,167,723)</u>
<b>Net capital assets</b>	<u>\$ 49,776,905</u>	<u>\$ 2,385,583</u>	<u>\$ -</u>	<u>\$ 52,162,488</u>

Only infrastructure assets acquired on July 1, 2003 and thereafter are presented in the financial statements in accordance with GASB 34.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

Depreciation on internal service capital assets in the amount of \$53,435 is included in general government expenses. All depreciation expense for governmental activities is charged to functions as follows:

<b>Governmental activities:</b>	
General government	\$ 213,987
Public safety	261,086
Culture and recreation	289,988
Highways & streets	<u>2,841,698</u>
Total depreciation/amortization	<u>\$ 3,606,759</u>

Capital asset activity for business-type activities for the year ended June 30, 2023 was as follows:

<b>Business-type Activities</b>	<b>Beginning Balance June 30, 2022</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance June 30, 2023</b>
<b>Capital assets, nondepreciable:</b>				
Land and land improvements	\$ 2,990,098	\$ -	\$ -	\$ 2,990,098
Intangibles	<u>9,713</u>	<u>-</u>	<u>-</u>	<u>9,713</u>
Total capital assets, nondepreciable	<u>2,999,811</u>	<u>-</u>	<u>-</u>	<u>2,999,811</u>
<b>Capital assets, depreciable:</b>				
Buildings and improvements	70,097,736	1,316,152	-	71,413,888
Machinery and equipment	<u>1,489,199</u>	<u>56,089</u>	<u>-</u>	<u>1,545,288</u>
Total capital assets, depreciable	<u>71,586,935</u>	<u>1,372,241</u>	<u>-</u>	<u>72,959,176</u>
<b>Less accumulated depreciation for:</b>				
Buildings and improvements	(30,901,830)	(1,271,263)	-	(32,173,093)
Machinery and equipment	<u>(698,296)</u>	<u>(97,782)</u>	<u>-</u>	<u>(796,078)</u>
Total accumulated depreciation	<u>(31,600,126)</u>	<u>(1,369,045)</u>	<u>-</u>	<u>(32,969,171)</u>
<b>Net capital assets</b>	<u>\$ 42,986,620</u>	<u>\$ 3,196</u>	<u>\$ -</u>	<u>\$ 42,989,816</u>

Depreciation expense for business-type activities is charged to functions as follows:

<b>Business-type activities:</b>	
Sewer	\$ 648,466
Water	628,108
Stormwater	<u>92,471</u>
Total depreciation	<u>\$ 1,369,045</u>

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**7. LEASES PAYABLE**

During the year ended June 30, 2023, governmental leases payable activity was as follows:

<b>Governmental Activities</b>	<b>June 30, 2022 Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>June 30, 2023 Balance</b>
Office copiers; interest of 0.2287%, monthly payments of principal and interest of \$849, due 2028	\$ -	\$ 50,327	\$ 6,145	\$ 44,182
	<u>\$ -</u>	<u>\$ 50,327</u>	<u>\$ 6,145</u>	\$ 44,182
Current portion				(10,101)
Long-term portion				<u>\$ 34,081</u>

Future maturities are as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>
2024	\$ 10,101	\$ 90
2025	10,125	67
2026	10,148	44
2027	10,171	21
2028	3,637	2
	<u>\$ 44,182</u>	<u>\$ 224</u>

**8. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

The City has entered into subscription-based information technology arrangements (SBITAs) involving:

- Risk management software

The total of the City's subscription assets are recorded at a cost of \$74,628, less accumulated amortization of \$24,876.

Subscription-based information technology arrangements payable activity for the year was as follows:

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

	<u>June 30, 2022</u>			<u>June 30, 2023</u>
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
Risk management software; interest at 2.4%, monthly payment of principal and interest ranging from \$11,007 to \$12,388, due 2025	\$ -	\$ 74,628	\$ 26,063	\$ 48,565
	<u>\$ -</u>	<u>\$ 74,628</u>	<u>\$ 26,063</u>	48,565
Current portion				<u>23,708</u>
Long-term portion				<u>\$ 24,857</u>

The future subscription payments under subscription-based information technology arrangements are as follows:

<u>Fiscal</u>		
<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 23,708	\$ 2,355
2025	24,857	1,206
2026	-	-
2027	-	-
2028	-	-
2029-2033	<u>-</u>	<u>-</u>
	<u>\$ 48,565</u>	<u>\$ 3,561</u>

**9. LONG-TERM DEBT**

Long-term debt information is presented separately with respect to governmental and business-type activities. The table below presents current year changes in governmental obligations, and the current portions due for each issue.

Compensated absences as shown in the table below and on the following pages are the City's compensated absence liability for approximately 80 employees who have accumulated vacation and compensatory time that is unused at June 30. Expenditures for liquidating the liability are primarily in the General Fund, Street Fund, Building Inspections Fund, Fleet Management Fund, Sewer Fund, Water Fund, and Storm Water Fund. The liability includes salaries and associated payroll costs.

Upon the occurrence of default for the 2016 Radio Shack (Governmental) Note, prompted by an installment not paid within 10 days after the due date, the entire remaining balance is subject to immediate acceleration.

Upon any Event of Default for the Business Type IF A 2014 Loan, remedies may include but are not limited to: Terminating IF A's commitment and obligation to make any further disbursements of financing proceeds under the contract, declaring all payments under the Note and all other amounts due under any of the financing documents immediately due and payable on demand, foreclosing liens or security interests pursuant to the contract or any other financing document.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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The City has no other significant default or termination clauses on any of the other bonds or notes payable and is not subject to any other acceleration clauses under GASB 88.

Long-term debt transactions for the year were as follows:

<b>Governmental Activities</b>	<b>June 30, 2022</b>	<b>Additions</b>	<b>Reductions</b>	<b>June 30, 2023</b>	<b>Due Within</b>
	<b>Balance</b>			<b>Balance</b>	<b>One Year</b>
Governmental bonds:					
Governmental bonds	\$ 6,291,000	\$ -	\$ 562,000	\$ 5,729,000	\$ 584,000
Direct placements and borrowings:					
Governmental loans	295,083	-	123,951	171,132	127,548
Governmental notes	111,536	-	26,687	84,849	27,090
Total bonds, loans, and notes	<u>6,697,619</u>	<u>-</u>	<u>712,638</u>	<u>5,984,981</u>	<u>738,638</u>
Compensated absences	<u>404,943</u>	<u>428,320</u>	<u>404,943</u>	<u>428,320</u>	<u>107,080</u>
Total governmental activities	<u>\$ 7,102,562</u>	<u>\$ 428,320</u>	<u>\$ 1,117,581</u>	<u>\$ 6,413,301</u>	<u>\$ 845,718</u>
<b>Business Type Activities</b>	<b>June 30, 2022</b>	<b>Additions</b>	<b>Reductions</b>	<b>June 30, 2023</b>	<b>Due Within</b>
	<b>Balance</b>			<b>Balance</b>	<b>One Year</b>
Business type bonds:					
Business type bonds	\$ 3,871,000	\$ -	\$ 405,000	\$ 3,466,000	\$ 416,000
Direct placements and borrowings:					
Enterprise loans	<u>2,351,697</u>	<u>70,517</u>	<u>124,755</u>	<u>2,297,459</u>	<u>127,383</u>
Total bonds and loans	<u>6,222,697</u>	<u>70,517</u>	<u>529,755</u>	<u>5,763,459</u>	<u>543,383</u>
Compensated absences	<u>54,295</u>	<u>52,602</u>	<u>54,295</u>	<u>52,602</u>	<u>13,151</u>
Total business type activities	<u>\$ 6,276,992</u>	<u>\$ 123,119</u>	<u>\$ 584,050</u>	<u>\$ 5,816,061</u>	<u>\$ 556,534</u>



**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**Bonds**

**Governmental Bonds:**

2005 PERS Bonds: original amount \$1,585,000; interest rates from 4.38% to 5.00%; final payment due June 1, 2028	\$ 740,000
2019 Bond; Street Fund - Main St.: original amount \$721,000; interest rate 3.00%; final payment due June 1, 2039	610,000
2019 Bond; Urban Renewal - Main St.: original amount \$927,000; interest rate 3.00%; final payment due June 1, 2039	784,000
2021 Full Faith & Credit; Street Fund: original amount \$4,340,000; interest rate 1.51%; final payment due June 15, 2032	<u>3,595,000</u>
Total governmental bonds	<u>\$ 5,729,000</u>

Future governmental bonds debt service requirements are as follows:

	<u>2005 PERS Bond</u>		<u>2019 Bond (Street &amp; Urban Renewal)</u>		<u>Series 2021 Full Faith &amp; Credit: Street</u>	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 140,000	\$ 37,030	\$ 69,000	\$ 41,820	\$ 375,000	\$ 54,285
2025	155,000	30,024	71,000	39,750	380,000	48,622
2026	170,000	22,268	73,000	37,620	385,000	42,884
2027	190,000	13,761	76,000	35,430	395,000	37,071
2028	85,000	4,253	78,000	33,150	400,000	31,106
2029-2033	-	-	425,000	129,359	1,660,000	63,195
2034-2038	-	-	494,000	61,560	-	-
2039-2043	-	-	108,000	3,240	-	-
Total	<u>\$ 740,000</u>	<u>\$ 107,336</u>	<u>\$ 1,394,000</u>	<u>\$ 381,929</u>	<u>\$ 3,595,000</u>	<u>\$ 277,163</u>

**Total Governmental Bonds**

	Principal	Interest
2024	\$ 584,000	\$ 133,135
2025	606,000	118,396
2026	628,000	102,772
2027	661,000	86,262
2028	563,000	68,509
2029-2033	2,085,000	192,554
2034-2038	494,000	61,560
2039-2043	108,000	3,240
Total	<u>\$ 5,729,000</u>	<u>\$ 766,428</u>

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**Business Type Bonds:**

Series 2017 Sewer/Water Bond: original amount \$5,600,000; interest rate 2.58%; final payment due March 1, 2032	\$ 3,466,000
Total business type bonds	<u>\$ 3,466,000</u>

Future business-type bonds debt service requirements are as follows:

	<u>Series 2017 Sewer/Water Bond</u>	
	Principal	Interest
2024	\$ 416,000	\$ 89,423
2025	425,000	78,690
2026	436,000	67,725
2027	448,000	56,476
2028	460,000	44,918
2029-2033	1,281,000	66,590
2034-2038	-	-
2039-2043	-	-
Total	<u>\$ 3,466,000</u>	<u>\$ 403,822</u>

**Loans**

**Governmental Loans - Direct Borrowings and Placements:**

2013 Urban Renewal Loan: original amount \$750,000; interest rate 2.90%; final payment due June 30, 2024	\$ 85,160
2015 Fire Pumper Loan: original amount \$385,795; interest rate 2.82%; final payment due November 30, 2024	<u>85,972</u>
Total governmental loans	<u>\$ 171,132</u>

Future governmental loan debt service requirements are as follows:

	<u>2013 Urban Renewal Loan</u>		<u>2015 Fire Pumper Loan</u>		<u>Total Governmental Loans</u>	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 85,160	\$ 1,235	\$ 42,388	\$ 2,425	\$ 127,548	\$ 3,660
2025	-	-	43,584	1,229	43,584	1,229
Total	<u>\$ 85,160</u>	<u>\$ 1,235</u>	<u>\$ 85,972</u>	<u>\$ 3,654</u>	<u>\$ 171,132</u>	<u>\$ 4,889</u>

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**Loans**

**Business Type Loans - Direct Borrowings and Placements:**

2014 IFA Safe Drinking Water Loan: original amount \$1,715,000; interest rate 3.46%; final payment due December 1, 2037	\$ 839,323
2016 DEQ Clean Water State Revolving Fund (CWSRF) Loan; original amount \$1,750,000; interest rate 1.60%; final payment due February 1, 2037	1,387,619
2022 Oregon Business Development Department (OBDD) Special Public Works Fund Development (SPWFD) Loan; the loan will be drawn down first; original amount \$2,200,000; interest rate 0.45%; final payment due October 28, 2025	<u>70,517</u>
Total business type loans	<u><u>\$ 2,297,459</u></u>

Future business-type loan debt service requirements are as follows:

	<u>2014 IFA Safe Drinking Water Loan</u>		<u>2016 DEQ CWSRF Loan</u>		<u>2022 OBDD SPWFD Loan</u>	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 43,695	\$ 29,041	\$ 83,688	\$ 19,272	\$ -	\$ -
2025	45,207	27,529	84,872	18,088	-	-
2026	46,771	25,965	86,074	16,886	70,517	1,031
2027	48,389	24,346	87,291	15,669	-	-
2028	50,063	22,672	88,527	14,433	-	-
2029-2033	277,531	86,148	461,782	53,018	-	-
2034-2038	327,667	34,694	495,385	19,409	-	-
Total	<u>\$ 839,323</u>	<u>\$ 250,395</u>	<u>\$ 1,387,619</u>	<u>\$ 156,775</u>	<u>\$ 70,517</u>	<u>\$ 1,031</u>

	<u>Total Enterprise Loans</u>	
	Principal	Interest
2024	\$ 127,383	\$ 48,313
2025	130,079	45,617
2026	203,362	43,882
2027	135,680	40,015
2028	138,590	37,105
2029-2033	739,313	139,166
2034-2038	<u>823,052</u>	<u>54,103</u>
Total	<u>\$ 2,297,459</u>	<u>\$ 408,201</u>

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**Notes**

**Governmental Notes - Direct Borrowings and Placements:**

2016 Radio Shack Note: original amount \$261,500; interest rate 1.50%; final payment due September 5, 2026	<u>\$ 84,849</u>
Total governmental notes	<u><u>\$ 84,849</u></u>

Future governmental note debt service requirements are as follows:

	<u>2016 Radio Shack Note</u>	
	Principal	Interest
2024	\$ 27,090	\$ 1,087
2025	27,499	643
2026	<u>30,260</u>	<u>265</u>
Total	<u><u>\$ 84,849</u></u>	<u><u>\$ 1,995</u></u>

**10. PENSION PLAN**

**General Information about the Pension Plan**

**Plan Description**

Employees of the City are provided with pensions through the Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit pension plan, the Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available Annual Comprehensive Financial Report and Actuarial Valuation that can be obtained at <http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

**Benefits Provided**

**A. Tier One/Tier Two Retirement Benefit ORS Chapter 238**

**Pension Benefits**

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service

employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. Monthly payments must be a minimum of \$200 per month or the member will receive a lump-sum payment of the actuarial equivalent of benefits to which he or she is entitled.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of Final Average Salary will be limited for all members beginning in 2021. The limit will be equal to \$210,582 in 2022 and will be indexed with inflation in later years.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

### **Death Benefits**

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

### **Disability Benefits**

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

### **Benefit Changes After Retirement**

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living (COLA) changes. The COLA is capped at 2.0 percent.

## **B. OPSRP Defined Benefit Pension Program (OPSRP DB)**

### **Pension Benefits**

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

Under Senate Bill 1049, passed during the 2019 legislative session, the salary included in the determination of final average salary will be limited for all members beginning in 2021. The limit will be equal to \$210,582 in 2022 and will be indexed with inflation in later years.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

### **Death Benefits**

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

### **Disability Benefits**

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

### **Benefit Changes After Retirement**

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and \$750 plus 0.15 percent on annual benefits above \$60,000.

## **C. OPSRP Individual Account Program (OPSRP IAP)**

### **Pension Benefits**

The IAP is an individual account-based program under the PERS tax-qualified governmental plan as defined under ORS 238A.400. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

### **Death Benefits**

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

### **Recordkeeping**

OPERS contracts with VOYA Financial to maintain IAP participant records.

## **Contributions**

### **A. Employer Contributions**

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019

actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2021. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on re-employed PERS retirees' salary as if they were an active member, excluding IAP (6 percent) contributions. Re-employed retirees do not accrue additional benefits while they work after retirement. Employer contributions for the year ended June 30, 2023 were \$1,595,859 excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2023 were 26.36 percent for Tier One/Tier Two General Service Member and Tier One/Tier Two Police and Fire, 20.21 percent for OPSRP Pension Program General Service Members, 24.57 percent for OPSRP Pension Program Police and Fire Members.

### **B. Employee Contributions**

Beginning January 1, 2004, all employee contributions were placed in the OPSRP Individual Account Program (IAP), a defined contribution pension plan established by the Oregon Legislature. Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0 or 7.0 percent of salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members behalf. The IAP member accounts represent member contributions made on or after January 1, 2004, plus earnings allocations less disbursements for refunds, death benefits, and retirements. As permitted, the City has opted to pick-up the contributions on behalf of employees; contribution were \$389,951 for the year ended June 30, 2023.

Starting July 1, 2020, Senate Bill 1049 required a portion of member contributions to their IAP accounts to be redirected to the Defined Benefit fund. If the member earns more than \$3,333 per month, 0.75 percent (if OPSRP member) or 2.5 percent (if Tier One/Tier Two member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits, which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected.

### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2023, the City reported a liability of \$9,652,689 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020 rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2022, the City's proportion was 0.0630 percent, which was an increase from its proportion of 0.0618 measured as of June 30, 2021.

For the year ended June 30, 2023, the City's recognized pension income of \$3,218. At June 30,



**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 468,560	\$ 60,196
Changes of assumptions	1,514,559	13,837
Net difference between projected and actual earnings on investments	-	1,725,714
Changes in proportion	1,038,525	188,105
Differences between employer contributions and proportionate share of contributions	<u>128,132</u>	<u>874,153</u>
Total (prior to post-MD contributions)	3,149,776	2,862,005
Contributions subsequent to the MD	<u>1,595,859</u>	<u>-</u>
Total	<u>\$ 4,745,635</u>	<u>\$ 2,862,005</u>

City's contributions subsequent to the measurement date of \$1,595,859 are reported as deferred outflows of resources related to pensions and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2024	\$ 251,417
2025	(69,021)
2026	(616,980)
2027	778,249
2028	<u>(55,894)</u>
Total	<u>\$ 287,771</u>

**Actuarial Assumptions**

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study Report	2020, published July 24, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Long-Term Expected Rate of Return	6.90 percent
Discount Rate	6.90 percent
Projected Salary Increases	3.40 percent overall payroll growth
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and grade COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service.
Mortality	<p><b>Health retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Active Members:</b> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Disabled retirees:</b> Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

**Long-term Expected Rate of Return**

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class/Strategy</u>	<u>Low Range</u>	<u>High Range</u>	<u>Target Allocation</u>
Debt Securities	15.0%	25.0%	20.0%
Public Equity	25.0%	35.0%	30.0%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Risk Parity	0.0%	3.5%	2.5%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			<u>100.0%</u>

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Compounded Annual Return (Geometric)</u>
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
Total	<u>100.00%</u>	
Assumed Inflation - Mean		2.40%

**Depletion Date Projection**

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for PERS:

- PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan’s funded position.

Based on these circumstances, it is our independent actuary’s opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90 percent) or 1-percentage-point higher (7.90 percent) than the current rate:

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City's proportionate share of the net pension liability (asset)	\$ 17,118,209	\$ 9,652,689	\$ 3,404,393

### **Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

### **Changes in Plan Provisions During the Measurement Period**

There were no changes during the June 30, 2022 measurement period that require disclosure.

### **Changes in Plan Provisions Subsequent to Measurement Date**

There were no changes subsequent to the June 30, 2022 measurement period that require disclosure.

## **11. OTHER POST-EMPLOYMENT BENEFIT PLAN**

### **Postemployment Benefits Other than Pensions**

The other postemployment benefits (OPEB) for the City combines two separate plans. The City provides an implicit rate subsidy for retiree health insurance premiums, and a contribution to the State of Oregon's PERS cost-sharing multiple-employer defined health insurance benefit plan.

### **Financial Statement Presentation**

The City's two OPEB plans are presented in the aggregate on the Statement of Net Position. The amounts on the financial statements relate to the plans as follows:

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

	<u>Implicit Rate Subsidy</u>	<u>PERS RHIA Plan</u>	<u>Total OPEB on Financials</u>
Net OPEB Asset	\$ -	\$ 143,377	\$ 143,377
Deferred Outflows of Resources			
Change in Assumptions	10,547	1,123	11,670
Difference in Expected and Actual Experience	-	-	-
Difference in Earnings	-	-	-
Change in Proportionate Share	-	4,082	4,082
Contributions After MD	1,788	897	2,685
Net OPEB Liability	(251,575)	-	(251,575)
Deferred Inflows of Resources			
Difference in Expected and Actual Experience	(119,914)	(3,885)	(123,799)
Difference in Earnings	-	(10,934)	(10,934)
Change in Assumptions	(79,755)	(4,779)	(84,534)
Change in Proportionate Share	-	(8,683)	(8,683)
OPEB Expense/(Income)*	32,445	(18,307)	14,138

\*Included in program expenses on Statement of Activities

**Implicit Rate Subsidy**

**Plan Description**

The City's single-employer defined benefit postemployment healthcare plan is administered by CityCounty Insurance Services (CIS). Benefit provisions are established through negotiations between the City and representatives of collective bargaining units or through resolutions passed by City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The City's postemployment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for CIS. This report may be obtained through their website at: <https://www.cisoregon.org/About/TrustDocs>.

**Benefits Provided**

The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the premiums. As of the valuation date of July 1, 2022, the following employees were covered by the

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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benefit terms:

Active employees	80
Eligible retirees	0
Spouses of ineligible retirees	<u>0</u>
Total participants	<u><u>80</u></u>

**OPEB Plan Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The City's total OPEB liability of \$251,575 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2022.

For the fiscal year ended June 30, 2023, the City recognized OPEB expense from this plan of \$32,445. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 119,914
Changes of assumptions	<u>10,547</u>	<u>79,755</u>
Total (prior to post-MD contributions)	10,547	199,669
Contributions subsequent to the MD	<u>1,788</u>	<u>-</u>
Total	<u><u>\$ 12,335</u></u>	<u><u>\$ 199,669</u></u>

Deferred outflows of resources related to OPEB of \$1,788 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	
2024	\$ (23,177)
2025	(23,177)
2026	(23,177)
2027	(21,392)
2028	(20,947)
Thereafter	<u>(77,252)</u>
Total	<u><u>\$ (189,122)</u></u>

**Actuarial Assumptions and Other Inputs**

The net OPEB liability in the July 1, 2022 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Discount Rate	3.54 percent
Projected Salary Increases	3.40 percent overall payroll growth
Retiree Healthcare Participation	35% of eligible employees 60% of male members and 35% of female members will elect spouse coverage.
Mortality	<p><b>Health retirees and beneficiaries:</b> Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees.</p> <p>Future mortality improvement: Generational Unisex Social Security Data Scale</p> <p><b>Healthcare cost trend rate:</b>  Medical and vision: 4.25 percent per year increasing to 6.75 percent.</p> <p>Dental: 4.00 percent per year until 2072, then 3.75 percent thereafter.</p>

The discount rate was based on Bond Buyer 20-Year General Obligation Bond Index.



**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

---

**Changes in the Total Net OPEB Liability**

	<b>Net OPEB Liability</b>
Balance as of June 30, 2021	\$ 368,680
Changes for the year:	
Service cost	46,759
Interest on total OPEB liability	8,863
Effect of changes to benefit terms	-
Effect of economic demographic gains or losses	(94,779)
Effect of assumptions changes or inputs	(67,669)
Benefit payments	(10,279)
Balance as of June 30, 2022	<u>\$ 251,575</u>

Changes in assumptions is the result of the change in the discount rate from 2.16% to 3.54%.

**Sensitivity of the Total Net OPEB Liability**

The following presents the City's OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate:

	<u>1% Decrease (2.54%)</u>	<u>Current Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
Net OPEB Liability	\$ 278,973	\$ 251,575	\$ 226,612

Healthcare Cost Trend:

	<u>1% Decrease</u>	<u>Current Health Care Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 214,038	\$ 251,575	\$ 297,290

**PERS Retirement Health Insurance Account**

**Plan Description**

The City contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums for eligible retirees. ORS 238.420

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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established this trust fund. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. The plan is closed to new entrants hired after August 29, 2003. PERS issues publicly available financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, or online at <https://www.oregon.gov/pers/Documents/Financials/ACFR/2022-Annual-Comprehensive-Financial-Report.pdf>

**Benefits Provided**

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased PERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

**Contributions**

PERS funding policy provides for employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. Employer contribution rates for the period were based on the December 31, 2020 actuarial valuation and a percentage of payroll that first became effective July 1, 2021. The City contributed 0.06% of PERS-covered salaries for Tier One/Tier Two members to fund the normal cost portion of RHIA benefits and 0.00% of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. The City's total for the year ended June 30, 2023 contributions was \$897.

**OPEB Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2023, the City reported an asset of \$143,377 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2022, and the net OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to June 30, 2022. The City's proportion of the net OPEB asset was based on the City's contributions to the RHIA program during the measurement period relative to contributions from all participating employers. At June 30, 2023, the City's proportionate share was 0.0403 percent, which is an increase from its proportion of 0.0346 percent as of June 30, 2022.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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For the year ended June 30, 2023, the City recognized OPEB income from this plan of \$18,307. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 3,885
Changes of assumptions	1,123	4,779
Net difference between projected and actual earnings on investments	-	10,934
Changes in proportionate share	4,082	8,683
Total (prior to post-MD contributions)	<u>5,205</u>	<u>28,281</u>
Contributions subsequent to the MD	<u>897</u>	<u>-</u>
Total	<u>\$ 6,102</u>	<u>\$ 28,281</u>

Deferred outflows of resources related to OPEB of \$897 resulting from the City’s contributions subsequent to the measurement date will be recognized as an increase in the net OPEB asset in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	
2024	\$ (10,127)
2025	(9,551)
2026	(6,900)
2027	3,502
2028	-
Total	<u>\$ (23,076)</u>

**Actuarial Methods and Assumptions**

The net OPEB asset in the December 31, 2020 actuarial valuation was determined using the actuarial methods and assumptions are the same as listed above in note 10 – Pension Plan Actuarial Assumptions.

**Long-Term Expected Rate of Return**

Are the same as listed above in Note 10 – Pension Plan Long-term Expected Rate of Return.

**Discount Rate**

The discount rate used to measure the net OPEB asset was 6.90% for the RHIA Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments for the RHIA Plan was applied to all periods of projected benefit payments to

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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determine the net OPEB asset.

**Sensitivity of the City’s proportionate share of the net OPEB liability (asset) to changes in the discount rate**

The following presents the City’s proportionate share of the net OPEB asset calculated using the discount rate of 6.90%, as well as what the City’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

<u>Discount Rate:</u>	<u>1% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
Net OPEB Asset	\$ (129,223)	\$ (143,377)	\$ (155,510)

**OPEB Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued OPERS financial report.

**Changes in Plan Provisions During the Measurement Period**

There were no changes during the June 30, 2022 measurement period that require disclosure.

**Changes in Plan Provisions Subsequent to Measurement Date**

There were no changes subsequent to the June 30, 2022 measurement period that require disclosure.

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**12. INTERFUND TRANSFERS**

Interfund transfers between and amongst governmental and business-type activities are reported as net transfers in the Statement of Activities. Details of the transfers between governmental and business-type activities are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds:		
General Fund	\$ 1,612,897	\$ 389,300
Street Fund	-	116,500
System Development Fund	-	123,825
Non-Major Governmental Funds	674,825	271,597
Internal Service Fund	8,500	81,000
Total governmental funds	<u>2,296,222</u>	<u>982,222</u>
Business-type funds:		
Sewer Fund	-	663,000
Water Fund	-	567,000
Storm Water Fund	-	84,000
Total business type funds	<u>-</u>	<u>1,314,000</u>
Total all funds	<u>\$ 2,296,222</u>	<u>\$ 2,296,222</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend then, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**13. INTERFUND RECEIVABLES AND PAYABLES**

Interfund balances which represent unsettled overdrafts of pooled cash as of June 30, 2023, are as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 1,486	\$ -
Grants Fund	-	1,486
Total	<u>\$ 1,486</u>	<u>\$ 1,486</u>

**CITY OF DALLAS, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**14. INTERFUND LOANS**

Interfund loans receivable and payable represent a loan balance owed on the fund financials. The City has four interfund loans between the System Development Fund and the Street Fund, Water Fund, and Storm Water Fund all of which were approved by Council resolution.

Interfund loan balances as of June 30, 2023:

	Interfund Loan Receivable	Interfund Loan Payable
System Development Fund	\$ 1,397,863	\$ -
General Fund	-	385,445
Street Fund	-	275,834
Water Fund	-	669,850
Strom Water Fund	-	66,734
	<hr/>	<hr/>
Total	<u>\$ 1,397,863</u>	<u>\$ 1,397,863</u>

**15. DEFERRED COMPENSATION PLAN**

A deferred compensation trust plan is established in accordance with Internal Revenue Code Section 457. The trust holds assets for the exclusive benefit of plan participants and their beneficiaries and are not considered assets or liabilities by the City, and therefore, are not included in these basic financial statements.

**16. CONTINGENCIES**

The City purchases commercial insurance to cover all commonly insurable risks, which includes property damage, liability and employee bonds. Most policies carry a small deductible amount. No insurance claims settled in each of the prior three years have exceeded policy coverage.

The City is a defendant in various litigation proceedings. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City’s legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

**17. RISK MANAGEMENT**

There is exposure to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City is a member of City-County Insurance Services (CIS), a public entity risk pool currently operating a common risk management and insurance program. An annual premium is paid to CIS for insurance coverage. Based on the experience of the City and pool, the City may be liable for an additional premium of up to approximately 20% of its initial premium or it may receive a refund. Predetermined limits and deductible amounts are stated in the policy. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**18. NEW ACCOUNTING PRONOUNCEMENTS**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). See notes 7 and 9 for more information on impacts of this new pronouncement on the City’s financial statements.

The City adopted the provision of GASB Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This pronouncement impacts how the prior period adjustment is presented in the City’s financial statements, see note 19 below.

**19. PRIOR PERIOD ADJUSTMENT**

The City discovered an error made in prior periods. Within the City’s governmental activities, grant revenue in relation to ARPA funds was overstated in the amount of \$1,885,645. Adjustments related to the correction of this error was an increase to unearned revenue and a decrease in net position both in governmental activities of the City’s government-wide financial statements and fund level statements. The detailed line items impacted by the prior period adjustment include fund balance, unearned revenue, and grant revenue, all of which are within the general fund. The amount will be received in subsequent years.

**20. DEFICIT FUND BALANCE**

At June 30, 2023, the following fund had a deficit budgetary basis fund balance:

<u>Fund</u>	<u>Amount</u>
Grants Fund	\$(7,895)

## **REQUIRED SUPPLEMENTARY INFORMATION**



## REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements.

- Budgetary Comparison Schedules
  - General Fund
  - Street Fund
- Schedule of the Proportionate Share of the Net Pension Liability
- Schedule of Contributions - Pension
- Schedule of Proportionate Share of OPEB - RHIA
- Schedule of Contributions to OPEB - RHIA
- Schedule of Changes in OPEB Liability and Related Ratios - Implicit Rate Subsidy
- Schedule of Contributions to OPEB - Implicit Rate Subsidy

**CITY OF DALLAS, OREGON**  
**GENERAL FUND - BUDGETARY BASIS**  
**SCHEDULE OF REVENUE, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 5,460,000	\$ 5,460,000	\$ 5,448,342	\$ (11,658)
Public service taxes	1,127,363	1,127,363	1,115,077	(12,286)
Franchise fees	1,523,500	1,523,500	1,519,868	(3,632)
Grants	1,885,645	1,885,645	956,177	(929,468)
Charges for services	2,430,000	2,430,000	2,797,725	367,725
Licenses and permits	1,500	1,500	1,560	60
Fines and forfeitures	145,500	145,500	124,673	(20,827)
Interest	45,000	45,000	296,453	251,453
Miscellaneous	230,000	230,000	271,019	41,019
Total revenues	<u>12,848,508</u>	<u>12,848,508</u>	<u>12,530,894</u>	<u>(317,614)</u>
<b>EXPENDITURES:</b>				
General government	1,850,000	1,975,000	1,859,271	115,729
Public safety	7,987,000	8,136,000	7,329,001	806,999
Culture and recreation	2,323,500	2,347,500	2,206,996	140,504
Community development	800,000	800,000	585,295	214,705
Capital outlay	5,103,390	5,173,390	1,364,613	3,808,777
Debt service:				
Principal	188,638	188,638	188,638	-
Interest	33,408	33,408	33,389	19
Contingency	200,000	162,000	-	162,000
Total expenditures	<u>18,485,936</u>	<u>18,815,936</u>	<u>13,567,203</u>	<u>5,248,733</u>
Revenues over (under) expenditures	(5,637,428)	(5,967,428)	(1,036,309)	4,931,119
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund loan proceeds (payments)	375,000	375,000	385,445	10,445
Transfers in	1,545,655	1,545,655	1,612,897	67,242
Transfers out	<u>(375,300)</u>	<u>(389,300)</u>	<u>(389,300)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,545,355</u>	<u>1,531,355</u>	<u>1,609,042</u>	<u>77,687</u>
Net changes in fund balance	(4,092,073)	(4,436,073)	572,733	5,008,806
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>5,385,000</u>	<u>5,729,000</u>	<u>6,287,733</u>	<u>558,733</u>
Prior period adjustment	-	-	(1,885,645)	(1,885,645)
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ 1,292,927</u>	<u>\$ 1,292,927</u>	<u>4,974,821</u>	<u>\$ 3,681,894</u>
Reconciliation to General Fund - Generally Accepted Accounting Principles:				
Adjustment to investments for gain/loss on market value			(97,412)	
Improvement fund, fund balance			653	
Interfund loan payable			<u>(385,445)</u>	
<b>FUND BALANCES, ENDING</b>			<u>\$ 4,492,617</u>	

\* Budgetary appropriations are done at the department level - see general fund - budgetary basis schedule of expenditures - budget to actual

**CITY OF DALLAS, OREGON**  
**STREET FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Public service taxes	\$ 1,325,000	\$ 1,325,000	\$ 1,382,890	\$ 57,890
Grants	180,000	180,000	240,390	60,390
Charges for services	90,000	90,000	78,485	(11,515)
Interest	25,000	25,000	183,623	158,623
Miscellaneous	15,000	15,000	47,474	32,474
<b>Total revenues</b>	<b>1,635,000</b>	<b>1,635,000</b>	<b>1,932,862</b>	<b>297,862</b>
<b>EXPENDITURES:</b>				
Personnel services	347,000	347,000	309,426	37,574
Materials and services	342,000	342,000	281,693	60,307
Capital outlay	3,619,000	4,219,000	4,149,532	69,468
Debt service:				
Principal	399,000	399,000	399,000	-
Interest	79,042	79,042	79,049	(7)
Contingency	3,093,364	2,488,764	-	2,488,764
<b>Total expenditures</b>	<b>7,879,406</b>	<b>7,874,806</b>	<b>5,218,700</b>	<b>2,656,106</b>
Revenues over (under) expenditures	(6,244,406)	(6,239,806)	(3,285,838)	2,953,968
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund loan proceeds (payments)	(62,454)	(62,454)	(56,804)	5,650
Transfers out	(111,900)	(116,500)	(116,500)	-
<b>Total other financing sources (uses)</b>	<b>(174,354)</b>	<b>(178,954)</b>	<b>(173,304)</b>	<b>5,650</b>
Net changes in fund balance	(6,418,760)	(6,418,760)	(3,459,142)	2,959,618
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<b>6,418,760</b>	<b>6,418,760</b>	<b>6,405,456</b>	<b>(13,304)</b>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>2,946,314</b>	<b>\$ 2,946,314</b>
Interfund loan payable			(275,834)	
Adjustment for unrealized gain (loss) on investments			(53,526)	
<b>FUND BALANCES, ENDING</b>			<b>\$ 2,616,954</b>	

\* Sum equals appropriation level

**CITY OF DALLAS, OREGON**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**For the Last Ten Fiscal Years<sup>1</sup>**

Measurement Date June 30,	(a) City's proportion of the net pension liability (asset)	(b) City's proportionate share of the net pension liability (asset)	(c) City's covered payroll	(b/c) City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.06304000%	\$ 9,652,689	\$ 6,455,011	149.54%	84.5%
2021	0.06184794%	7,401,021	6,260,573	118.22%	87.6%
2020	0.05492677%	11,986,910	5,953,953	201.33%	75.8%
2019	0.05786169%	10,008,687	5,379,911	186.04%	80.2%
2018	0.05318543%	8,056,892	5,171,562	155.79%	82.1%
2017	0.05400000%	7,292,200	4,665,098	156.31%	83.1%
2016	0.05700000%	8,601,061	4,385,631	196.12%	80.5%
2015	0.06200000%	3,564,536	4,347,982	81.98%	91.9%
2014	0.06500000%	(1,463,347)	4,301,804	-34.02%	103.6%
2013	0.06500000%	3,294,492	4,703,849	70.04%	92.0%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

<sup>1</sup>This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**NOTES TO SCHEDULE**

**Changes in Benefit Terms:**

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

A legislative change that occurred after the December 31, 2017 valuation date affected the plan provisions reflected for financial reporting purposes. Senate Bill 1049, signed into law in June 2019, introduced a limit on the amount of annual salary included for the calculation of benefits. Beginning in 2021, annual salary in excess of \$197,730 (as indexed in future years) will be excluded when determining member benefits. As a result, future Tier 1/Tier 2 and OPSRP benefits for certain active members are now projected to be lower than prior to the legislation. Senate Bill 1049 was reflected in the June 30, 2019 Total Pension Liability as a reduction in liability.

A legislative change that occurred after the December 31, 2019 actuarial valuation date affected the plan provisions reflected for June 2021 financial reporting liability calculations. Senate Bill 111, enacted in June 2021, provides an increased pre-retirement death benefit for members who die on or after their early retirement age. For GASB 67 and GASB 68, the benefits valued in the Total Pension Liability are required to be in accordance with the benefit terms legally in effect as of the relevant fiscal year-end for the plan. As a result, Senate Bill 111 was reflected in the June 30, 2021 Total Pension Liability. The increase in the Total Pension Liability resulting from Senate Bill 111, measured as of June 30, 2021, is shown in Exhibit A as the "Effect of plan changes" during the measurement period. While Senate Bill 111 also made changes to certain aspects of the System's funding and administration, the change in the death benefit provision is the only change that affects the measured Total Pension Liability. As a result, the death benefit provision is the only difference between June 30, 2020 and June 30, 2021 in the plan provisions basis used to determine the Total Pension Liability as of those two respective Measurement Dates.

**Changes of Assumptions:**

The PERS Board adopted assumption changes that were used to measure the June 30, 2016 total pension liability and June 30, 2018 total pension liability. For June 30, 2016, the changes included the lowering of the long-term expected rate of return to 7.50 percent and lowering of the assumed inflation to 2.50 percent. For June 30, 2018, the long-term expected rate of return was lowered to 7.20 percent. For June 30, 2021, the long-term expected rate of return was lowered to 6.90 percent, and the inflation rate was lowered from 2.5 to 2.4 percent. In addition, the healthy mortality assumption was changed to reflect an updated mortality improvement scale for all groups, and assumptions were updated for merit increases, unused sick leave, and vacation pay were updated.

**CITY OF DALLAS, OREGON**  
**SCHEDULE OF CONTRIBUTIONS - PENSION**  
**For the Last Ten Fiscal Years<sup>1</sup>**

Year Ended June 30,	(a) Statutorily required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) City's covered payroll	(b/c) Contributions as a percent of covered payroll
2023	\$ 1,595,859	\$ 1,595,859	\$ -	\$ 6,896,937	23.14%
2022	1,499,035	1,499,035	-	6,455,011	23.22%
2021	1,357,356	1,357,356	-	6,260,573	21.68%
2020	1,264,132	1,514,132	(250,000)	5,953,953	25.43%
2019	940,036	940,036	-	5,379,911	17.47%
2018	914,094	914,094	-	5,171,562	17.68%
2017	671,043	671,043	-	4,665,098	14.38%
2016	635,399	635,399	-	4,385,631	14.49%
2015	733,439	733,439	-	4,347,982	16.87%
2014	764,158	764,158	-	4,301,804	17.76%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

<sup>1</sup>This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**NOTES TO SCHEDULE**

Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions

	December 31, 2019	December 31, 2017	December 31, 2015	December 31, 2013	December 31, 2011
Actuarial valuation	July 2021 - June 2023	July 2019 - June 2021	July 2017 - June 2019	July 2015 - June 2017	July 2013 - June 2015
Effective	Entry Age Normal				Projected Unit Credit
Actuarial cost method	Level percentage of payroll				
Amortization method	Market Value				
Asset valuation method	20 years				
Remaining amortization periods					N/A
Actuarial assumptions:					
Inflation rate	2.40 percent	2.50 percent		2.75 percent	
Projected salary increases	3.40 percent	3.50 percent			
Investment rate of return	6.90 percent	7.20 percent	7.50 percent	7.75 percent	8.00 percent

**CITY OF DALLAS, OREGON**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF OPEB - RHIA**  
**For the Last Ten Fiscal Years<sup>1</sup>**

Measurement Date June 30,	(a) City's proportion of the net OPEB liability (asset)	(b) City's proportionate share of the net OPEB liability (asset)	(c) Covered payroll	(b/c) City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2022	0.04034980%	\$ (143,377)	\$ 6,455,011	-2.22%	194.6%
2021	0.03464990%	(118,988)	6,260,573	-1.90%	183.9%
2020	0.04273580%	(87,079)	5,953,953	-1.46%	150.1%
2019	0.04922296%	(95,117)	5,379,911	-1.77%	144.4%
2018	0.04853250%	(54,175)	5,171,562	-1.05%	124.0%
2017	0.04594645%	(19,175)	4,665,098	-0.41%	108.9%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

<sup>1</sup>This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**NOTES TO SCHEDULE**

Changes of Assumptions:

The PERS Board adopted assumption changes that were used to measure the June 30, 2021 total OPEB liability. The changes include the lowering of the long-term expected rate of return from 7.20 to 6.90 percent and the inflation rate from 2.5 to 2.4 percent. In addition, the healthy healthcare participation and cost trend rates, and healthy mortality assumptions were changed to reflect an updated trends and mortality improvement scale for all groups.

**CITY OF DALLAS, OREGON**  
**SCHEDULE OF CONTRIBUTIONS TO OPEB - RHIA**  
**For the Last Ten Fiscal Years<sup>1</sup>**

Year Ended June 30,	(a) Contractually determined contribution	(b) Contributions in relation to the actuarially required contribution	(a-b) Contribution deficiency (excess)	(c) Covered payroll	(b/c) Contributions as a percent of covered payroll
2023	\$ 897	\$ 897	\$ -	\$ 6,896,937	0.01%
2022	994	994	-	6,455,011	0.02%
2021	16,299	16,299	-	6,260,573	0.26%
2020	3,052	3,052	-	5,953,953	0.05%
2019	24,396	24,396	-	5,379,911	0.45%
2018	23,500	23,500	-	5,171,562	0.45%
2017	22,656	22,656	-	4,665,098	0.49%

The amounts presented for each fiscal year were actuarial determined at December 31 and rolled forward to the measurement date.

<sup>1</sup>This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**NOTES TO SCHEDULE**

**Actuarial Assumptions and Methods Used to Set the Actuarially Determined Contributions**

Actuarial valuation:	December 31, 2019	December 31, 2017	December 31, 2015	December 31, 2013	December 31, 2011
Effective:	July 2021 - June 2023	July 2019 - June 2021	July 2017 - June 2019	July 2015 - June 2017	December 31, 2011
Actuarial cost method:	Entry Age Normal				Projected Unit Credit
Amortization method:	Level percentage of payroll, closed				
Amortization period:	10 years				
Asset valuation method:	Market value				
Remaining amortization periods:	10 years		20 years		N/A
Actuarial assumptions					
Inflation rate	2.40 percent	2.50 percent		2.75 percent	
Projected salary increases	3.40 percent	3.50 percent		3.75 percent	
Investment rate of return	6.90 percent	7.20 percent	7.50 percent	7.75 percent	8.00 percent
Healthcare cost trend rates	None. Statute stipulates \$60 monthly payment for healthcare insurance				

**CITY OF DALLAS, OREGON**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS - IMPLICIT RATE SUBSIDY**  
**For the Last Ten Fiscal Years<sup>1</sup>**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>						
Service Interest	\$ 46,759	\$ 45,380	\$ 33,993	\$ 30,124	\$ 25,276	\$ 26,975
Interest	8,863	8,148	12,234	12,244	12,971	10,825
Changes of benefit terms	-	-	-	-	-	-
Differences between economic/demographic gains or loss	(94,779)	-	(20,133)	-	(37,890)	-
Changes of assumptions	(67,669)	1,809	3,069	11,321	(21,783)	(20,515)
Benefit payment	<u>(10,279)</u>	<u>(19,782)</u>	<u>(22,982)</u>	<u>(25,744)</u>	<u>(32,940)</u>	<u>(33,286)</u>
<b>Net change in total OPEB liability</b>	<u>(117,105)</u>	<u>35,555</u>	<u>6,181</u>	<u>27,945</u>	<u>(54,366)</u>	<u>(16,001)</u>
<b>Total OPEB liability - beginning</b>	<u>368,680</u>	<u>333,125</u>	<u>326,944</u>	<u>298,999</u>	<u>353,365</u>	<u>369,366</u>
<b>Total OPEB liability - ending</b>	<u>\$ 251,575</u>	<u>\$ 368,680</u>	<u>\$ 333,125</u>	<u>\$ 326,944</u>	<u>\$ 298,999</u>	<u>\$ 353,365</u>
Covered-employee payroll	\$ 6,896,937	\$6,455,011	\$6,260,573	\$5,953,953	\$5,379,911	\$5,171,562
Total OPEB liability as a percentage of covered-employee payroll	3.65%	5.71%	5.32%	5.49%	5.56%	6.83%

The amounts presented for each fiscal year were actuarial determined at July 1 and rolled forward to the measurement date.

<sup>1</sup>This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.



**CITY OF DALLAS**  
**NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION**  
**For the Fiscal Year Ended June 30, 2023**

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**1. Stewardship, Compliance, and Accountability**

**A. Budgetary information**

On or before June 30 of each year, the City enacts a resolution approving the budget, appropriating the expenditures, and levying the property taxes. The City’s budget is presented on the modified accrual basis of accounting which is the same basis as GAAP. Prior to enacting this resolution, the proposed budget is presented to a budget committee. The budget committee presents the budget to the City Council for budget hearings prior to enactment of the resolution. The City budgets all funds as required by Oregon Local Budget Law.

The resolution authorizing appropriations for each fund sets the legal level of control by which expenditures cannot legally exceed appropriations. Total expenditures by department as established by the resolution are the legal level of control for the General Fund. Expenditure categories of personnel service, materials and service, capital outlay, debt service, transfers, and contingency are the legal level of control for all other funds. The detail budget document, however, is required to contain more specific information for the above mentioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers, and adoption by the City Council. Management may modify original and supplemental budgets by the use of appropriation transfers between the legal levels of control within a fund. Such transfers require approval by the City Council. Management may not amend the budget without seeking the approval of the Council. The City had appropriation transfers during the year-ended June 30, 2023. The City had three supplemental budgets during the year-ended June 30, 2023. Appropriations lapse as of year-end.

Expenditures in the following funds exceeded appropriations for the year ended June 30, 2023:

<u>Fund</u>	<u>Budget Category</u>	<u>Amount</u>
Street Fund	Debt service	\$(7)
Sewer Fund	Debt service	\$(6)

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## **OTHER SUPPLEMENTARY INFORMATION**

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Major Governmental Fund - System Development Fund
- Combining Statements – Nonmajor Governmental Funds
- Combining Statements – General Fund - Generally Accepted Accounting Principles
- General Fund - Schedule of Expenditures - Budgetary Basis
- Budgetary Comparison Schedules – Nonmajor Governmental Funds

## COMBINING STATEMENTS

Nonmajor Governmental Funds

### **Special Revenue Funds**

These funds account for revenue derived from specific taxes or other earmarked revenue sources, which are legally restricted to expenditures for specified purposes. Funds included in this category are:

#### **Risk Management Fund**

This fund accounts for all insurance premiums and claims, it is funded by transfer from other funds.

#### **Grants Fund**

This fund accounts for major grants to the City.

#### **Police Officer Fee and Firefighter/EMS Fee Fund**

This fund accounts for utility service fees collected for the purpose of paying two police officer positions and two firefighter/EMS positions, including related personnel costs.

#### **Building Inspections Fund**

This fund accounts for permits collected fees for the purpose conducting plan reviews, issuance of permits, and performance of inspections.

#### **Trust/Reserve Fund**

This fund accounts for monies dedicated for a specific purpose through Council action or trust donations.

#### **Urban Renewal Fund**

This fund accounts for the City's urban renewal activities.

### **Debt Service Fund**

This fund is used to account for revenues and expenditures related to the servicing of general long-term debt:

#### **General Long Term Debt Fund**

This fund is used to pay principal and interest on the City's PERS pension obligation bonds.

### **Capital Projects Funds**

These funds are used to account for financial resources to be used for the acquisition or construction of major capital items and facilities. Funds included in this category are:

#### **System Development Fund**

This fund accounts for system development fees charged to developers.

#### **Improvement Fund**

This fund is used to account for projects scheduled in the Capital Improvement Plan (CIP) for the City.

**CITY OF DALLAS, OREGON  
SYSTEM DEVELOPMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
System development charges	\$ 1,675,000	\$ 1,675,000	\$ 2,294,282	619,282
Miscellaneous	-	-	9,195	9,195
Total revenues	<u>1,675,000</u>	<u>1,675,000</u>	<u>2,303,477</u>	<u>628,477</u>
<b>EXPENDITURES:</b>				
Transportation	2,108,800	2,108,800	182,738	1,926,062
Park	1,862,125	1,862,125	141,931	1,720,194
Water	3,578,278	3,578,278	136,349	3,441,929
Sewer	4,804,847	4,804,847	21,913	4,782,934
Storm	692,850	692,850	34,543	658,307
Total expenditures	<u>13,046,900</u>	<u>13,046,900</u>	<u>517,474</u>	<u>12,529,426</u>
Revenues over (under) expenditures	(11,371,900)	(11,371,900)	1,786,003	13,157,903
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund loan proceeds (payments)	(539,275)	(539,275)	(231,416)	307,859
Transfers out	(123,825)	(123,825)	(123,825)	-
Total other financing sources (uses)	<u>(663,100)</u>	<u>(663,100)</u>	<u>(355,241)</u>	<u>307,859</u>
Net changes in fund balances	(12,035,000)	(12,035,000)	1,430,762	13,465,762
<b>FUND BALANCES, BEGINNING BUDGETARY BASIS</b>	<u>12,035,000</u>	<u>12,035,000</u>	<u>12,562,305</u>	<u>527,305</u>
<b>FUND BALANCES, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	13,993,067	<u>\$ 13,993,067</u>
Interfund loan receivable			1,397,863	
Adjustment for unrealized gain (loss) on investments			(169,849)	
<b>FUND BALANCES, ENDING</b>			<u>\$ 15,221,081</u>	

**CITY OF DALLAS, OREGON  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
June 30, 2023**

	Total Nonmajor Special Revenue Funds	General Long Term Debt Fund	Total
<b>ASSETS:</b>			
Cash and investments	\$ 2,375,687	\$ 11	\$ 2,375,698
Cash held with county	1,689	-	1,689
Accounts receivable	23,934	-	23,934
Property taxes receivable	6,986	-	6,986
	<u>6,986</u>	<u>-</u>	<u>6,986</u>
Total assets	<u>\$ 2,408,296</u>	<u>\$ 11</u>	<u>\$ 2,408,307</u>
<b>LIABILITIES:</b>			
Accounts payable and other current liabilities	\$ 36,376	\$ -	\$ 36,376
	<u>36,376</u>	<u>-</u>	<u>36,376</u>
Total liabilities	<u>37,862</u>	<u>-</u>	<u>37,862</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Unavailable revenue - property taxes	6,986	-	6,986
	<u>6,986</u>	<u>-</u>	<u>6,986</u>
Total deferred inflows of resources	<u>6,986</u>	<u>-</u>	<u>6,986</u>
<b>FUND BALANCES:</b>			
Restricted for:			
Debt	-	11	11
Urban renewal projects	384,286	-	384,286
Building department	1,562,677	-	1,562,677
Trust	157,640	-	157,640
Committed for:			
Public safety	219,190	-	219,190
Assigned for:			
General government	47,550	-	47,550
Unassigned (deficit)	(7,895)	-	(7,895)
	<u>(7,895)</u>	<u>-</u>	<u>(7,895)</u>
Total fund balances (deficit)	<u>2,363,448</u>	<u>11</u>	<u>2,363,459</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 2,408,296</u>	<u>\$ 11</u>	<u>\$ 2,408,307</u>

**CITY OF DALLAS, OREGON  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended June 30, 2023**

	Total Nonmajor Special Revenue Funds	General Long Term Debt Fund	Total
<b>REVENUES:</b>			
Property taxes	\$ 231,132	\$ -	\$ 231,132
Grants	389,733	-	389,733
Licenses and permits	967,520	-	967,520
Fees	447,465	-	447,465
Contributions and donations	180,361	-	180,361
Interest	(10,636)	-	(10,636)
Miscellaneous	53,331	168,285	221,616
	<u>2,258,906</u>	<u>168,285</u>	<u>2,427,191</u>
<b>EXPENDITURES:</b>			
Current:			
General government	94,646	-	94,646
Public safety	577,212	-	577,212
Culture and recreation	96,652	-	96,652
Community development	1,499,015	-	1,499,015
Capital outlay	9,923	-	9,923
Debt service:			
Principal	-	125,000	125,000
Interest	-	43,285	43,285
	<u>2,277,448</u>	<u>168,285</u>	<u>2,445,733</u>
Total expenditures	<u>2,277,448</u>	<u>168,285</u>	<u>2,445,733</u>
Excess (deficiency) of revenues over (under) expenditures	(18,542)	-	(18,542)
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	674,825	-	674,825
Transfers out	(271,597)	-	(271,597)
	<u>403,228</u>	<u>-</u>	<u>403,228</u>
Total other financing sources (uses)	<u>403,228</u>	<u>-</u>	<u>403,228</u>
Net changes in fund balances	384,686	-	384,686
<b>FUND BALANCES, BEGINNING</b>	<u>1,978,762</u>	<u>11</u>	<u>1,978,773</u>
<b>FUND BALANCES, ENDING</b>	<u>\$ 2,363,448</u>	<u>\$ 11</u>	<u>\$ 2,363,459</u>



**CITY OF DALLAS, OREGON  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2023**

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	Risk Management Fund	Grants Fund
<b>ASSETS</b>		
Cash and investments	\$ 47,550	\$ -
Cash held with county	-	-
Accounts receivable	-	-
Property taxes receivable	-	-
	<hr/>	<hr/>
Total assets	<u>\$ 47,550</u>	<u>\$ -</u>
<b>LIABILITIES:</b>		
Accounts payable and other current liabilities	\$ -	\$ 6,409
Due to other funds	-	1,486
	<hr/>	<hr/>
Total liabilities	-	7,895
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
Unavailable revenue - property taxes	-	-
	<hr/>	<hr/>
Total deferred inflows of resources	-	-
<b>FUND BALANCES:</b>		
Restricted for:		
Urban renewal projects	-	-
Building department	-	-
Trust	-	-
Committed for:		
Public safety	-	-
Assigned for:		
General government	47,550	-
Unassigned (deficit)	-	(7,895)
	<hr/>	<hr/>
Total fund balances (deficit)	47,550	(7,895)
	<hr/>	<hr/>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 47,550</u>	<u>\$ -</u>

Police Officer Fee and Firefighter/EMS Fee Fund	Building Inspections Fund	Trust/Reserve Fund	Urban Renewal Fund	Total
\$ 195,256	\$ 1,584,376	\$ 161,908	\$ 386,597	\$ 2,375,687
-	-	-	1,689	1,689
23,934	-	-	-	23,934
-	-	-	6,986	6,986
<u>\$ 219,190</u>	<u>\$ 1,584,376</u>	<u>\$ 161,908</u>	<u>\$ 395,272</u>	<u>\$ 2,408,296</u>
\$ -	\$ 21,699	\$ 4,268	\$ 4,000	\$ 36,376
-	-	-	-	1,486
-	21,699	4,268	4,000	37,862
-	-	-	6,986	6,986
-	-	-	6,986	6,986
-	-	-	384,286	384,286
-	1,562,677	-	-	1,562,677
-	-	157,640	-	157,640
219,190	-	-	-	219,190
-	-	-	-	47,550
-	-	-	-	(7,895)
<u>219,190</u>	<u>1,562,677</u>	<u>157,640</u>	<u>384,286</u>	<u>2,363,448</u>
<u>\$ 219,190</u>	<u>\$ 1,584,376</u>	<u>\$ 161,908</u>	<u>\$ 395,272</u>	<u>\$ 2,408,296</u>

**CITY OF DALLAS, OREGON**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended June 30, 2023**

---

	Risk Management Fund	Grants Fund
<b>REVENUES:</b>		
Property taxes	\$ -	\$ -
Grants	-	389,733
Licenses and permits	-	-
Fees	-	-
Contributions and donations	-	-
Interest	(583)	18
Miscellaneous	33,512	-
	<hr/>	<hr/>
Total revenues	32,929	389,751
	<hr/>	<hr/>
<b>EXPENDITURES:</b>		
Current:		
General government	-	-
Public safety	-	5,579
Culture and recreation	-	41,973
Community development	551,807	282,411
Capital outlay	-	-
	<hr/>	<hr/>
Total expenditures	551,807	329,963
	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(518,878)	59,788
	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES (USES):</b>		
Transfers in	541,900	-
Transfers out	-	(70,000)
	<hr/>	<hr/>
Total other financing sources (uses)	541,900	(70,000)
	<hr/>	<hr/>
Net changes in fund balances	23,022	(10,212)
	<hr/>	<hr/>
<b>FUND BALANCES, BEGINNING</b>	24,528	2,317
	<hr/>	<hr/>
<b>FUND BALANCES, ENDING</b>	\$ 47,550	\$ (7,895)
	<hr/> <hr/>	<hr/> <hr/>

Police Officer Fee and Firefighter/EMS Fee Fund	Building Inspections Fund	Trust/Reserve Fund	Urban Renewal Fund	Total
\$ -	\$ -	\$ -	\$ 231,132	\$ 231,132
-	-	-	-	389,733
-	967,520	-	-	967,520
447,465	-	-	-	447,465
-	-	180,361	-	180,361
(2,397)	(19,453)	(1,988)	13,767	(10,636)
-	76	-	19,743	53,331
<u>445,068</u>	<u>948,143</u>	<u>178,373</u>	<u>264,642</u>	<u>2,258,906</u>
-	-	94,646	-	94,646
483,532	-	88,101	-	577,212
-	-	54,679	-	96,652
-	584,946	-	79,851	1,499,015
-	-	-	9,923	9,923
<u>483,532</u>	<u>584,946</u>	<u>237,426</u>	<u>89,774</u>	<u>2,277,448</u>
(38,464)	363,197	(59,053)	174,868	(18,542)
-	47,625	85,300	-	674,825
-	(55,300)	-	(146,297)	(271,597)
-	(7,675)	85,300	(146,297)	403,228
(38,464)	355,522	26,247	28,571	384,686
<u>257,654</u>	<u>1,207,155</u>	<u>131,393</u>	<u>355,715</u>	<u>1,978,762</u>
<u>\$ 219,190</u>	<u>\$ 1,562,677</u>	<u>\$ 157,640</u>	<u>\$ 384,286</u>	<u>\$ 2,363,448</u>

**CITY OF DALLAS, OREGON**  
**GENERAL FUND - GENERALLY ACCEPTED ACCOUNTING PRINCIPLES**  
**COMBINING BALANCE SHEET**  
**June 30, 2023**

	General Fund	Improvement Fund	Total General Fund Generally Accepted Accounting Principles
<b>ASSETS:</b>			
Cash and investments	\$ 7,943,599	\$ 653	\$ 7,944,252
Cash held with county	39,407	-	39,407
Accounts receivable	999,634	-	999,634
Property taxes receivable	162,857	-	162,857
Lease receivable	213,205	-	213,205
Due from other funds	1,486	-	1,486
	<u>9,360,188</u>	<u>653</u>	<u>9,360,841</u>
Total assets	<u>\$ 9,360,188</u>	<u>\$ 653</u>	<u>\$ 9,360,841</u>
<b>LIABILITIES:</b>			
Accounts payable and other current liabilities	\$ 265,072	\$ -	\$ 265,072
Payroll liabilities	308,271	-	308,271
Deposits payable	387,337	-	387,337
Unearned revenue	3,146,037	-	3,146,037
Interfund loan payable	385,445	-	385,445
	<u>4,492,162</u>	<u>-</u>	<u>4,492,162</u>
Total liabilities	<u>4,492,162</u>	<u>-</u>	<u>4,492,162</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Unavailable revenue - property taxes	162,857	-	162,857
Unavailable revenue - lease receivable	213,205	-	213,205
	<u>376,062</u>	<u>-</u>	<u>376,062</u>
Total deferred inflows of resources	<u>376,062</u>	<u>-</u>	<u>376,062</u>
<b>FUND BALANCES:</b>			
Unassigned (deficit)	4,491,964	653	4,492,617
	<u>4,491,964</u>	<u>653</u>	<u>4,492,617</u>
Total fund balances	<u>4,491,964</u>	<u>653</u>	<u>4,492,617</u>
	<u>\$ 9,360,188</u>	<u>\$ 653</u>	<u>\$ 9,360,841</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,360,188</u>	<u>\$ 653</u>	<u>\$ 9,360,841</u>

**CITY OF DALLAS, OREGON**  
**GENERAL FUND - GENERALLY ACCEPTED ACCOUNTING PRINCIPLES**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended June 30, 2023**

	General Fund	Improvement Fund	Total General Fund Generally Accepted Accounting Principles
<b>REVENUES:</b>			
Property taxes	\$ 5,448,342	\$ -	\$ 5,448,342
Public service taxes	1,115,077	-	1,115,077
Franchise fees	1,519,868	-	1,519,868
Grants	956,177	-	956,177
Charges for services	2,797,725	-	2,797,725
Licenses and permits	1,560	-	1,560
Fines and forfeitures	124,673	-	124,673
Interest	199,041	(9)	199,032
Miscellaneous	271,019	-	271,019
	<u>12,433,482</u>	<u>(9)</u>	<u>12,433,473</u>
Total revenues			
<b>EXPENDITURES:</b>			
General government	1,859,271	-	1,859,271
Public safety	7,329,001	-	7,329,001
Culture and recreation	2,206,996	-	2,206,996
Community development	585,295	-	585,295
Capital outlay	1,364,613	-	1,364,613
Debt service:			
Principal	188,638	-	188,638
Interest	33,389	-	33,389
	<u>13,567,203</u>	<u>-</u>	<u>13,567,203</u>
Total expenditures			
Revenues over (under) expenditures	(1,133,721)	(9)	(1,133,730)
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	1,612,897	-	1,612,897
Transfers out	(389,300)	-	(389,300)
	<u>1,223,597</u>	<u>-</u>	<u>1,223,597</u>
Total other financing sources (uses)			
Net changes in fund balances	89,876	(9)	89,867
<b>FUND BALANCES, BEGINNING</b>	<u>6,287,733</u>	<u>662</u>	<u>6,288,395</u>
Prior period adjustment	(1,885,645)	-	(1,885,645)
<b>FUND BALANCES, ENDING</b>	<u>\$ 4,491,964</u>	<u>\$ 653</u>	<u>\$ 4,492,617</u>

**CITY OF DALLAS, OREGON**  
**GENERAL FUND - BUDGETARY BASIS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Admin:				
Personnel services	\$ 535,000	\$ 590,000	\$ 571,688	\$ 18,312
Materials and services	225,000	280,000	235,712	44,288
Subtotal	760,000	870,000	807,400	62,600
Finance:				
Personnel services	475,000	475,000	447,970	27,030
Materials and services	310,000	310,000	288,260	21,740
Subtotal	785,000	785,000	736,230	48,770
Facilities:				
Personnel services	165,000	165,000	158,105	6,895 *
Materials and services	140,000	155,000	157,536	(2,536) *
Capital outlay	12,000	12,000	11,513	487 *
Subtotal	317,000	332,000	327,154	4,846
Municipal court:				
Personnel services	120,000	120,000	112,023	7,977
Materials and services	150,000	150,000	112,931	37,069
Subtotal	270,000	270,000	224,954	45,046
Ambulance department:				
Personnel services	1,525,000	1,425,000	1,342,841	82,159
Materials and services	550,000	575,000	542,237	32,763
Capital outlay	34,500	34,500	21,701	12,799
Subtotal	2,109,500	2,034,500	1,906,779	127,721
Fire department:				
Personnel services	995,000	1,205,000	1,194,517	10,483
Materials and services	360,000	374,000	362,278	11,722
Capital outlay	144,000	214,000	110,000	104,000
Debt Service:				
Principal	41,226	41,226	41,226	-
Interest	3,588	3,588	3,587	1
Transfer out	85,300	85,300	85,300	-
Subtotal	1,629,114	1,923,114	1,796,908	126,206
Police department:				
Personnel services	3,720,000	3,720,000	3,113,932	606,068
Materials and services	567,000	567,000	548,242	18,758
Capital outlay	110,000	110,000	72,290	37,710
Subtotal	4,397,000	4,397,000	3,734,464	662,536

**CITY OF DALLAS, OREGON**  
**GENERAL FUND - BUDGETARY BASIS**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Library:				
Personnel services	535,000	535,000	522,104	12,896 *
Materials and services	100,000	100,000	96,098	3,902 *
Capital outlay	72,000	72,000	81,426	(9,426) *
Subtotal	707,000	707,000	699,628	7,372
Parks:				
Personnel services	563,000	563,000	467,622	95,378
Materials and services	190,500	190,500	180,481	10,019
Capital outlay	29,600	29,600	26,642	2,958
Subtotal	783,100	783,100	674,745	108,355
Aquatic center:				
Personnel services	625,000	625,000	588,634	36,366 *
Materials and services	310,000	334,000	352,057	(18,057) *
Capital outlay	40,000	40,000	22,840	17,160 *
Subtotal	975,000	999,000	963,531	35,469
Economic and community development				
Personnel services	545,000	545,000	451,355	93,645
Materials and services	255,000	255,000	133,940	121,060
Capital outlay	40,000	40,000	28,683	11,317
Subtotal	840,000	840,000	613,978	226,022
Non-departmental:				
Capital outlay	4,621,290	4,621,290	989,518	3,631,772
Transfer out	290,000	304,000	304,000	-
Debt Service:				
Principal	147,412	147,412	147,412	-
Interest	29,820	29,820	29,802	18
Subtotal	5,088,522	5,102,522	1,470,732	3,631,790
Total expenditures	\$ 18,661,236	\$ 19,043,236	\$ 13,956,503	\$ 5,086,733

\* Subtotal equals appropriation level



## **BUDGETARY COMPARISON SCHEDULES**

Pursuant to the provisions of Oregon Revised Statute, an individual schedule of revenues, expenditures, and changes in fund balances - budget and actual be displayed for each fund where legally adopted budgets are required.

Nonmajor Governmental Budgetary Comparison schedules included the following:

- Special Revenue Funds
  - Risk Management Fund
  - Grants Fund
  - Police Officer Fee and Firefighter/EMS Fee Fund
  - Building Inspections Fund
  - Trust/Reserve Fund
  - Urban Renewal Fund
  
- Debt Service Fund
  - General Long Term Debt Fund
  
- Capital Project Funds
  - Improvement Fund

**CITY OF DALLAS, OREGON  
RISK MANAGEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	\$ 5,000	\$ 30,000	\$ 33,512	\$ 3,512
Total revenues	5,000	30,000	33,512	3,512
<b>EXPENDITURES:</b>				
Materials and services	470,000	557,600	551,807	5,793
Total expenditures	470,000	557,600	551,807	5,793
Revenues over (under) expenditures	(465,000)	(527,600)	(518,295)	9,305
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	479,300	541,900	541,900	-
Total other financing sources (uses)	479,300	541,900	541,900	-
Net changes in fund balances	14,300	14,300	23,605	9,305
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	165,000	24,525	24,528	3
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ 179,300</u>	<u>\$ 38,825</u>	48,133	<u>\$ 9,308</u>
Adjustment for unrealized gain (loss) on investments			(583)	
<b>FUND BALANCES, ENDING</b>			<u>\$ 47,550</u>	

**CITY OF DALLAS, OREGON**  
**GRANTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Grants	\$ 393,000	\$ 429,000	\$ 389,733	\$ (39,267)
Total revenues	393,000	429,000	389,733	(39,267)
<b>EXPENDITURES:</b>				
Public works	10,000	10,000	-	10,000
Fire	10,000	10,000	-	10,000
Police	7,500	7,500	5,579	1,921
Library	9,000	9,000	3,406	5,594
Parks	50,000	51,000	38,567	12,433
Community development block	345,000	345,000	282,411	62,589
Total expenditures	431,500	432,500	329,963	102,537
Revenues over (under) expenditures	(38,500)	(3,500)	59,770	63,270
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	(35,000)	(70,000)	(35,000)
Total other financing sources (uses)	-	(35,000)	(70,000)	(35,000)
Net changes in fund balances	(38,500)	(38,500)	(10,230)	28,270
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	38,500	38,500	2,317	(36,183)
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	(7,913)	\$ (7,913)
Adjustment for unrealized gain (loss) on investments			18	
<b>FUND BALANCES, ENDING</b>			\$ (7,895)	

**CITY OF DALLAS, OREGON**  
**POLICE OFFICER FEE AND FIREFIGHTER/EMS FEE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Fees	\$ 440,000	\$ 440,000	\$ 447,465	\$ 7,465
Total revenues	440,000	440,000	447,465	7,465
<b>EXPENDITURES:</b>				
Personnel services	440,000	520,000	483,532	36,468
Contingency	230,000	150,000	-	150,000
Total expenditures	670,000	670,000	483,532	186,468
Net changes in fund balances	(230,000)	(230,000)	(36,067)	193,933
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	230,000	230,000	257,654	27,654
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	221,587	\$ 221,587
Adjustment for unrealized gain (loss) on investments			(2,397)	
<b>FUND BALANCES, ENDING</b>			\$ 219,190	

**CITY OF DALLAS, OREGON**  
**BUILDING INSPECTIONS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 500,000	\$ 500,000	\$ 967,520	\$ 467,520
Miscellaneous	500	500	76	(424)
Total revenues	500,500	500,500	967,596	467,096
<b>EXPENDITURES:</b>				
Personnel services	540,000	540,000	511,633	28,367
Materials and services	70,700	70,700	73,313	(2,613)
Contingency	964,125	962,125	-	962,125
Total expenditures	1,574,825	1,572,825	584,946	987,879
Revenues over (under) expenditures	(1,074,325)	(1,072,325)	382,650	1,454,975
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	47,625	47,625	47,625	-
Transfers out	(53,300)	(55,300)	(55,300)	-
Total other financing sources (uses)	(5,675)	(7,675)	(7,675)	-
Net changes in fund balances	(1,080,000)	(1,080,000)	374,975	1,454,975
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	1,080,000	1,080,000	1,207,155	127,155
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	1,582,130	\$ 1,582,130
Adjustment for unrealized gain (loss) on investments			(19,453)	
<b>FUND BALANCES, ENDING</b>			\$ 1,562,677	

\* Subtotal equals appropriation level

**CITY OF DALLAS, OREGON  
TRUST/RESERVE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Contributions and donations	\$ 233,000	\$ 233,000	\$ 180,361	\$ (52,639)
Total revenues	233,000	233,000	180,361	(52,639)
<b>EXPENDITURES:</b>				
Trust expenditures:				
Park	54,000	54,000	13,254	40,746
Fire	153,300	153,300	88,101	65,199
Library	36,000	36,000	24,330	11,670
Aquatic	30,000	30,000	17,095	12,905
General	174,000	174,000	94,646	79,354
Senior center trust	10,000	10,000	-	10,000
Total expenditures	457,300	457,300	237,426	219,874
Revenues over (under) expenditures	(224,300)	(224,300)	(57,065)	167,235
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	85,300	85,300	85,300	-
Total other financing sources (uses)	85,300	85,300	85,300	-
Net changes in fund balances	(139,000)	(139,000)	28,235	167,235
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	139,000	139,000	131,393	(7,607)
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	159,628	\$ 159,628
Adjustment for unrealized gain (loss) on investments			(1,988)	
<b>FUND BALANCES, ENDING</b>			\$ 157,640	

**CITY OF DALLAS, OREGON  
 URBAN RENEWAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 239,000	\$ 239,000	\$ 231,132	\$ (7,868)
Interest	4,000	4,000	18,514	14,514
Miscellaneous	19,000	19,000	19,743	743
Total revenues	<u>262,000</u>	<u>262,000</u>	<u>269,389</u>	<u>7,389</u>
<b>EXPENDITURES:</b>				
Personnel services	17,000	17,000	16,542	458
Materials and services	141,250	141,250	63,309	77,941
Capital outlay	80,000	80,000	9,923	70,077
Contingency	60,640	60,640	-	60,640
Total expenditures	<u>298,890</u>	<u>298,890</u>	<u>89,774</u>	<u>209,116</u>
Revenues over (under) expenditures	(36,890)	(36,890)	179,615	216,505
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	<u>(149,055)</u>	<u>(149,055)</u>	<u>(146,297)</u>	<u>2,758</u>
Total other financing sources (uses)	<u>(149,055)</u>	<u>(149,055)</u>	<u>(146,297)</u>	<u>2,758</u>
Net changes in fund balances	(185,945)	(185,945)	33,318	219,263
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>185,945</u>	<u>185,945</u>	<u>355,715</u>	<u>169,770</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	389,033	<u>\$ 389,033</u>
Adjustment for unrealized gain (loss) on investments			<u>(4,747)</u>	
<b>FUND BALANCES, ENDING</b>			<u>\$ 384,286</u>	

**CITY OF DALLAS, OREGON  
GENERAL LONG TERM DEBT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	\$ -	\$ -	\$ 168,285	\$ 168,285
Total revenues	-	-	168,285	168,285
<b>EXPENDITURES:</b>				
Debt service:				
Principal	\$ 125,000	\$ 125,000	\$ 125,000	\$ -
Interest	43,285	43,285	43,285	-
Total expenditures	168,285	168,285	168,285	-
Revenues over (under) expenditures	(168,285)	(168,285)	-	168,285
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	168,285	168,285	-	(168,285)
Total other financing sources (uses)	168,285	168,285	-	(168,285)
Net changes in fund balances	-	-	-	-
<b>FUND BALANCES, BEGINNING</b>	-	-	11	11
<b>FUND BALANCES, ENDING</b>	\$ -	\$ -	\$ 11	\$ 11



**CITY OF DALLAS, OREGON  
 IMPROVEMENT FUND - BUDGETARY BASIS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Fiscal Year Ended June 30, 2023**

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	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	\$ -	\$ -	\$ 662	\$ 662
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	662	<u>\$ 662</u>
Adjustment for unrealized gain (loss) on investments Reported with General Fund balance			(9) <u>(653)</u>	
<b>FUND BALANCES, ENDING</b>			<u>\$ -</u>	

## **BUDGETARY COMPARISON SCHEDULES**

### **Enterprise Funds**

Pursuant to the provisions of Oregon Revised Statute, an individual schedule of revenues, expenditures, and changes in fund balances - budget and actual be displayed for each fund where legally adopted budgets are required.

Enterprise Budgetary Comparison schedules include the following:

- Sewer Fund
- Water Fund
- Storm Water Fund

**CITY OF DALLAS, OREGON**  
**SEWER FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 3,900,000	\$ 3,900,000	\$ 3,976,271	\$ 76,271
Grants	-	-	6,773	6,773
Interest	20,000	20,000	128,766	108,766
Miscellaneous	75,000	75,000	94,559	19,559
Total revenues	3,995,000	3,995,000	4,206,369	211,369
<b>EXPENDITURES:</b>				
Personnel services	648,000	648,000	583,817	64,183
Materials and services	1,293,500	1,293,500	1,219,080	74,420
Capital outlay	1,459,000	1,459,000	56,283	1,402,717
Debt service:				
Principal	57,000	57,000	57,000	-
Interest	16,564	16,564	16,570	(6)
Contingency	2,411,936	2,382,936	-	2,382,936
Total expenditures	5,886,000	5,857,000	1,932,750	3,924,250
Revenues over (under) expenditures	(1,891,000)	(1,862,000)	2,273,619	4,135,619
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(634,000)	(663,000)	(663,000)	-
Total other financing sources (uses)	(634,000)	(663,000)	(663,000)	-
Net changes in fund balances	(2,525,000)	(2,525,000)	1,610,619	4,135,619
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	2,525,000	2,525,000	2,947,028	422,028
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	4,557,647	\$ 4,557,647

**RECONCILIATION TO NET POSITION - GAAP BASIS**

Accrued interest	(5,031)
Adjustment for unrealized gain (loss) on investments	(53,484)
OPEB assets	6,325
Capital assets, net	19,315,455
Inventories	19,191
Loans Payable	(585,000)
Compensated absences	(20,111)
Deferred inflows related to pensions	(126,263)
Deferred inflows related to OPEB	(10,056)
OPEB liability	(11,099)
Pension liability	(425,846)
Deferred outflows related to pensions	209,363
Deferred outflows related to OPEB	813

**NET POSITION**

\$ 22,871,904

**CITY OF DALLAS, OREGON**  
**WATER FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 3,490,000	\$ 3,490,000	\$ 3,753,872	\$ 263,872
Grants	-	-	7,757	7,757
Interest	30,000	30,000	121,387	91,387
Miscellaneous	90,000	90,000	92,169	2,169
Total revenues	<u>3,610,000</u>	<u>3,610,000</u>	<u>3,975,185</u>	<u>365,185</u>
<b>EXPENDITURES:</b>				
Personnel services	1,055,000	1,055,000	926,413	128,587
Materials and services	795,500	795,500	821,064	(25,564)
Capital outlay	4,264,000	4,264,000	726,188	3,537,812
Debt service:				
Principal	542,755	542,755	472,755	70,000
Interest	144,249	144,249	134,294	9,955
Contingency	1,065,718	1,055,718	-	1,055,718
Total expenditures	<u>7,867,222</u>	<u>7,857,222</u>	<u>3,080,714</u>	<u>4,776,508</u>
Revenues over (under) expenditures	(4,257,222)	(4,247,222)	894,471	5,141,693
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund loan proceeds (payments)	(85,778)	(85,778)	(81,494)	4,284
Issuance of debt	2,200,000	2,200,000	70,517	(2,129,483)
Transfers out	(557,000)	(567,000)	(567,000)	-
Total other financing sources (uses)	<u>1,557,222</u>	<u>1,547,222</u>	<u>(577,977)</u>	<u>(2,125,199)</u>
Net changes in fund balances	(2,700,000)	(2,700,000)	316,494	3,016,494
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>3,300,000</u>	<u>3,300,000</u>	<u>3,225,601</u>	<u>(74,399)</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>3,542,095</u>	<u>\$ 2,942,095</u>
<b>RECONCILIATION TO NET POSITION - GAAP BASIS</b>				
Accrued interest			(49,747)	
Adjustment for unrealized gain (loss) on investments			(43,701)	
OPEB asset			10,056	
Capital assets, net			19,930,568	
Interfund loan			(669,850)	
Inventories			186,894	
Loans payable			(5,178,459)	
Compensated absences			(31,984)	
Deferred inflows related to pensions			(200,723)	
Deferred inflows related to OPEB			(15,987)	
OPEB liability			(17,644)	
Pension liability			(676,980)	
Deferred outflows related to pensions			332,830	
Deferred outflows related to OPEB			1,293	
<b>NET POSITION</b>			<u>\$ 17,118,661</u>	

**CITY OF DALLAS, OREGON**  
**STORM WATER FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 700,000	\$ 700,000	\$ 966,623	\$ 266,623
Interest	4,000	4,000	37,066	33,066
Miscellaneous	2,000	2,000	-	(2,000)
Total revenues	706,000	706,000	1,003,689	297,689
<b>EXPENDITURES:</b>				
Personnel services	97,000	97,000	64,645	32,355
Materials and services	377,100	377,100	320,787	56,313
Capital outlay	304,000	304,000	13,365	290,635
Contingency	386,407	386,407	-	386,407
Total expenditures	1,164,507	1,164,507	398,797	765,710
Revenues over (under) expenditures	(458,507)	(458,507)	604,892	1,063,399
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund loan proceeds (payments)	(17,493)	(17,493)	(15,731)	1,762
Transfers out	(84,000)	(84,000)	(84,000)	-
Total other financing sources (uses)	(101,493)	(101,493)	(99,731)	1,762
Net changes in fund balances	(560,000)	(560,000)	505,161	1,065,161
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	560,000	560,000	776,817	216,817
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	\$ -	\$ -	1,281,978	\$ 1,281,978
<b>RECONCILIATION TO NET POSITION - GAAP BASIS</b>				
Adjustment for unrealized gain (loss) on investments			(16,191)	
OPEB asset			823	
Capital assets, net			3,743,793	
Interfund loan			(66,734)	
Compensated absences			(507)	
Deferred inflows related to pensions			(16,425)	
Deferred inflows related to OPEB			(1,308)	
Pension liability			(55,398)	
OPEB liability			(1,444)	
Deferred outflows related to pensions			27,236	
Deferred outflows related to OPEB			106	
<b>NET POSITION</b>			\$ 4,895,929	

**BUDGETARY COMPARISON SCHEDULES**  
**Internal Service Funds**

Pursuant to the provisions of Oregon Revised Statute, an individual schedule of revenues, expenditures, and changes in fund balances - budget and actual be displayed for each fund where legally adopted budgets are required.

Proprietary Budgetary Comparison schedule includes the following:

- Fleet Management Fund

**CITY OF DALLAS, OREGON  
FLEET MANAGEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 500,000	\$ 500,000	\$ 540,688	\$ 40,688
Total revenues	500,000	500,000	540,688	40,688
<b>EXPENDITURES:</b>				
Personnel services	293,000	293,000	256,335	36,665 *
Materials and services	324,500	349,500	328,323	21,177 *
Capital outlay	330,000	330,000	11,835	318,165 *
Contingency	148,000	120,000	-	120,000
Total expenditures	1,095,500	1,092,500	596,493	496,007
Revenues over (under) expenditures	(595,500)	(592,500)	(55,805)	536,695
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund loan proceeds (payments)	330,000	330,000	-	(330,000)
Proceeds from sale of capital assets	5,000	5,000	-	(5,000)
Transfers in	8,500	8,500	8,500	-
Transfers out	(78,000)	(81,000)	(81,000)	-
Total other financing sources (uses)	265,500	262,500	(72,500)	(335,000)
Net changes in fund balances	(330,000)	(330,000)	(128,305)	201,695
<b>FUND BALANCE, BEGINNING BUDGETARY BASIS</b>	<u>330,000</u>	<u>330,000</u>	<u>330,577</u>	<u>577</u>
<b>FUND BALANCE, ENDING BUDGETARY BASIS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>202,272</u>	<u>\$ 202,272</u>
<b>RECONCILIATION TO NET POSITION - GAAP BASIS</b>				
Adjustment for unrealized gain (loss) on investments			(2,621)	
Capital assets, net			153,349	
OPEB asset			3,257	
Deferred outflows related to pensions			107,817	
Deferred outflows related to OPEB			419	
Accrued compensated absences			(10,681)	
Pension liability			(219,302)	
OPEB liability			(5,716)	
Deferred inflows related to pensions			(65,023)	
Deferred inflows related to OPEB			(5,179)	
<b>NET POSITION</b>			<u>\$ 158,592</u>	

\* Sum equal appropriation level

## **STATISTICAL SECTION**



## STATISTICAL SECTION

The statistical section is comprised of schedules presenting trend information about revenues and expenses, outstanding debt, economics and demographics, and other subjects. These schedules are intended to provide financial statement users with contextual information needed to assess the City's financial health.

### **Contents**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

#### **Revenue Capacity**

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

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

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

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.

**Sources:** unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**CITY OF DALLAS, OREGON  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Governmental activities:</b>				
Net investment in capital assets	\$ 46,824,760	\$ 43,944,286	\$ 46,675,558	\$ 48,197,682
Restricted for special purposes	20,075,808	21,600,094	17,014,195	13,133,048
Unrestricted	(3,315,624)	(1,427,187)	(4,135,791)	(4,092,595)
Total governmental activities net position	<u>\$ 63,584,944</u>	<u>\$ 64,117,193</u>	<u>\$ 59,553,962</u>	<u>\$ 57,238,135</u>
<b>Business-type activities:</b>				
Net investment in capital assets	\$ 37,226,357	\$ 36,763,923	\$ 33,606,006	\$ 32,246,532
Restricted for special purposes	17,204	14,738	11,949	12,280
Unrestricted	7,642,933	5,186,052	3,073,897	2,631,161
Total business-type activities net position	<u>\$ 44,886,494</u>	<u>\$ 41,964,713</u>	<u>\$ 36,691,852</u>	<u>\$ 34,889,973</u>
<b>Primary government:</b>				
Net investment in capital assets	\$ 84,051,117	\$ 80,708,209	\$ 80,281,564	\$ 80,444,214
Restricted for special purposes	20,093,012	21,614,832	17,026,144	13,145,328
Unrestricted	4,327,309	3,758,865	(1,061,894)	(1,461,434)
Total primary government net position	<u>\$ 108,471,438</u>	<u>\$ 106,081,906</u>	<u>\$ 96,245,814</u>	<u>\$ 92,128,108</u>

Source: City of Dallas Annual Comprehensive Financial Reports

<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 48,416,186	\$ 49,729,006	\$ 49,522,634	\$ 52,121,875	\$ 53,826,746	\$ 55,722,739
14,420,599	11,357,160	9,100,601	8,835,176	6,760,554	6,321,162
(3,314,269)	(1,943,071)	(945,149)	(2,318,099)	(746,388)	952,467
<u>\$ 59,522,516</u>	<u>\$ 59,143,095</u>	<u>\$ 57,678,086</u>	<u>\$ 58,638,952</u>	<u>\$ 59,840,912</u>	<u>\$ 62,996,368</u>
\$ 27,913,008	\$ 25,900,291	\$ 23,439,707	\$ 22,291,458	\$ 21,049,915	\$ 20,584,724
-	-	-	-	-	-
2,922,587	2,873,339	2,140,287	1,494,772	2,147,514	2,164,506
<u>\$ 30,835,595</u>	<u>\$ 28,773,630</u>	<u>\$ 25,579,994</u>	<u>\$ 23,786,230</u>	<u>\$ 23,197,429</u>	<u>\$ 22,749,230</u>
\$ 76,329,194	\$ 75,629,297	\$ 72,962,341	\$ 74,413,333	\$ 74,876,661	\$ 76,307,463
14,420,599	11,357,160	9,100,601	8,835,176	6,760,554	6,321,162
(391,682)	930,268	1,195,138	(823,327)	1,401,126	3,116,973
<u>\$ 90,358,111</u>	<u>\$ 87,916,725</u>	<u>\$ 83,258,080</u>	<u>\$ 82,425,182</u>	<u>\$ 83,038,341</u>	<u>\$ 85,745,598</u>

**CITY OF DALLAS, OREGON  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020
<b>EXPENSES</b>				
<b>Governmental activities:</b>				
General government	\$ 3,339,778	\$ 4,019,169	\$ 3,843,319	\$ 6,066,986
Public safety	8,139,754	7,213,285	7,825,297	7,405,408
Highways and streets	3,053,100	2,714,590	2,712,010	2,773,333
Culture and recreation	2,590,297	1,074,861	1,176,670	1,283,472
Community development	2,080,542	2,936,614	2,322,457	2,594,730
Interest on long-term debt	153,629	160,114	115,103	136,259
Total governmental activities expenses	19,357,100	18,118,633	17,994,856	20,260,188
<b>Business-type activities:</b>				
Sewage disposal	2,525,114	2,144,924	2,317,611	1,180,763
Water	2,408,976	2,406,875	2,578,628	2,306,226
Storm water	458,488	400,431	253,439	216,107
Total business-type activities expenses	5,392,578	4,952,230	5,149,678	3,703,096
Total expenses	\$ 24,749,678	\$ 23,070,863	\$ 23,144,534	\$ 23,963,284
<b>PROGRAM REVENUES</b>				
<b>Governmental activities:</b>				
Charges for services				
General Government	\$ 3,864,493	\$ 2,192,551	\$ 2,466,178	\$ 613,897
Public Safety	572,138	2,710,924	2,619,621	2,434,316
Highways and streets	1,130,862	-	-	-
Culture and Recreation	776,673	670,535	296,061	493,594
Community development	465,232	17,226	20,901	11,264
Operating grants and contributions	1,586,300	296,609	357,951	1,641,459
Capital grants and contributions	714,131	2,904,396	1,745,490	1,638,878
Total governmental activities program revenues	9,109,829	8,792,241	7,506,202	6,833,408
<b>Business-type activities:</b>				
Charges for services	8,696,765	7,940,982	7,615,887	6,836,157
Operating grants and contributions	14,530	-	-	-
Capital grants and contributions	591,160	3,292,320	1,149,255	1,700,395
Total business-type activities program revenues	9,302,455	11,233,302	8,765,142	8,536,552
Total program revenues	\$ 18,412,284	\$ 20,025,543	\$ 16,271,344	\$ 15,369,960
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (10,247,271)	\$ (9,326,392)	\$ (10,488,654)	\$ (13,426,780)
Business-type activities	3,909,877	6,281,072	3,615,464	4,833,456
Total net expense	\$ (6,337,394)	\$ (3,045,320)	\$ (6,873,190)	\$ (8,593,324)
<b>General Revenues and Other Changes in Net Position</b>				
<b>Governmental activities:</b>				
Taxes and assessments	\$ 8,205,090	\$ 8,396,649	\$ 7,185,012	\$ 6,495,316
Franchise Fees	1,519,868	-	-	1,336,582
Miscellaneous	527,042	4,229,885	3,495,854	2,158,508
Proceeds from property sales	-	26,289	58,500	-
Transfers	1,348,667	1,236,800	1,248,500	1,151,993
Total governmental activities	11,600,667	13,889,623	11,987,866	11,142,399
<b>Business-type activities:</b>				
Miscellaneous	360,571	228,589	252,599	372,915
Gain on sale of land	-	-	-	-
Transfer of capital assets	-	-	-	-
Transfers	(1,348,667)	(1,236,800)	(1,248,500)	(1,151,993)
Total business-type activities	(988,096)	(1,008,211)	(995,901)	(779,078)
Total	\$ 10,612,571	\$ 12,881,412	\$ 10,991,965	\$ 10,363,321
<b>Change in Net Position</b>				
Governmental activities	\$ 1,353,396	\$ 4,563,231	\$ 1,499,212	\$ (2,284,381)
Business-type activities	2,921,781	5,272,861	2,619,563	4,054,378
Total	\$ 4,275,177	\$ 9,836,092	\$ 4,118,775	\$ 1,769,997

Source: City of Dallas Annual Comprehensive Financial Reports

2019	2018	2017	2016	2015	2014
\$ 3,128,997	\$ 3,072,693	\$ 2,618,629	\$ 2,815,836	\$ 2,018,683	\$ 2,159,324
8,334,194	8,421,394	7,462,693	6,812,741	4,208,590	4,965,673
783,447	750,043	776,622	3,183,830	2,968,164	2,985,706
842,281	863,203	833,397	1,020,182	705,867	748,446
3,021,745	2,794,594	2,434,292	1,982,360	1,561,447	1,419,268
56,981	124,871	157,956	183,031	211,552	219,436
16,167,645	16,026,798	14,283,589	15,997,980	11,674,303	12,497,853
2,258,528	2,384,194	2,584,857	2,681,117	2,472,804	2,463,249
2,226,989	2,062,003	2,587,227	1,935,944	1,656,456	1,759,774
181,627	162,051	159,480	185,698	-	-
4,667,144	4,608,248	5,331,564	4,802,759	4,129,260	4,223,023
\$ 20,834,789	\$ 20,635,046	\$ 19,615,153	\$ 20,800,739	\$ 15,803,563	\$ 16,720,876
\$ 672,612	\$ 2,697,392	\$ 1,978,726	\$ 2,412,882	\$ 1,198,834	\$ 1,174,241
2,570,300	2,130,488	1,707,545	1,621,164	1,014,802	1,399,346
-	171,029	80,333	203,855	92,806	75,605
599,017	388,827	203,841	564,981	547,647	104,465
13,370	556,725	537,447	282,305	406,971	768,352
599,195	235,827	95,408	251,797	16,252	5,981
339,717	1,385,564	41,929	800,746	160,224	158,583
4,794,211	7,565,852	4,645,229	6,137,730	3,437,536	3,686,573
6,608,518	6,162,438	5,768,881	5,600,125	5,435,502	5,077,759
-	-	-	-	-	-
861,194	2,216,095	1,363,150	569,295	247,351	-
7,469,712	8,378,533	7,132,031	6,169,420	5,682,853	5,077,759
\$ 12,263,923	\$ 15,944,385	\$ 11,777,260	\$ 12,307,150	\$ 9,120,389	\$ 8,764,332
\$ (11,373,434)	\$ (8,460,946)	\$ (9,638,360)	\$ (9,860,250)	\$ (8,236,767)	\$ (8,811,280)
2,802,568	3,770,285	1,800,467	1,366,661	1,553,593	854,736
\$ (8,570,866)	\$ (4,690,661)	\$ (7,837,893)	\$ (8,493,589)	\$ (6,683,174)	\$ (7,956,544)
\$ 6,447,411	\$ 6,506,395	\$ 5,832,686	\$ 5,938,713	\$ 6,152,989	\$ 5,736,327
1,302,982	1,254,229	1,185,056	1,116,780	1,093,765	1,170,721
2,850,312	1,070,181	740,621	577,797	310,686	354,160
-	-	-	-	-	-
1,152,150	1,095,150	1,025,000	1,025,000	1,025,000	796,522
11,752,855	9,925,955	8,783,363	8,658,290	8,582,440	8,057,730
411,547	518,501	1,018,297	247,140	271,629	278,691
-	-	-	-	-	87,141
-	-	-	-	-	-
(1,152,150)	(1,095,150)	(1,025,000)	(1,025,000)	(1,025,000)	(796,522)
(740,603)	(576,649)	(6,703)	(777,860)	(753,371)	(430,690)
\$ 11,012,252	\$ 9,349,306	\$ 8,776,660	\$ 7,880,430	\$ 7,829,069	\$ 7,627,040
\$ 379,421	\$ 1,465,009	\$ (854,997)	\$ (1,201,960)	\$ 345,673	\$ (753,550)
2,061,965	3,193,636	1,793,764	588,801	800,222	424,046
\$ 2,441,386	\$ 4,658,645	\$ 938,767	\$ (613,159)	\$ 1,145,895	\$ (329,504)

**CITY OF DALLAS, OREGON**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>General Fund:</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned	4,492,617	6,288,395	3,715,726	2,712,289
Total General Fund	<u>\$ 4,492,617</u>	<u>\$ 6,288,395</u>	<u>\$ 3,715,726</u>	<u>\$ 2,712,289</u>
<b>Special Revenue Funds:</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Restricted	4,721,557	7,767,081	4,438,688	3,220,090
Committed	219,190	282,182	313,682	217,590
Assigned	47,550	2,317	-	-
Unassigned	-	-	-	-
Total Special Revenue Funds	<u>\$ 4,988,297</u>	<u>\$ 8,051,580</u>	<u>\$ 4,752,370</u>	<u>\$ 3,437,680</u>
<b>Debt Service Funds:</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Restricted	11	11	11	11
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Debt Service Funds	<u>\$ 11</u>	<u>\$ 11</u>	<u>\$ 11</u>	<u>\$ 11</u>
<b>Capital Projects Funds:</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Restricted	15,221,081 <sup>2</sup>	13,728,752 <sup>2</sup>	12,500,366 <sup>2</sup>	9,830,110
Committed	-	-	-	-
Unassigned	(7,895)	-	(67,501)	(17,713)
Total Capital Projects Funds	<u>\$ 15,213,186</u>	<u>\$ 13,728,752</u>	<u>\$ 12,432,865</u>	<u>\$ 9,812,397</u>
<b>All Governmental Funds:</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Restricted	19,942,649	21,495,844	16,939,065	13,050,211
Committed	219,190	282,182	313,682	217,590
Assigned	47,550	2,317	-	-
Unassigned	4,484,722	6,288,395	3,648,225	2,694,576
General Total All Governmental Funds	<u>\$ 24,694,111</u>	<u>\$ 28,068,738</u>	<u>\$ 20,900,972</u>	<u>\$ 15,962,377</u>

Source: City of Dallas Annual Comprehensive Financial Reports

2019	2018	2017	2016	2015	2014
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,314,216	2,278,112	2,001,787	2,049,619	1,793,551	1,825,054
<u>\$ 2,314,216</u>	<u>\$ 2,278,112</u>	<u>\$ 2,001,787</u>	<u>\$ 2,049,619</u>	<u>\$ 1,793,551</u>	<u>\$ 1,825,054</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
3,268,670	1,918,839	1,577,973	8,463,452	6,379,403	5,980,728
258,170	213,301	166,342	157,749	108,813	51,583
-	567,335	454,698 <sup>3</sup>	-	-	-
-	-	-	(185,924)	(168,005)	-
<u>\$ 3,526,840</u>	<u>\$ 2,699,475</u>	<u>\$ 2,199,013</u>	<u>\$ 8,435,277</u>	<u>\$ 6,320,211</u>	<u>\$ 6,032,311</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
378,845	347,682	360,719	371,724	381,151	340,434
-	11	11	11	11	11
-	-	-	-	-	-
<u>\$ 378,845</u>	<u>\$ 347,693</u>	<u>\$ 360,730</u>	<u>\$ 371,735</u>	<u>\$ 381,162</u>	<u>\$ 340,445</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<sup>2</sup> 10,773,084 <sup>2</sup>	<sup>2</sup> 9,090,639 <sup>2</sup>	<sup>2</sup> 7,161,909 <sup>2</sup>	-	-	-
(41,995)	192,212	234,497	445,996	130,902	-
-	(5,124)	(381,652)	-	-	-
<u>\$ 10,731,089</u>	<u>\$ 9,277,727</u>	<u>\$ 7,014,754</u>	<u>\$ 445,996</u>	<u>\$ 130,902</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
14,420,599	11,357,160	9,100,601	8,835,176	6,760,554	6,321,162
258,170	405,524	400,850	603,756	239,726	51,594
-	567,335	454,698	-	-	-
2,272,221	2,272,988	1,620,135	1,863,695	1,625,546	1,825,054
<u>\$ 16,950,990</u>	<u>\$ 14,603,007</u>	<u>\$ 11,576,284</u>	<u>\$ 11,302,627</u>	<u>\$ 8,625,826</u>	<u>\$ 8,197,810</u>

**CITY OF DALLAS, OREGON**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>REVENUES</b>				
Taxes and assessments	\$ 5,679,474	\$ 5,393,763	\$ 5,125,205	\$ 4,855,430
Licenses and permits	969,080	626,521	817,264	459,009
Intergovernmental	4,084,267	4,643,807	2,302,463	3,303,611
Franchise fees	1,519,868	1,394,247	1,422,706	1,336,582
Charges for services	5,170,492	4,911,386	5,577,566	4,099,739
Fines and forfeitures	124,673	125,544	159,633	183,013
Miscellaneous	1,325,774	2,121,923	2,100,566	1,511,027
Total Revenues	<u>18,873,628</u>	<u>19,217,191</u>	<u>17,505,403</u>	<u>15,748,411</u>
<b>EXPENDITURES</b>				
Current operating:				
General government	1,953,917	2,405,499	2,574,358	3,736,748
Highways and streets	591,119	501,194	527,611	554,726
Culture and recreation	2,303,648	784,199	746,985	772,576
Public Safety	7,906,213	6,969,873	6,693,605	6,279,161
Community development	2,084,310	2,951,037	2,219,124	2,532,564
Capital outlay	6,166,497	3,209,365	1,554,589	5,302,979
Debt service				
Interest	155,723	162,813	118,194	123,693
Principal	712,638	702,745	336,957	286,270
Total Expenditures	<u>21,874,065</u>	<u>17,686,725</u>	<u>14,771,423</u>	<u>19,588,717</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,000,437)</b>	<b>1,530,466</b>	<b>2,733,980</b>	<b>(3,840,306)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Loan proceeds	-	-	-	-
Transfers in	2,287,722	2,182,971	2,338,177	2,889,097
Transfers out	(901,222)	(885,671)	(1,008,677)	(1,685,404)
Proceeds from sale of capital assets	-	-	58,500	-
Debt proceeds	-	4,340,000	-	1,648,000
Proceeds from lease and SBITA obligations	124,955	-	-	-
Total Other Financing Sources (Uses)	<u>1,511,455</u>	<u>5,637,300</u>	<u>1,388,000</u>	<u>2,851,693</u>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (1,488,982)</b>	<b>\$ 7,167,766</b>	<b>\$ 4,121,980</b>	<b>\$ (988,613)</b>
Debt service as a percentage of noncapital expenditures	<u>5.29%</u>	<u>5.59%</u>	<u>3.33%</u>	<u>2.61%</u>

Source: City of Dallas Annual Comprehensive Financial Reports



	2019	2018	2017	2016	2015	2014
\$	4,993,262	\$ 4,715,373	\$ 4,427,603	\$ 4,444,923	\$ 4,368,926	\$ 4,216,923
	586,167	2,895,086	1,856,176	2,511,999	1,092,380	939,972
	2,666,041	2,327,152	1,514,298	2,056,850	1,990,867	1,744,193
	1,302,982	1,254,229	1,185,056	1,116,780	1,093,765	1,170,721
	4,289,141	2,350,932	1,940,726	1,890,230	1,481,555	1,997,338
	497,520	246,826	217,196	209,729	189,771	146,523
	1,245,494	1,069,210	1,000,526	567,788	277,386	347,941
	15,580,607	14,858,808	12,141,581	12,798,299	10,494,650	10,563,611
	2,327,527	1,711,724	1,453,008	1,343,077	1,292,338	1,232,720
	587,394	544,728	574,813	585,384	529,501	548,007
	631,506	626,912	616,834	539,061	456,838	409,615
	6,248,617	6,115,758	5,523,810	5,118,464	4,951,183	4,689,828
	2,265,573	2,029,609	1,801,729	1,605,064	1,440,384	1,410,708
	1,668,882	1,111,693	2,032,532	1,397,170	1,486,639	1,672,887
	99,750	128,119	656,772	179,014	199,555	219,436
	638,725	697,192	153,826	711,459	680,596	620,000
	14,467,974	12,965,735	12,813,324	11,478,693	11,037,034	10,803,201
	1,112,633	1,893,073	(671,743)	1,319,606	(542,384)	(239,590)
	-	-	120,632	385,795	-	750,000
	2,389,361	2,300,568	2,349,323	1,944,307	1,459,395	1,315,147
	(1,205,011)	(1,168,418)	(1,454,555)	(972,907)	(488,995)	(351,947)
	51,000	1,500	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,235,350	1,133,650	1,015,400	1,357,195	970,400	1,713,200
\$	2,347,983	\$ 3,026,723	\$ 343,657	\$ 2,676,801	\$ 428,016	\$ 1,473,610
	5.80%	7.48%	7.88%	8.89%	8.48%	8.72%

**CITY OF DALLAS, OREGON**  
**PROGRAM REVENUES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<b>FUNCTIONS/PROGRAMS</b>	<u><b>2023</b></u>	<u><b>2022</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>
<b>Governmental Activities:</b>				
General government	\$ 4,820,669	\$ 2,192,551	\$ 2,466,178	\$ 713,897
Public safety	645,783	2,751,381	2,767,630	2,592,039
Highways and streets	1,905,022	2,718,686	1,272,088	1,509,503
Culture and recreation	1,001,601	959,169	817,094	775,610
Community development	736,754	170,454	183,212	1,242,359
Total Governmental Activities	<u>9,109,829</u>	<u>8,792,241</u>	<u>7,506,202</u>	<u>6,833,408</u>
<b>Business-type Activities:</b>				
Sewage disposal	4,176,904	4,863,899	4,151,362	4,163,214
Water	3,975,078	4,565,584	3,793,744	3,459,188
Storm Water	1,150,473	1,803,819	820,036	914,150
Total Business-type Activities	<u>9,302,455</u>	<u>11,233,302</u>	<u>8,765,142</u>	<u>8,536,552</u>
Total Activities	<u>\$ 18,412,284</u>	<u>\$ 20,025,543</u>	<u>\$ 16,271,344</u>	<u>\$ 15,369,960</u>

Source: City of Dallas Annual Comprehensive Financial Reports

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 672,612	\$ 2,697,392	\$ 1,978,726	\$ 2,412,882	\$ 1,198,834	\$ 1,174,241
2,686,573	2,362,575	1,800,545	1,808,359	1,028,641	1,403,096
339,717	1,223,729	80,333	696,605	92,806	75,605
602,713	721,691	245,770	567,143	550,060	106,696
492,596	560,465	539,855	652,741	567,195	926,935
<u>4,794,211</u>	<u>7,565,852</u>	<u>4,645,229</u>	<u>6,137,730</u>	<u>3,437,536</u>	<u>3,686,573</u>
3,557,368	3,927,609	3,660,323	3,222,212	3,148,628	3,026,851
3,413,340	3,370,531	2,888,059	2,596,955	2,534,225	2,050,908
499,004	1,080,393	583,649	350,253	-	-
<u>7,469,712</u>	<u>8,378,533</u>	<u>7,132,031</u>	<u>6,169,420</u>	<u>5,682,853</u>	<u>5,077,759</u>
<u>\$ 12,263,923</u>	<u>\$ 15,944,385</u>	<u>\$ 11,777,260</u>	<u>\$ 12,307,150</u>	<u>\$ 9,120,389</u>	<u>\$ 8,764,332</u>

**CITY OF DALLAS, OREGON  
 TAX REVENUE BY SOURCE, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS**

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<u>Fiscal Year Ending</u>	<u>Property</u>	<u>Special Assessments</u>	<u>Total</u>
2014	\$ 4,088,991	-	\$ 4,088,991
2015	4,368,926	-	4,368,926
2016	4,444,923	-	4,444,923
2017	4,427,603	-	4,427,603
2018	4,715,373	-	4,715,373
2019	4,993,262	-	4,993,262
2020	4,855,430	-	4,855,430
2021	5,125,205	-	5,125,205
2022	5,393,763	-	5,393,763
2023	5,679,474	-	5,679,474
Change 2014 - 2023	38.9%		

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**CITY OF DALLAS, OREGON**  
**ASSESSED AND ESTIMATED VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

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<b>Fiscal Year Ended June 30,</b>	<b>Real Property</b>		<b>Personal Property*</b>	
	<b>Assessed</b>	<b>Estimated</b>	<b>Assessed</b>	<b>Estimated</b>
	<b>Value</b>	<b>Actual Value</b>	<b>Value</b>	<b>Actual Value</b>
2014	\$ 792,003,938	\$ 890,833,202	\$ 19,482,173	\$ 20,120,730
2015	826,326,001	950,906,011	19,661,327	20,305,700
2016	803,156,128	930,135,179	20,153,830	21,172,910
2017	841,626,815	1,021,312,224	20,761,689	22,244,150
2018	900,461,155	1,181,625,123	22,019,212	24,333,730
2019	954,864,007	1,390,792,984	24,346,674	26,598,100
2020	1,020,689,806	1,554,364,653	25,985,281	31,007,950
2021	1,077,082,656	1,695,109,446	28,131,521	34,692,100
2022	1,140,438,635	1,869,463,244	29,697,599	38,438,080
2023	1,212,321,774	2,301,037,590	30,125,153	43,708,810

All property is assessed as of July 1 of the fiscal year.

\* Includes mobile homes

Source: Polk County Assessor's Office-Assessment and Taxation Information

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<b>Public Utility Property</b>		<b>Total</b>		<b>Ratio of Total Assessed to Total Estimated Actual Value</b>	<b>Total Direct Tax Rate</b>
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>		
\$ 17,290,720	\$ 18,689,559	\$ 828,776,831	\$ 929,643,491	89.15	5.09
18,311,463	19,314,768	864,298,791	990,526,479	87.26	4.99
11,866,800	13,158,182	835,176,758	964,466,271	86.59	4.91
12,170,120	12,223,910	874,558,624	1,055,780,284	82.84	4.66
17,086,639	17,653,830	939,567,006	1,223,612,683	76.79	4.73
19,721,901	20,070,365	998,932,582	1,437,461,449	69.49	4.63
20,372,620	20,464,743	1,067,047,707	1,605,837,346	66.45	4.20
22,994,542	23,101,622	1,128,208,719	1,752,903,168	64.36	4.20
24,730,667	24,797,283	1,194,866,901	1,932,698,607	61.82	4.20
27,377,863	27,487,767	1,269,824,790	2,372,234,167	53.53	4.20

**CITY OF DALLAS, OREGON**  
**PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING**  
**GOVERNMENTS (PER \$1,000 OF ASSESSED VALUE)**  
**LAST TEN FISCAL YEARS**

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<b>Fiscal Year Ended June 30,</b>	<b>City of Dallas<sup>1</sup></b>	<b>City of Dallas<sup>2</sup></b>	<b>City of Dallas Total</b>	<b>Polk County</b>	<b>School District #2</b>
2014	\$ 4.20	\$ 0.89	\$ 5.09	\$ 2.23	\$ 6.30
2015	4.20	0.79	4.99	2.24	6.22
2016	4.20	0.71	4.91	2.52	6.10
2017	4.20	0.46	4.66	2.52	5.98
2018	4.20	0.53	4.73	2.07	5.93
2019	4.20	0.43	4.63	2.02	6.22
2020	4.20	-	4.20	2.11	6.19
2021	4.20	-	4.20	2.11	6.20
2022	4.20	-	4.20	2.11	6.18
2023	4.20	-	4.20	2.11	6.16



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<b>Chemeketa Community College</b>	<b>Chemeketa Regional Library</b>	<b>Polk Conservation District</b>	<b>Willamette ESD</b>	<b>Dallas Cemetery District</b>	<b>4-H Extension District</b>	<b>Total</b>
\$ 0.86	\$ 0.08	\$ 0.05	\$ 0.29	\$ 0.05	\$ 0.07	\$ 15.02
0.89	0.08	0.05	0.29	0.05	0.07	14.88
0.93	0.08	0.05	0.29	0.05	0.07	15.00
0.89	0.08	0.05	0.29	0.05	0.07	14.59
0.89	0.08	0.05	0.29	0.05	0.07	14.16
0.89	0.08	0.05	0.29	0.05	0.07	14.30
0.88	0.08	0.05	0.29	0.05	0.07	13.92
0.88	0.08	0.05	0.29	0.05	0.06	13.89
0.88	0.08	0.05	0.29	0.05	0.07	14.04
0.62	0.08	0.05	0.29	0.05	0.07	14.01

**CITY OF DALLAS, OREGON  
PRINCIPAL TAXPAYERS FOR POLK COUNTY  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2023			2014		
	Assessed Value	Rank	% of Total City Taxable Assessed Value	Assessed Value	Rank	% of Total City Taxable Assessed Value
Dallas Mennonite Retirement Comm	\$ 17,539,720	1	1.22%	\$ -	-	-
Northwest Natural Gas	13,699,000	2	0.96%	6,400,000	2	0.77%
Greenway	9,679,580	3	0.68%	7,202,670	1	0.87%
Wal-Mart	8,454,890	4	0.59%	6,128,470	3	0.74%
Victoria Place General Partnership	8,052,400	5	0.56%	5,991,820	4	0.72%
Dallas Mennonite Ret Comm, Inc	7,145,690	6	0.50%	5,441,990	5	0.66%
Charter Communications	6,544,850	7	0.46%	3,775,400	6	0.46%
Pacificorp (PP&L)	6,239,976	8	0.44%	2,742,000	10	0.33%
Ascentec Properties LLC	5,181,100	9	0.36%	-	-	-
1351 Tandem Ave LLC Etal	4,779,460	10	0.33%	-	-	-
Safeway #404	-	-	-	3,111,320	8	0.38%
Dallas Mill Properties LLC	-	-	-	3,263,180	7	0.39%
Forest River Manufacturing LLC	-	-	-	2,991,340	9	0.36%
	<u>\$ 87,316,666</u>		<u>6.10%</u>	<u>\$ 47,048,190</u>		<u>5.68%</u>

Source: Polk County Assessor's Office-Assessment and Taxation Information

**CITY OF DALLAS, OREGON  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

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<b>Fiscal Year Ended June 30,</b>	<b>Total tax levy (net of discounts)</b>	<b>Collected in year of levy</b>		<b>Collected in subsequent years</b>	<b>Total collections to date</b>	
		<b>Amount</b>	<b>Percent of Levy</b>		<b>Amount</b>	<b>Percent of Levy</b>
2014	\$ 4,298,867	\$ 4,012,740	93.34	\$ 147,288	\$ 4,160,028	96.77
2015	4,399,871	4,157,700	94.50	127,890	4,285,590	97.40
2016	4,518,220	4,278,742	94.70	108,054	4,386,796	97.09
2017	4,432,938	4,183,640	94.38	110,376	4,294,016	96.87
2018	4,699,253	4,442,743	94.54	102,881	4,545,624	96.73
2019	4,901,124	4,681,046	95.51	107,437	4,788,483	97.70
2020	4,743,320	4,642,543	97.88	58,502	4,701,045	99.11
2021	5,010,014	4,796,120	95.73	59,779	4,855,899	96.92
2022	5,293,010	5,071,078	95.81	39,671	5,110,749	96.56
2023	5,622,388	5,376,436	95.63	-	5,376,436	95.63

Source: Information derived from Annual Comprehensive Financial Reports for all governmental funds.

**CITY OF DALLAS, OREGON**  
**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED**  
**VALUE AND NET BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**

GOVERNMENTAL ACTIVITIES:

<b>Fiscal Year Ended June 30,</b>	<b>Population</b>	<b>Assessed Value</b>	<b>Bonded Debt</b>	<b>Loan Payable</b>	<b>Loan Payable and Bonded Debt</b>	<b>Ratio of Bonded Debt to Assessed Value</b>	<b>Debt as % Personal Income</b>	<b>Bonded Debt Per Capita</b>
2014	14,800	\$ 828,776,831	\$ 3,990,000	\$ 750,000	\$ 4,740,000	0.0057	1.09%	320.27
2015	14,940	864,298,791	3,375,000	684,404	4,059,404	0.0047	0.90%	271.71
2016	15,040	835,176,758	2,765,000	968,740	3,733,740	0.0045	0.70%	248.25
2017	15,570	874,558,624	2,260,786	1,103,465	3,364,251	0.0038	0.54%	216.07
2018	15,830	939,567,006	1,682,893	1,061,273	2,744,166	0.0029	0.42%	173.35
2019	16,260	998,932,582	1,170,000	895,591	2,065,591	0.0021	0.30%	127.04
2020	16,555	1,067,047,707	2,671,000	726,321	3,397,321	0.0032	0.45%	205.21
2021	17,320	1,128,208,719	2,507,000	553,364	3,060,364	0.0027	0.35%	176.70
2022	17,836	1,194,866,901	6,291,000	406,619	6,697,619	0.0056	0.35%	375.51
2023	17,960	1,269,824,790	5,729,000	255,981	5,984,981	0.0047	NA	333.24

BUSINESS-TYPE ACTIVITIES:

<b>Fiscal Year Ended June 30,</b>	<b>Population</b>	<b>Assessed Value</b>	<b>Bonded Debt</b>	<b>Loan Payable</b>	<b>Notes Payable and Bonded Debt</b>	<b>Ratio of Bonded Debt to Assessed Value</b>	<b>Debt as % Personal Income</b>	<b>Bonded Debt Per Capita</b>
2014	14,800	\$ 828,776,831	\$ 5,599,108	\$ 4,247,361	\$ 9,846,469	0.0119	2.27%	665.30
2015	14,940	864,298,791	4,711,757	5,127,328	9,839,085	0.0114	2.19%	658.57
2016	15,040	835,176,758	4,300,224	5,543,195	9,843,419	0.0118	1.86%	654.48
2017	15,570	874,558,624	8,497,055	1,029,824	9,526,879	0.0109	1.53%	611.87
2018	15,830	939,567,006	7,249,704	2,787,498	10,037,202	0.0107	1.53%	634.06
2019	16,260	998,932,582	5,968,624	2,711,558	8,680,182	0.0087	1.24%	533.84
2020	16,555	1,067,047,707	4,650,000	2,593,578	7,243,578	0.0068	0.96%	437.55
2021	17,320	1,128,208,719	4,266,000	2,473,888	6,739,888	0.0060	0.78%	389.14
2022	17,836	1,194,866,901	3,871,000	2,351,697	6,222,697	0.0052	0.78%	348.88
2023	17,960	1,269,824,790	3,466,000	2,297,459	5,763,459	0.0045	NA	320.91

TOTAL DEBT:

<b>Fiscal Year Ended June 30,</b>	<b>Population</b>	<b>Assessed Value</b>	<b>Bonded Debt</b>	<b>Loan Payable</b>	<b>Loan Payable and Bonded Debt</b>	<b>Ratio of Bonded Debt to Assessed Value</b>	<b>Debt as % Personal Income</b>	<b>Bonded Debt Per Capita</b>
2014	14,800	\$ 828,776,831	\$ 9,589,108	\$ 4,997,361	\$ 14,586,469	0.0176	3.36%	985.57
2015	14,940	864,298,791	8,086,757	5,811,732	13,898,489	0.0161	3.09%	930.29
2016	15,040	835,176,758	7,065,224	6,511,935	13,577,159	0.0163	2.56%	902.74
2017	15,570	874,558,624	10,757,841	2,133,289	12,891,130	0.0147	2.07%	827.95
2018	15,830	939,567,006	8,932,597	3,848,771	12,781,368	0.0136	1.53%	807.41
2019	16,260	998,932,582	7,138,624	3,607,149	10,745,773	0.0108	1.24%	660.87
2020	16,555	1,067,047,707	7,321,000	3,319,899	10,640,899	0.0100	0.96%	642.76
2021	17,320	1,128,208,719	6,773,000	3,027,252	9,800,252	0.0087	0.78%	565.83
2022	17,836	1,194,866,901	10,162,000	2,758,316	12,920,316	0.0108	0.78%	724.40
2023	17,960	1,269,824,790	9,195,000	2,553,440	11,748,440	0.0093	NA	654.14

**CITY OF DALLAS, OREGON**  
**COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**June 30, 2023**

<u>Governmental Unit</u>	<u>Real market values of overlapping districts</u>	<u>Tax-supported debt outstanding<sup>1</sup></u>	<u>Percentage overlapping<sup>2</sup></u>	<u>Overlapping debt applicable to the City of Dallas</u>
Debt Repaid with Property Taxes				
Chemeketa Community College	\$ 69,506,516,103	\$ 92,980,000	2.97 %	\$ 2,761,413
Willamette ESD	76,320,202,113	6,161,593	2.70 %	166,659
Polk Cty SD 2 (Dallas)	3,117,138,150	41,929,000	66.22 %	27,766,935
Polk County	11,269,395,970	13,365,488	18.32 %	2,448,237
Subtotal, overlapping debt		<u>154,436,081</u>		<u>33,143,244</u>
<b>Direct debt outstanding:</b>				
<b>City of Dallas</b>	<u>2,516,769,529</u>	<u>5,984,981</u>	100.00 %	<u>5,984,981</u> <sup>1</sup>
<b>Total Direct and Overlapping Debt</b>	<u>\$ 2,516,769,529</u>	<u>\$ 160,421,062</u>		<u>\$ 39,128,225</u>

**NOTE:**

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlap is determined by how much of the real market value is shared by each entity with the City of Dallas. This information is provided by the Oregon Department of Revenue and used by the Oregon State Treasury Department to develop the overlapping debt reports for the City.

<sup>1</sup> Tax supported debt outstanding includes General Obligation (GO) bonds, Full Faith & Credit Bonds, loans, leases, notes, and certificates of participation related to non-business type activities.

<sup>2</sup> The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value that is within the government's boundaries and dividing it by the City's total taxable assessed value.

Source: State of Oregon-Oregon State Treasury, Debt Management Division



**CITY OF DALLAS, OREGON  
SCHEDULE OF PLEDGED REVENUE BOND COVERAGE  
LAST TEN FISCAL YEARS**

**WATER REVENUE BONDS**

Fiscal Year Ended June 30,	Gross Revenue	Expenditures	Net Revenue Available for Debt Service	Debt Service Requirements			Percent Coverage
				Principal	Interest	Total	
2013	\$ 2,128,214	\$ 1,098,721	\$ 1,029,493	\$ 363,109	\$ 160,083	\$ 523,192	196.77
2014	2,189,342	1,158,406	1,030,936	197,723	150,244	347,967	296.27
2015	3,487,583	2,402,348	1,085,235	204,405	146,806	351,211	309.00
2016	3,043,968	2,367,299	676,669	211,315	151,517	362,832	186.50
2017	3,084,785	1,608,356	1,476,429	218,458	150,771	369,229	399.87
2018	4,730,037	3,106,328	1,623,709	315,000	144,964	459,964	353.01
2019	3,110,629	1,819,475	1,291,154	389,669	179,126	568,795	227.00
2020	3,067,292	1,847,663	1,219,629	439,251	167,204	606,455	201.11
2021	3,398,169	2,142,065	1,256,104	449,690	156,512	606,202	207.21
2022	3,380,557	1,820,728	1,559,829	461,191	145,554	606,745	257.08
2023	3,853,797	2,473,665	1,380,132	472,755	134,294	607,049	227.35

**SEWER REVENUE BONDS**

Fiscal Year Ended June 30,	Gross Revenue	Expenditures	Net Revenue Available for Debt Service	Debt Service Requirements			Percent Coverage
				Principal	Interest	Total	
2013	\$ 3,158,897	\$ 1,628,760	\$ 1,530,137	\$ 805,000	\$ 200,643	\$ 1,005,643	152.16
2014	3,386,458	2,180,587	1,205,871	820,000	184,534	1,004,534	120.04
2015	3,303,920	1,890,390	1,413,530	830,000	243,925	1,073,925	131.62
2016	3,734,368	2,355,995	1,378,373	845,000	146,990	991,990	138.95
2017	3,493,180	2,026,990	1,466,190	855,000	71,522	926,522	158.25
2018	3,499,154	1,774,136	1,725,018	875,000	126,893	1,001,893	172.18
2019	3,693,283	2,299,953	1,393,330	910,000	93,401	1,003,401	138.86
2020	3,829,522	2,335,095	1,494,427	940,000	57,002	997,002	149.89
2021	3,888,777	2,164,843	1,723,934	54,000	19,390	73,390	2,349
2022	3,977,836	2,095,368	1,882,468	56,000	18,008	74,008	2,544
2023	4,077,603	1,859,180	2,218,423	57,000	16,570	73,570	3,015

**CITY OF DALLAS, OREGON  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30,</b>	<b>Population</b>	<b>Per Capita Personal Income</b>	<b>Total Personal Income (in 000's)</b>	<b>Estimated Employed Population*</b>	<b>Average Annual Wage*</b>	<b>Area in square miles</b>	<b>Average Density (persons / square mile)</b>	<b>Average Annual Unemploy- ment*</b>
2014	14,800	29,289	433,477	3,595	33,053	4.45	3,325.8	7.4%
2015	14,940	30,045	448,872	4,203	33,896	4.45	3,357.3	6.2%
2016	15,040	35,249	530,145	4,302	35,245	4.45	3,379.8	5.3%
2017	15,570	39,958	622,146	4,338	36,280	4.45	3,498.9	4.6%
2018	15,830	41,379	655,030	4,401	37,903	4.45	3,557.3	4.3%
2019	16,260	42,897	697,505	4,540	39,080	4.45	3,653.9	4.5%
2020	16,555	45,660	755,901	4,416	42,051	4.45	3,720.2	6.6%
2021	17,320	49,781	862,207	4,668	46,630	4.45	3,892.1	4.2%
2022	17,573	50,295	883,834	4,910	48,787	4.45	3,949.0	3.9%
2023	17,960	NA	NA	NA	NA	4.45	4,036.0	3.6%

\*State of Oregon Employment Department

Source: Portland State University Population Research and Census  
[www.qualityinfo.org](http://www.qualityinfo.org) - Oregon Employment Department



**CITY OF DALLAS, OREGON  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND NINE YEARS AGO**

<b>Employer</b>	<b>2023</b>			<b>2014</b>		
	<b>Employees</b>	<b>Rank</b>	<b>% of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>% of Total City Employment</b>
Dallas Public Schools	404	1	8.23%	355	2	7.66%
Polk County	400	2	8.15%	270	4	5.83%
Dallas Retirement Village	285	3	5.80%	304	3	6.56%
West Valley Hospital	223	4	4.54%	160	5	3.45%
Safeway Stores, Inc.	180	5	3.67%	137	7	2.96%
City of Dallas	152	6	3.10%	93	9	2.01%
Forest River	140	7	2.85%	406	1	8.76%
Wal-Mart	135	8	2.75%	157	6	3.39%
Open Road Transport	72	9	1.47%	-	-	-
Mak Metals	43	10	0.88%	-	-	-
James W. Fowler Company	-	-	-	115	8	2.48%
	<u>2,034</u>		<u>41.43%</u>	<u>1,997</u>		<u>43.09%</u>

Source: Employers  
 Oregon Employment Department

**CITY OF DALLAS, OREGON**  
**FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION**  
**LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
General government	15	18	16	17	21	17	20	18	22	23
Public safety	23	25	25	29	28	33	35	33	32	50
Highways and streets	4	4	4	3	3	2	3	3	3	3
Culture and recreation	22	23	23	26	27	27	12	21	23	24
Sewage disposal	6	6	9	6	7	7	7	7	7	7
Water	5	5	3	4	7	9	9	7	7	9
Ambulance	19	17	19	18	16	16	16	16	16	*
Total	<u>93</u>	<u>98</u>	<u>99</u>	<u>103</u>	<u>109</u>	<u>111</u>	<u>102</u>	<u>105</u>	<u>110</u>	<u>116</u>

\*ambulance department is combined with public safety.

Source: City of Dallas

**CITY OF DALLAS, OREGON  
OPERATING INDICATORS  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Police										
Arrests	993	1,114	1,064	1,108	1,336	1,200	802	443	408	759
Traffic violations	714	846	1,550	1,570	1,300	1,000	582	685	338	296
Municipal Court Cases	1,846	2,045	2,504	2,439	2,061	1,767	1,768	1,406	1,107	1,316
Fire Responses										
City	282	500	757	1,025	1,099	669	915	1,187	1,235	1,534
Rural*	321	480	610	641	578	459	-	-	-	-
*data no longer collected due to mutual aid agreements										
Ambulance										
Transports	2,045	2,297	2,378	2,466	2,468	2,486	2,674	2,859	2,745	2,664
Building Activity										
Permits Issued	191	194	242	214	642	715	638	700	733	728
Estimated Value (000's)	\$17,044	\$19,979	\$41,262	\$37,976	\$45,331	\$45,050	\$33,006	\$54,541	\$48,509	\$75,048
Planning Applications	108	118	175	136	118	112	110	117	111	113
Library										
Circulation	199,801	193,366	196,650	206,462	204,653	209,303	212,694	227,388	215,163	215,383
Miles of Streets Maintained	56.46	56.89	57.37	57.74	59.57	60.43	61.11	61.61	63.32	63.80
Water										
Connections	5,420	5,444	5,541	5,653	5,782	5,837	6,095	6,225	6,310	6,451
Sewer										
Connections	4,614	4,634	4,675	4,778	4,887	5,000	5,210	5,345	5,544	5,575

Source: City of Dallas

**CITY OF DALLAS, OREGON  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Public safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	1	1	1	1	1	1	1	1	1	1
Ambulance										
Number of ambulances	3	3	3	3	3	4	4	4	4	4
Highways and streets										
Streets (miles)	59	60	60	60	61	61	62	63	65	66
Culture and recreation										
Number of parks	11	11	11	11	13	13	13	13	15	15
Acreage	99	99	99	99	106	106	107	107	108	108
Aquatic centers (sq ft)	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170	32,170
Sewage disposal										
Max daily capacity	12.5 mgd	12.5 mgd	12.5 mgd	12.5 mgd	12.5 mgd	12.5 mgd	12.5 mgd	12.5 mgd	12.5 mgd	12.5 mgd
Water										
Max daily capacity	10.5 mgd	10.5 mgd	10.5 mgd	10.5 mgd	10.5 mgd	10.5 mgd	10.5 mgd	10.5 mgd	10.5 mgd	10.5 mgd
Fire hydrants	486	488	490	505	559	568	575	582	599	601

Source: City of Dallas

## **AUDIT COMMENTS AND DISCLOSURES**

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

Honorable Mayor and Members of the City Council  
City of Dallas  
Dallas, Oregon

We have audited the basic financial statements of the City of Dallas, Oregon (the "City") as of and for the year ended June 30, 2023, and have issued our report thereon dated February 29, 2024. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- Deposit of public funds with financial institutions (ORS Chapter 295)
- Indebtedness limitations, restrictions and repayment
- Budgets legally required (ORS Chapter 294)
- Insurance and fidelity bonds in force or required by law
- Programs funded from outside sources
- Highway revenues used for public highways, roads, and streets
- Authorized investment of surplus funds (ORS Chapter 294)
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)

In connection with our testing nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-010-000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except for the following:

Public Contracts and purchasing (ORS Chapter 279)

ORS 279B.055 states that for procurements over \$150,000 the City must follow a competitive sealed bid process. The City did not obtain competitive bids for the purchase of the Life Line Ambulance.

Honorable Mayor and Members of the City Council  
 City of Dallas, Oregon  
 Independent Auditor's Report Required by Oregon State Regulations  
 February 29, 2024

Budgets legally required (ORS Chapter 294)

The City's published financial summary, Form LB-1, did not agree with the amounts on the detailed budget sheets as required by ORS 294.438 as follows:

<u>Fund/Appropriation Category</u>	<u>LB-1</u>	<u>Budget</u>	<u>Variance</u>
2021-2022 Actual			
Resources	\$ 58,847,056	\$ 59,263,553	\$ 416,497
Requirements	24,937,360	25,107,725	170,365
2022-2023 Adopted			
Resources	63,196,662	64,488,898	1,292,236
Requirements	63,196,662	64,488,898	1,292,236

Also, in the 2023-2024 budget document, the historical information for year ended June 30, 2021 did not agree to actual amounts as reported in the audited financial statements for those years in the expenditures in the Grant Fund, as required by ORS 294.358.

In addition, the interfund transfers in the 2023-2024 proposed budget were out of balance by \$5,000.

**OAR 162-010-0230 Internal Control**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

**Restriction of Use**

This report is intended solely for the information and use of the members of City Council, management of the City of Dallas and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

*Singer Lewak LLP*

February 29, 2024

By:



Brad Bingenheimer, Partner