



**CITY OF DALLAS
POLK COUNTY, OREGON**

Annual Comprehensive Financial Report



For the Year Ended June 30, 2024

City of Dallas, Oregon

Annual Comprehensive Financial Report

For the Fiscal Year Ended
June 30, 2024

With Independent Auditor's Report

Prepared by

The Finance Department

City of Dallas, Oregon

Cecilia Ward, Finance Director

CITY OF DALLAS, OREGON
TABLE OF CONTENTS

INTRODUCTORY SECTION

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

FINANCIAL SECTION

Independent Auditor’s Report.....A
Management’s Discussion and Analysisa

Basic Financial Statements.....1

Government-Wide Financial Statements:
 Statement of Net Position.....2
 Statement of Activities3
Fund Financial Statements:.....4
 Governmental Funds:
 Balance Sheet5
 Reconciliation of the Balance Sheet of Governmental Funds to the
 Statement of Net Position6
 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 Activities8
Proprietary Funds:.....9
 Statement of Net Position.....10
 Statement of Revenues, Expenses, and Changes in Net Position.....11
 Statement of Cash Flows12
Notes to the Basic Financial Statements.....13

Required Supplementary Information54

Budgetary Comparison Schedules:
 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
 General Fund – Budgetary Basis55
 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
 Street Fund.....56
Schedule of the Proportionate Share of the Net Pension Liability.....57
Schedule of Contributions – Pension58
Schedule of the Proportionate Share of OPEB – RHIA.....59
Schedule of Contributions to OPEB – RHIA.....60
Schedule of Changes in Total OPEB Liability and Related Ratios – Implicit Rate Subsidy....61
Notes to the Required Supplemental Information62

CITY OF DALLAS, OREGON
TABLE OF CONTENTS

Other Supplementary Information64

Major Governmental Fund:
 Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
 System Development Fund.....65

Combining Schedules:66
 Nonmajor Governmental Funds Combining Balance Sheet.....66
 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 Balances71
 General Fund – Generally Accepted Accounting Principles Combining Balance Sheet73
 General Fund – Generally Accepted Accounting Principles Combining Schedule of
 Revenues, Expenditures, and Changes in Fund Balance74

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 Fund78
 Grants Fund.....79
 Police Officer Fee and Firefighter/EMS Fee Fund80
 Building Inspections Fund81
 Trust/Reserve Fund82
 Urban Renewal Fund83
 South Dallas Urban Renewal Fund.....84
 General Long Term Debt Fund.....85
 Improvement Fund.....86

Proprietary Funds:
 Enterprise Funds:87
 Sewer Fund.....88
 Water Fund.....89
 Storm Water Fund90
 Internal Service Fund:.....91
 Fleet Management Fund.....92

STATISTICAL SECTION

Introduction.....93
Net Position by Component (Last Ten Fiscal Years)94
Changes in Net Position (Last Ten Fiscal Years)96
Fund Balances, Governmental Funds (Last Ten Fiscal Years).....98
Changes in Fund Balances, Governmental Funds (Last Ten Fiscal Years).....100

CITY OF DALLAS, OREGON
TABLE OF CONTENTS

Program Revenues by Function/Program (Last Ten Fiscal Years).....102
Tax Revenue by Source, Governmental Funds (Last Ten Fiscal Years)104
Assessed and Estimated Value of Taxable Property (Last Ten Fiscal Years)105
Property Tax Rates – All Direct and Overlapping Governments (Last Ten Fiscal Years).....107
Principal Taxpayers for Polk County (Current Year and Nine Years Ago)109
Property Tax Levies and Collections (Last Ten Fiscal Years)110
Ratio of Net General Bonded Debt to Assessed Value and
 Net Bonded Debt Per Capita (Last Ten Fiscal Years)111
Computation of Direct and Overlapping Governmental Activities Debt112
Computation of Legal Debt Margin (Last Ten Fiscal Years)113
Schedule of Pledged Revenue Bond Coverage (Last Ten Fiscal Years)114
Demographic and Economic Statistics (Last Ten Fiscal Years).....115
Principle Employers (Current Year and Nine Years Ago).....116
Full-Time Equivalent City Employees by Function (Last Ten Fiscal Years).....117
Operating Indicators (Last Ten Fiscal Years)118
Capital Asset Statistics by Function (Last Ten Fiscal Years).....119

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
Oregon State Regulation..... 120

PAGE INTENTIONALLY LEFT BLANK

INTRODUCTORY SECTION



December 31, 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, 2024.

This report presents the financial position of the City as of June 30, 2024 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 Agency 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 1st 2024 for the City of Dallas was 17,924.

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>
2024 PSU Estimate	17,924	88,799
2010 Census	14,583	75,403
2000 Census	12,459	62,380

ECONOMIC OUTLOOK

According to Oregon's November 2024 economic forecast, the state's economy is expected to grow slowly but steadily in 2024. Here are some of the highlights:

Real GDP growth - Forecasters anticipate a real GDP growth of 2.7% in 2024, compared to 2.9% in 2023.

Employment - Oregon is expected to reach 2,010,900 jobs, which is a 1.0% increase over 2023.

Unemployment rate - The unemployment rate is projected to be 4.2%.

Revenue - Oregon's new chief state economist estimates the state will have about \$37.8 billion available to spend in the next two-year budget cycle.

Kicker - The latest forecast estimates a 2026 kicker of \$1.79 billion, up from \$1 billion in the September forecast.

The state's economy is moving away from its strong post-pandemic rebound and toward a more sustainable economy.

The City of Dallas continues to see relatively 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 Global. 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 has tripled their operating square footage with a \$5 million investment and the addition of around 50 new jobs.

The City is spending resources with long range planning, to include the La Creole Node (adding new wastewater infrastructure and new land slated for Commercial zoning); the Dallas Mill Site Area Redevelopment Plan; the Transportation System Plan (TSP) Update; and the 791 Main Street redevelopment project, aimed at attracting new private sector development in the downtown.

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 obligations, 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.

FY2023-25 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, 2024.

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, 2024, 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, 2023. 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.

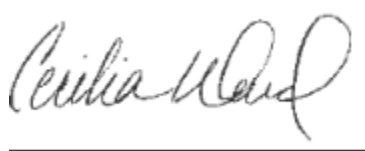
A Certificate of Achievement is valid for a period of one year only. The City of Dallas has received a Certificate of Achievement for the last thirty-two consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting 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 cursive script, reading "Cecilia Ward", enclosed in a rectangular box.

Cecilia Ward
Finance Director
Dallas, Oregon



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

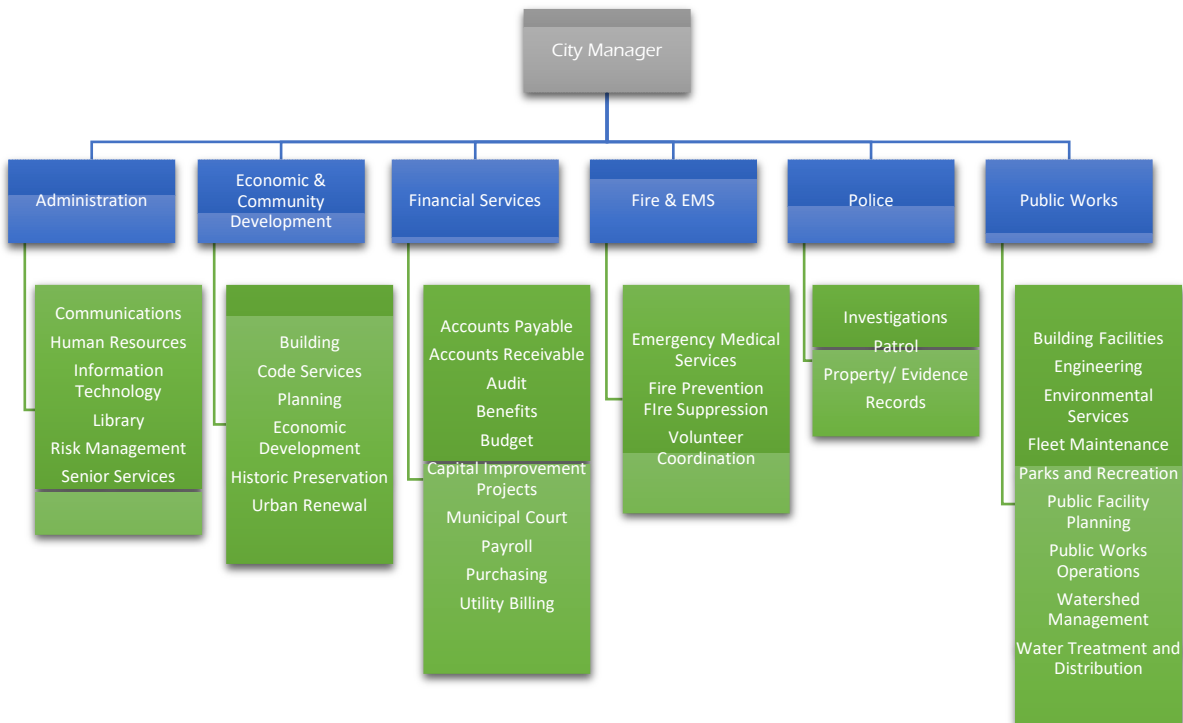
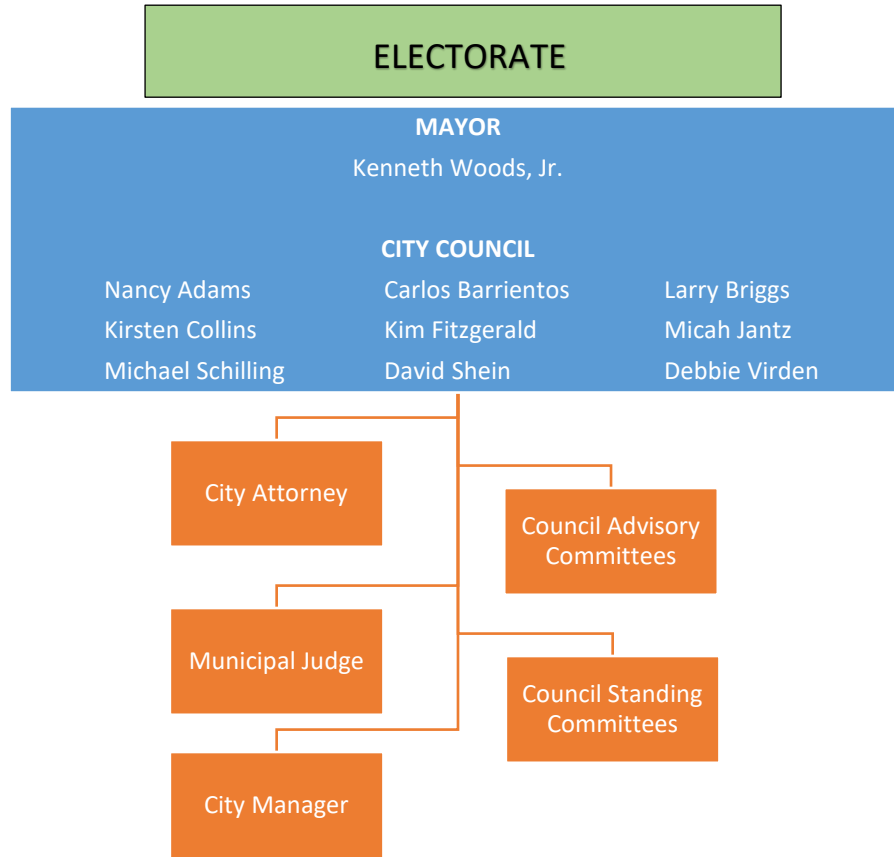
**City of Dallas
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



CITY OF DALLAS, OREGON
MAYOR AND COUNCIL MEMBERS
June 30, 2024

<u>Name</u>	<u>Term Expires</u>
Kenneth L Woods Jr, Mayor 1130 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 1 168 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

PAGE INTENTIONALLY LEFT BLANK

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, 2024, 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, 2024, 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.

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 a – j and the schedules related to pensions and other postemployment benefits on pages 57 - 61, 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 required supplementary information in accordance with GAAS, 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The schedules of revenues, expenditures and changes in fund balance – budget to actual for the General and Street funds on pages 55 and 56 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 GAAS. In our opinion, such schedules are 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.

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 December 31, 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

December 31, 2024

By:



Brad Bingenheimer, Partner

**CITY OF DALLAS
POLK COUNTY, OREGON**

Year Ended June 30, 2024

MANAGEMENT’S DISCUSSION AND ANALYSIS

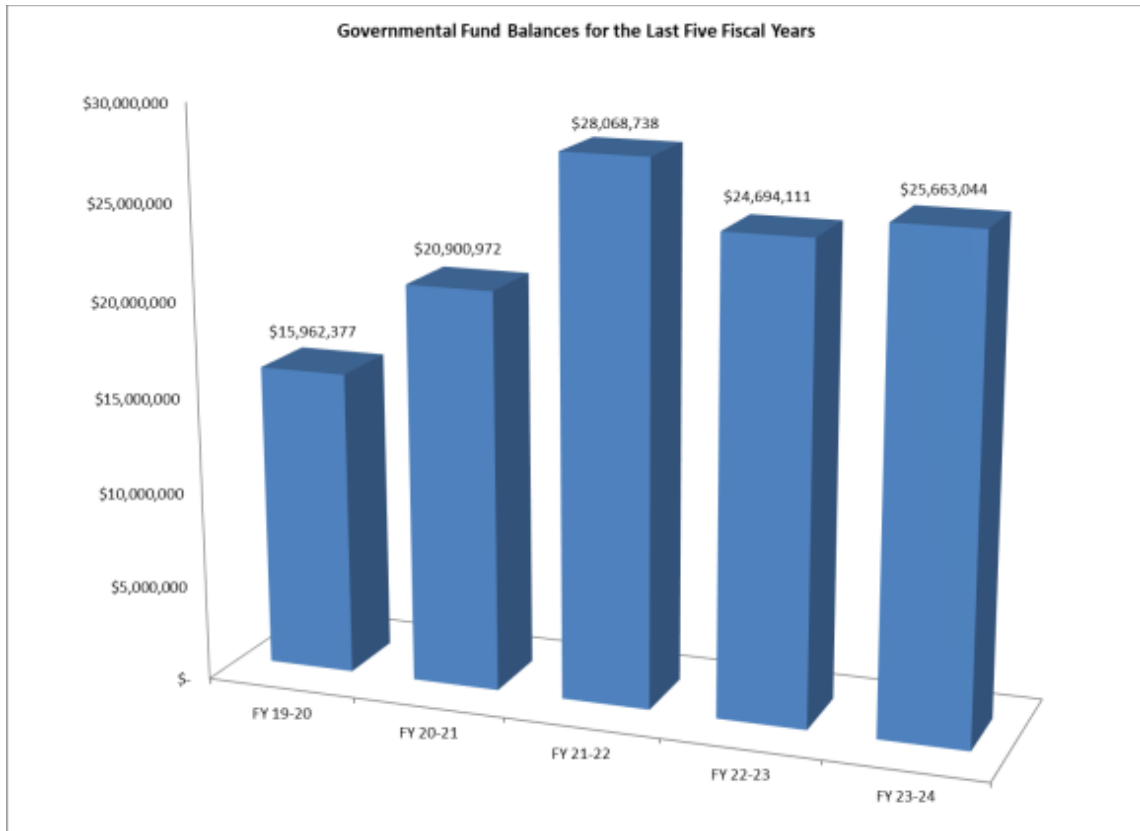
The Management's Discussion and Analysis of the City of Dallas Annual Comprehensive Financial Report (ACFR) presents a discussion and analysis of the City's financial performance during the fiscal year ended June 30, 2024. The information presented here should be considered in conjunction with the accompanying 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 \$25,663,044, an increase of \$968,933 in comparison with the previous year. The General Fund ending fund balance decreased 5.88 percent to \$4,228,264 due to purchase of capital equipment, building improvements; and the ability to fill vacant position and retain employees.

Governmental Funds: Changes in Fund Balances

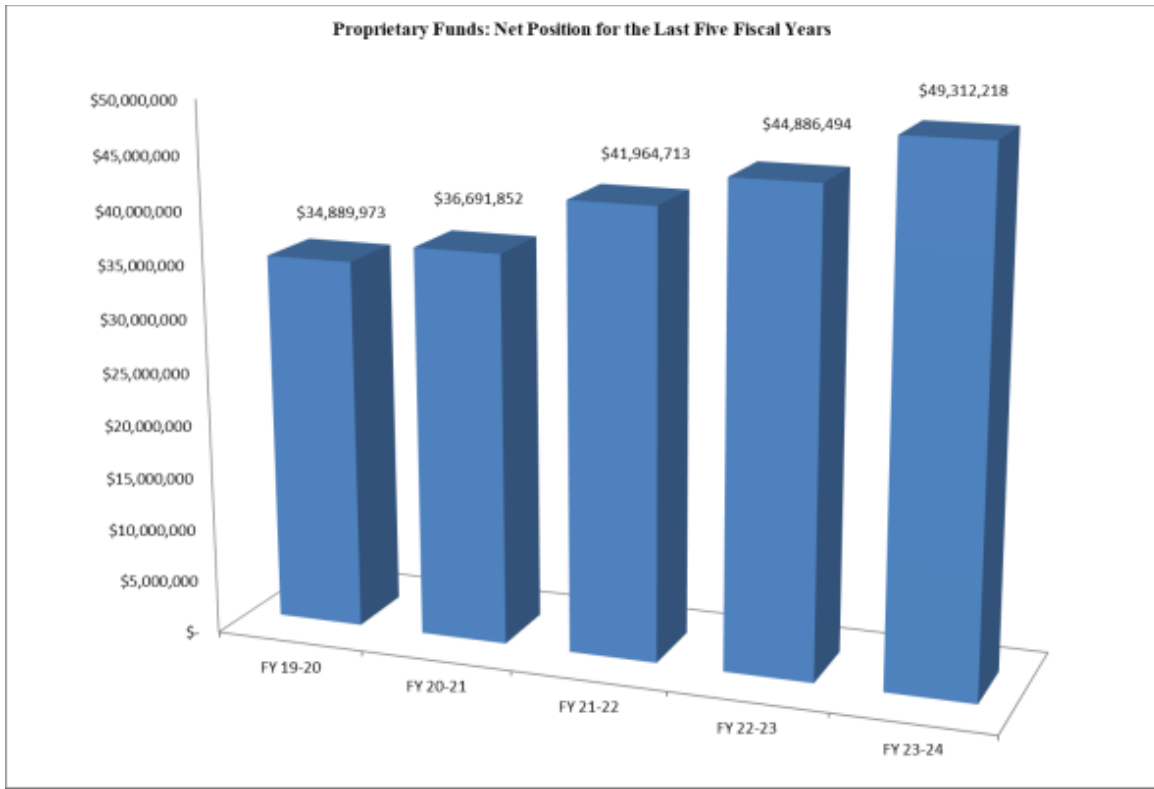
Fund	June 30, 2024 Fund Balance	June 30, 2023 Fund Balance	Increase (decrease)	Percent Change
General Fund	\$ 4,228,264	\$ 4,492,617	\$ (264,353)	-5.88%
Systems Development Fund	16,426,498	15,221,081	1,205,417	7.92%
Grants Fund	(44,620)	(7,895)	(36,725)	465.17%
Risk Management Fund	46,410	47,550	(1,140)	-2.40%
Building Inspection Fund	1,593,385	1,562,677	30,708	1.97%
Street Fund	2,514,412	2,616,954	(102,542)	-3.92%
Police Officer and Firefighter/EMS Fee Fund	154,850	219,190	(64,340)	-29.35%
Trust/Reserve Fund	214,180	157,640	56,540	35.87%
Urban Renewal Fund	465,385	384,286	81,099	21.10%
South Dallas Urban Renewal Fund	64,269	-	64,269	0.00%
General Debt Fund	11	11	-	0.00%
	<u>\$ 25,663,044</u>	<u>\$ 24,694,111</u>	<u>\$ 968,933</u>	<u>3.92%</u>



Business-type net position increased \$4,425,724 (9.86 percent) for the 2023-24 fiscal year. Operating income for the Sewer, Water, and Storm Water Funds was \$4,353,264. The net position from non-operating revenues and expenses was \$732,691. During 2023-24 the wastewater treatment facility added an influent pump, septage screen, and remodeled the office; the water fund started the construction of the Clay Street Reservoir project and the Clay Street Line Rehab; 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, 2024	June 30, 2023	Increase (decrease)	Percent Change
	Net Position	Net Position		
Water Fund	\$ 19,084,402	\$ 17,118,661	\$ 1,965,741	11.48%
Sewer Fund	24,162,973	22,871,904	1,291,069	5.64%
Storm Water Fund	6,064,843	4,895,929	1,168,914	23.88%
	<u>\$ 49,312,218</u>	<u>\$ 44,886,494</u>	<u>\$ 4,425,724</u>	<u>9.86%</u>



For fiscal year 2022-23, there was a moderate growth in net position for the three enterprise funds where net position increased 11.48 percent in the Water Fund and increased 5.64 percent in the Sewer Fund. The increase in the Water Fund reflects a rate increase for future capital. The increase in the Sewer Fund reflects an increase in cash and investments. The Storm Water Fund, shows an increase of 23.88 percent reflected in operating revenues and an increase in cash and investments for future capital.

Internal Service Fund (Fleet Management Fund) net position decreased by \$1,085 for the 2023-24 fiscal year.

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 11 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 66 through 74 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 55, 56, and 78 through 92 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 53 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 \$143,546,613 while total liabilities and deferred inflows of resources were \$29,229,068 resulting in combined net position (governmental and business-type activities) of \$114,317,545. The largest component of the City's total net position, \$86,910,462 or 76 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, 2024 and 2023 was as follows:

Statement of Net Position
Years ended June 30, 2024 and 2023

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Current and other assets	\$ 28,751,397	\$ 31,182,599	\$ 11,471,242	\$ 9,102,002	\$ 40,222,639	\$ 40,284,601
Capital assets, net	52,663,355	52,162,488	45,431,978	42,989,816	98,095,333	95,152,304
<i>Total Assets</i>	<u>81,414,752</u>	<u>83,345,087</u>	<u>56,903,220</u>	<u>52,091,818</u>	<u>138,317,972</u>	<u>135,436,905</u>
Deferred outflows of resources	4,567,903	4,192,431	660,738	571,641	5,228,641	4,764,072
<i>Total assets and deferred outflows of resources</i>	<u>\$ 85,982,655</u>	<u>\$ 87,537,518</u>	<u>\$ 57,563,958</u>	<u>\$ 52,663,459</u>	<u>\$ 143,546,613</u>	<u>\$ 140,200,977</u>
Long-term liabilities	\$ 17,359,907	\$ 15,221,901	\$ 7,506,910	\$ 7,004,472	\$ 24,866,817	\$ 22,226,373
Other liabilities	2,572,513	5,798,275	614,448	401,731	3,186,961	6,200,006
<i>Total Liabilities</i>	19,932,420	21,020,176	8,121,358	7,406,203	28,053,778	28,426,379
Deferred inflows of resources	1,044,908	2,932,398	130,382	370,762	1,175,290	3,303,160
Net Position:						
Net investment in capital assets	47,325,627	46,824,760	39,584,835	37,226,357	86,910,462	84,051,117
Restricted	21,432,704	20,075,808	21,063	17,204	21,453,767	20,093,012
Unrestricted	(3,753,004)	(3,315,624)	9,706,320	7,642,933	5,953,316	4,327,309
<i>Total Net Position</i>	<u>\$ 65,005,327</u>	<u>\$ 63,584,944</u>	<u>\$ 49,312,218</u>	<u>\$ 44,886,494</u>	<u>\$ 114,317,545</u>	<u>\$ 108,471,438</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 85,982,655</u>	<u>\$ 87,537,518</u>	<u>\$ 57,563,958</u>	<u>\$ 52,663,459</u>	<u>\$ 143,546,613</u>	<u>\$ 140,200,977</u>

Combined statement of activities of the City of Dallas for the years ended June 30, 2024 and 2023 was as follows:

Statement of Activities
Years ended June 30, 2024 and 2023

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<i>Revenues:</i>						
<i>Program Revenues:</i>						
Charges for services	\$ 8,272,837	\$ 6,809,398	\$ 9,584,586	\$ 8,696,765	\$ 17,857,423	\$ 15,506,163
Operating grants and contributions	2,507,279	1,586,300	-	14,530	2,507,279	1,600,830
Capital grants and contributions	570,434	714,131	772,938	591,160	1,343,372	1,305,291
<i>General Revenues:</i>						
Property taxes	6,057,288	5,707,123	-	-	6,057,288	5,707,123
Public service taxes	2,527,712	2,497,967	-	-	2,527,712	2,497,967
Franchise fees	-	1,519,868	-	-	-	1,519,868
Interest and investment earnings	1,109,711	146,023	870,450	173,843	1,980,161	319,866
Other Revenues	303,227	381,019	328,726	186,728	631,953	567,747
<i>Total Revenues</i>	<u>21,348,488</u>	<u>19,361,829</u>	<u>11,556,700</u>	<u>9,663,026</u>	<u>32,905,188</u>	<u>29,024,855</u>
<i>Expenses:</i>						
General government	(3,257,172)	(3,339,778)	-	-	(3,257,172)	(3,339,778)
Public safety	(9,357,910)	(8,139,754)	-	-	(9,357,910)	(8,139,754)
Highways and street	(3,519,522)	(3,053,100)	-	-	(3,519,522)	(3,053,100)
Culture and recreation	(2,844,742)	(2,590,297)	-	-	(2,844,742)	(2,590,297)
Community development	(2,246,357)	(2,080,542)	-	-	(2,246,357)	(2,080,542)
Interest on long-term debt	(135,571)	(153,629)	-	-	(135,571)	(153,629)
Sewage disposal	-	-	(2,672,436)	(2,525,114)	(2,672,436)	(2,525,114)
Water	-	-	(2,697,978)	(2,408,976)	(2,697,978)	(2,408,976)
Storm Water	-	-	(327,393)	(458,488)	(327,393)	(458,488)
<i>Total Expenses</i>	<u>(21,361,274)</u>	<u>(19,357,100)</u>	<u>(5,697,807)</u>	<u>(5,392,578)</u>	<u>(27,059,081)</u>	<u>(24,291,190)</u>
Increase (decrease) in net position before transfers	(12,786)	4,729	5,858,893	4,270,448	5,846,107	4,275,177
Transfers in (out)	1,433,169	1,348,667	(1,433,169)	(1,348,667)	-	-
Change in net position	1,420,383	1,353,396	4,425,724	2,921,781	5,846,107	4,275,177
Net position - beginning	63,584,944	64,117,193	44,886,494	41,964,713	108,471,438	106,081,906
Prior period adjustment	-	(1,885,645)	-	-	-	(1,885,645)
Net position - ending	<u>\$ 65,005,327</u>	<u>\$ 63,584,944</u>	<u>\$ 49,312,218</u>	<u>\$ 44,886,494</u>	<u>\$ 114,317,545</u>	<u>\$ 108,471,438</u>

Governmental Activities. Total revenues for the City of Dallas' governmental activities for the fiscal year ended June 30, 2024, were \$21,348,488 (excluding transfers). Approximately 28 percent of the total revenue for the governmental activities was derived from property taxes and approximately 39 percent of the total revenue is from charges for services. Total expenses for governmental activities were \$21,361,274 (excluding transfers), resulting in an increase in net position of \$1,420,383 (including transfers). The majority of the governmental activities revenue was used to fund public safety, which accounts for approximately 44 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 15 percent of the total. Interest on long-term debt expenses is 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 \$11,556,700 (excluding transfers) for the current fiscal year. Approximately 83 percent of the total business-type activities revenue was derived from charges for services. The total expenses for business-type activities were \$5,697,807 (excluding transfers), resulting in an increase of net position by \$4,425,724 (including transfers). 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 \$25,663,044 an increase of \$968,933 or 3.92 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 \$4,228,264, a decrease of \$264,353 (5.88 percent) from the prior year (on the modified accrual basis). The decrease was due to purchase of capital equipment, building improvements; and the ability to fill vacant position and retain employees.

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 \$2,514,412, a decrease of 102,542 (3.92 percent) from the prior year. The decrease was due to a change in state federal fund exchange revenues and completion of phase 3 of the Street Rehabilitation Project.

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 \$16,426,498, an increase of \$1,205,417 (7.92 percent) due to a decrease in SDC eligible projects and continued building activity.

GENERAL FUND BUDGETARY HIGHLIGHTS

There were several amendments to the original budget. Actual revenues (budgetary basis) were higher than budgeted amounts by 1.3 percent due to an increase in franchise fees and charges for services. Actual expenditures were 10.2 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, \$98,095,333 net of accumulated depreciation, compared to \$95,152,304 at the end of last fiscal year. Capital assets include land, buildings, improvements, equipment, infrastructure, right to use lease assets, and right to use SBITA assets. The increase in capital assets for governmental activities is due to land purchases for future growth and capital purchases. 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 of this report.

Capital Assets
Years ended June 30, 2024 and 2023

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Land	\$ 2,471,433	\$ 1,108,613	\$ 2,999,811	\$ 2,999,811	\$ 5,471,244	\$ 4,108,424
Construction in progress	336,008	-	2,305,452	-	2,641,460	-
Buildings and improvements	18,743,272	18,728,432	72,609,936	71,413,888	91,353,208	90,142,320
Machinery and equipment	13,995,750	12,705,952	1,918,564	1,545,287	15,914,314	14,251,239
Infrastructure	91,833,833	90,662,259	-	-	91,833,833	90,662,259
Right-to-use lease asset	50,327	50,327	-	-	50,327	50,327
Right-to-use SBITA asset	419,995	74,628	-	-	419,995	74,628
Accumulated depreciation/amortization	<u>(75,187,263)</u>	<u>(71,167,723)</u>	<u>(34,401,785)</u>	<u>(32,969,170)</u>	<u>(109,589,048)</u>	<u>(104,136,893)</u>
<i>Total Net Capital Assets</i>	<u>\$ 52,663,355</u>	<u>\$ 52,162,488</u>	<u>\$ 45,431,978</u>	<u>\$ 42,989,816</u>	<u>\$ 98,095,333</u>	<u>\$ 95,152,304</u>

Long-term Obligations. At the end of the current fiscal year, long-term debt outstanding for the governmental activities totaled \$5,569,872 (excluding compensated absences payable), compared to \$6,246,751 in the prior year. For business-type activities, long term debt outstanding totaled \$5,787,636 (excluding compensated absences payable), compared to \$5,763,459 in 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 2023-24. Additional information about the City's long-term debt is presented in the notes to the financial statements on pages 29 through 34 of this report.

Long-Term Debt
Years ended June 30, 2024 and 2023

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Total</i>	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Bonds	\$ 5,145,000	\$ 5,729,000	\$ 3,050,000	\$ 3,466,000	\$ 8,195,000	\$ 9,195,000
Loans	43,584	171,132	2,737,636	2,297,459	2,781,220	2,468,591
Notes Payable	57,759	84,849	-	-	57,759	84,849
Leases Payable	34,081	213,205	-	-	34,081	213,205
SBITAs Payable	<u>289,448</u>	<u>48,565</u>	<u>-</u>	<u>-</u>	<u>289,448</u>	<u>48,565</u>
<i>Total Long-Term Debt</i>	<u>\$ 5,569,872</u>	<u>\$ 6,246,751</u>	<u>\$ 5,787,636</u>	<u>\$ 5,763,459</u>	<u>\$ 11,357,508</u>	<u>\$ 12,010,210</u>

ECONOMIC FACTORS 2024

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 has seen some expansion in both commercial and residential development in recent years, but little industrial development. Building permit activity in 2024 was down slightly from 2023 with YTD 697 permits issued. The total valuation was also down at \$51,049,000. However the 2024 activity was on par with the average over the past five years. 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 0.8% this year and now has an estimated population of 17,924. This growth rate is higher than the statewide total over the same period of 0.3%. Since 2020 Dallas has grown by 6.3%, significantly higher than the statewide average of 0.6%.

The 2024 unemployment rate in the Dallas area is 3.9%, essentially unchanged from the 2023 rate; near the same rate as just prior to the pandemic in late 2019 and which was 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, surpassed its pre-pandemic numbers in 2023.

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. The District's building improvement grant programs continue to be popular and leverage private sector funding and add new value to the District.

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, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current assets:			
Cash and investments	\$ 26,221,235	\$ 11,430,731	\$ 37,651,966
Cash held with county	41,314	-	41,314
Accounts receivable, net	1,361,538	391,607	1,753,145
Internal balances	638,497	(638,497)	-
Inventory	-	266,338	266,338
Total current assets	28,462,260	11,450,179	39,912,439
Noncurrent assets:			
Lease receivable	143,528	-	143,528
Net OPEB asset	145,609	21,063	166,672
Capital assets:			
Nondepreciable/Nonamortizable	2,807,441	5,305,263	8,112,704
Depreciable/amortizable, net	49,855,914	40,126,715	89,982,629
Total noncurrent assets	52,952,492	45,453,041	98,405,533
Total assets	81,414,752	56,903,220	138,317,972
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows related to pension	4,555,425	658,934	5,214,359
Deferred outflows related to OPEB	12,478	1,804	14,282
Total deferred outflows of resources	4,567,903	660,738	5,228,641
Total assets and deferred outflows of resources	\$ 85,982,655	\$ 57,563,958	\$ 143,546,613
LIABILITIES:			
Current liabilities:			
Accounts payable and accrued expenses	\$ 895,544	\$ 405,061	\$ 1,300,605
Payroll liabilities	373,835	-	373,835
Unearned revenue	1,044,441	7,436	1,051,877
Interest payable	13,965	49,826	63,791
Deposits payable	244,728	152,125	396,853
Current portion of leases payable	10,101	-	10,101
Current portion of SBITA payable	83,143	-	83,143
Current portion of compensated absences	122,477	21,184	143,661
Current portion of long-term debt	677,083	555,079	1,232,162
Total current liabilities	3,465,317	1,190,711	4,656,028
Noncurrent liabilities:			
Net pension liability	11,042,799	1,597,318	12,640,117
Total OPEB liability	257,330	37,222	294,552
Noncurrent portion of leases payable	23,980	-	23,980
Noncurrent portion of SBITA payable	206,305	-	206,305
Noncurrent portion of compensated absences	367,429	63,550	430,979
Noncurrent portion of long-term debt	4,569,260	5,232,557	9,801,817
Total noncurrent liabilities	16,467,103	6,930,647	23,397,750
Total liabilities	19,932,420	8,121,358	28,053,778
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflow related to lease receivable	143,528	-	143,528
Deferred inflow related to pension	730,319	105,639	835,958
Deferred inflow related to OPEB	171,061	24,743	195,804
Total deferred inflows of resources	1,044,908	130,382	1,175,290
NET POSITION:			
Net investment in capital assets	47,325,627	39,584,835	86,910,462
Restricted for:			
OPEB benefits	145,609	21,063	166,672
Urban renewal projects	538,609	-	538,609
Debt service	11	-	11
Streets	2,514,412	-	2,514,412
Building department	1,593,385	-	1,593,385
Trust	214,180	-	214,180
System development	16,426,498	-	16,426,498
Unrestricted	(3,753,004)	9,706,320	5,953,316
Total net position	65,005,327	49,312,218	114,317,545
Total liabilities, deferred inflows of resources, and net position	\$ 85,982,655	\$ 57,563,958	\$ 143,546,613

CITY OF DALLAS, OREGON
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2024

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	\$ 3,257,172	\$ 8,272,837	\$ 2,277,458	\$ 7,218	\$ 7,300,341	\$ -	\$ 7,300,341
Public safety	9,357,910	-	29,410	40,710	(9,287,790)	-	(9,287,790)
Highways and streets	3,519,522	-	178,233	438,030	(2,903,259)	-	(2,903,259)
Culture and recreation	2,844,742	-	6,136	84,476	(2,754,130)	-	(2,754,130)
Community development	2,246,357	-	16,042	-	(2,230,315)	-	(2,230,315)
Interest on long-term debt	135,571	-	-	-	(135,571)	-	(135,571)
Total governmental activities	21,361,274	8,272,837	2,507,279	570,434	(10,010,724)	-	(10,010,724)
Business type activities:							
Sewer Fund	2,672,436	4,034,139	-	172,423	-	1,534,126	1,534,126
Water Fund	2,697,978	4,364,866	-	304,808	-	1,971,696	1,971,696
Storm Water Fund	327,393	1,185,581	-	295,707	-	1,153,895	1,153,895
Total business-type activities	5,697,807	9,584,586	-	772,938	-	4,659,717	4,659,717
Total government	\$ 27,059,081	\$ 17,857,423	\$ 2,507,279	\$ 1,343,372	(10,010,724)	4,659,717	(5,351,007)
General revenues:							
Taxes:							
Property taxes					6,057,288	-	6,057,288
Public service taxes					2,527,712	-	2,527,712
Interest and investment earnings					1,109,711	870,450	1,980,161
Other revenues					294,757	328,726	623,483
Gain (loss) on sale of capital assets					8,470	-	8,470
Transfers in (out)					1,433,169	(1,433,169)	-
Total general revenues and transfers					11,431,107	(233,993)	11,197,114
Change in net position					1,420,383	4,425,724	5,846,107
Net position - beginning					63,584,944	44,886,494	108,471,438
Net position - ending					\$ 65,005,327	\$ 49,312,218	\$ 114,317,545

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, 2024

	General Fund	Street Fund	System Development Fund	Other Governmental	Total Governmental
ASSETS:					
Cash and investments	\$ 5,300,395	\$ 3,098,214	\$ 14,885,412	\$ 2,575,490	\$ 25,859,511
Cash held with county	39,387	-	-	1,927	41,314
Accounts receivable	1,185,082	137,096	-	26,723	1,348,901
Property taxes receivable	190,721	-	-	8,955	199,676
Lease receivable	143,528	-	-	-	143,528
Due from other funds	24,653	-	-	-	24,653
Interfund loan receivable	-	-	1,572,353	-	1,572,353
Total assets	<u>\$ 6,883,766</u>	<u>\$ 3,235,310</u>	<u>\$ 16,457,765</u>	<u>\$ 2,613,095</u>	<u>\$ 29,189,936</u>
LIABILITIES:					
Accounts payable and other current liabilities	\$ 272,804	\$ 502,487	\$ 31,267	\$ 85,617	\$ 892,175
Payroll liabilities	373,835	-	-	-	373,835
Deposits payable	244,728	-	-	-	244,728
Due to other funds	-	-	-	24,653	24,653
Unearned revenue	1,044,441	-	-	-	1,044,441
Interfund loan payable	385,445	218,411	-	-	603,856
Total liabilities	<u>2,321,253</u>	<u>720,898</u>	<u>31,267</u>	<u>110,270</u>	<u>3,183,688</u>
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue - property taxes	190,721	-	-	8,955	199,676
Unavailable revenue - lease receivable	143,528	-	-	-	143,528
Total deferred inflows of resources	<u>334,249</u>	<u>-</u>	<u>-</u>	<u>8,955</u>	<u>343,204</u>
FUND BALANCES:					
Restricted for:					
Debt	-	-	-	11	11
Urban renewal projects	-	-	-	529,654	529,654
Streets	-	2,514,412	-	-	2,514,412
Building department	-	-	-	1,593,385	1,593,385
Trust	-	-	-	214,180	214,180
System development	-	-	16,426,498	-	16,426,498
Committed for:					
Public safety	-	-	-	154,850	154,850
Assigned for:					
General government	-	-	-	46,410	46,410
Unassigned (deficit)	4,228,264	-	-	(44,620)	4,183,644
Total fund balances	<u>4,228,264</u>	<u>2,514,412</u>	<u>16,426,498</u>	<u>2,493,870</u>	<u>25,663,044</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,883,766</u>	<u>\$ 3,235,310</u>	<u>\$ 16,457,765</u>	<u>\$ 2,613,095</u>	<u>\$ 29,189,936</u>

CITY OF DALLAS, OREGON
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2024

Total fund balances - governmental funds \$ 25,663,044

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	\$ 2,674,943	
Depreciable, net	<u>49,709,483</u>	52,384,426

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	199,676
---	---------

Pension - related changes	(7,078,274)
---------------------------	-------------

OPEB related - changes	(265,083)
------------------------	-----------

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Compensated absences payable	\$ (472,132)	
Lease payable	(34,081)	
SBITA payable	(289,448)	
Notes and bonds payable	(5,246,343)	
Interest payable	<u>(13,965)</u>	(6,055,969)

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.

<u>157,507</u>

Total net position - governmental activities	<u><u>\$ 65,005,327</u></u>
--	-----------------------------

CITY OF DALLAS, OREGON
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2024

	General Fund	Street Fund	System Development Fund	Other Governmental	Total Governmental
REVENUES:					
Property taxes	\$ 5,738,894	\$ -	\$ -	\$ 288,561	\$ 6,027,455
Public service taxes	1,123,677	1,404,035	-	-	2,527,712
Franchise fees	1,729,559	-	-	-	1,729,559
Grants	2,277,457	178,233	-	51,589	2,507,279
Charges for services	3,188,989	47,489	1,854,038	-	5,090,516
Licenses and permits	1,630	-	-	731,256	732,886
Fees	-	-	-	455,081	455,081
Fines and forfeitures	115,873	-	-	-	115,873
Contributions and donations	-	-	-	132,404	132,404
Interest	598,373	284,482	150,994	72,287	1,106,136
Miscellaneous	152,300	38,500	7,713	97,238	295,751
Total revenues	14,926,752	1,952,739	2,012,745	1,828,416	20,720,652
EXPENDITURES:					
Current:					
General government	2,025,845	-	-	5,747	2,031,592
Public safety	8,243,887	-	-	627,391	8,871,278
Highways and streets	-	617,324	-	-	617,324
Culture and recreation	2,377,376	-	-	120,024	2,497,400
Community development	768,719	-	-	1,430,263	2,198,982
Capital outlay	3,040,482	767,521	671,348	28,588	4,507,939
Debt service:					
Principal	193,638	405,000	-	140,000	738,638
Interest	28,237	72,553	-	37,030	137,820
Total expenditures	16,678,184	1,862,398	671,348	2,389,043	21,600,973
Revenues over (under) expenditures	(1,751,432)	90,341	1,341,397	(560,627)	(880,321)
OTHER FINANCING SOURCES (USES):					
Proceeds from lease and SBITA obligations	345,367	-	-	-	345,367
Transfers in	1,732,570	-	-	920,330	2,652,900
Transfers out	(590,858)	(192,883)	(135,980)	(229,292)	(1,149,013)
Total other financing sources (uses)	1,487,079	(192,883)	(135,980)	691,038	1,849,254
Net changes in fund balances	(264,353)	(102,542)	1,205,417	130,411	968,933
FUND BALANCES, BEGINNING	4,492,617	2,616,954	15,221,081	2,363,459	24,694,111
FUND BALANCES, ENDING	<u>\$ 4,228,264</u>	<u>\$ 2,514,412</u>	<u>\$ 16,426,498</u>	<u>\$ 2,493,870</u>	<u>\$ 25,663,044</u>

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, 2024

Amounts reported in the statement of activities are different because:

Net change in fund balances \$ 968,933

The statement of revenues, expenditures, and changes in 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	\$	3,639,545	
SBITA additions		345,367	
Current year depreciation and amortization		(4,047,655)	(62,743)

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

Capital contributions 438,030

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

29,833

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.

(417,929)

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.

7,287

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.

(1,085)

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	\$	738,638	
Accrued interest expense		4,694	
Compensated absences		(54,493)	
Proceeds from lease and SBITA obligations		(345,367)	
Lease principal payments		10,101	
Subscription-based information technology arrangements payable		104,484	458,057

Change in net position of governmental activities \$ 1,420,383

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, 2024**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Fund	Water Fund	Storm Water Fund	Total	Internal Service Fund
ASSETS:					
Current assets:					
Cash and investments	\$ 4,544,672	\$ 4,813,553	\$ 2,072,506	\$ 11,430,731	\$ 361,724
Accounts receivables, net	172,171	169,466	49,970	391,607	12,637
Inventories	20,686	245,652	-	266,338	-
Total current assets	4,737,529	5,228,671	2,122,476	12,088,676	374,361
Noncurrent assets:					
Net OPEB asset	7,926	12,526	611	21,063	2,813
Capital assets - nondepreciable	1,967,652	3,253,927	83,684	5,305,263	132,498
Capital assets - depreciable, net	18,621,256	17,533,352	3,972,107	40,126,715	146,431
Total noncurrent assets	20,596,834	20,799,805	4,056,402	45,453,041	281,742
Total assets	25,334,363	26,028,476	6,178,878	57,541,717	656,103
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred outflow related to pension	247,962	391,865	19,107	658,934	87,993
Deferred outflow related to OPEB benefits	679	1,073	52	1,804	241
Total deferred outflows of resources	248,641	392,938	19,159	660,738	88,234
Total assets and deferred outflows of resources	\$ 25,583,004	\$ 26,421,414	\$ 6,198,037	\$ 58,202,455	\$ 744,337
LIABILITIES:					
Current liabilities:					
Accounts payable and accrued expenses	\$ 195,265	\$ 181,920	\$ 27,876	\$ 405,061	\$ 3,369
Interest payable	4,524	45,302	-	49,826	-
Deposits payable	-	152,125	-	152,125	-
Unearned revenue	-	7,436	-	7,436	-
Interfund loan payable	-	587,866	50,631	638,497	330,000
Current accrued compensated absences	7,522	12,784	878	21,184	4,444
Current portion of long-term debt	60,000	495,079	-	555,079	-
Total current liabilities	267,311	1,482,512	79,385	1,829,208	337,813
Noncurrent liabilities:					
Noncurrent accrued compensated absences	22,566	38,351	2,633	63,550	13,330
Noncurrent portion of long-term debt	466,000	4,766,557	-	5,232,557	-
Total other postemployment benefit liability	14,007	22,136	1,079	37,222	4,971
Net pension liability	601,083	949,918	46,317	1,597,318	213,305
Total noncurrent liabilities	1,103,656	5,776,962	50,029	6,930,647	231,606
Total liabilities	1,370,967	7,259,474	129,414	8,759,855	569,419
DEFERRED INFLOWS OF RESOURCES:					
Deferred inflow related to pension	39,753	62,823	3,063	105,639	14,107
Deferred inflow related to OPEB benefits	9,311	14,715	717	24,743	3,304
Total deferred inflows of resources	49,064	77,538	3,780	130,382	17,411
NET POSITION:					
Net investment in capital assets	20,003,908	15,608,820	3,972,107	39,584,835	278,929
Restricted for:					
OPEB benefits	7,926	12,526	611	21,063	2,813
Unrestricted	4,151,139	3,463,056	2,092,125	9,706,320	(124,235)
Total net position	24,162,973	19,084,402	6,064,843	49,312,218	157,507
Total liabilities, deferred inflows of resources, and net position	\$ 25,583,004	\$ 26,421,414	\$ 6,198,037	\$ 58,202,455	\$ 744,337

**CITY OF DALLAS, OREGON
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2024**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Fund	Water Fund	Storm Water Fund	Total	Internal Service Fund
OPERATING REVENUES:					
Charges for services	\$ 4,034,139	\$ 4,364,866	\$ 1,185,581	\$ 9,584,586	\$ 717,122
Miscellaneous	82,979	245,747	-	328,726	-
Total operating revenues	<u>4,117,118</u>	<u>4,610,613</u>	<u>1,185,581</u>	<u>9,913,312</u>	<u>717,122</u>
OPERATING EXPENSES:					
Personnel services	762,880	1,172,820	53,401	1,989,101	213,936
Materials and services	1,225,069	738,337	174,927	2,138,333	401,067
Depreciation and amortization	669,936	665,003	97,675	1,432,614	43,537
Total operating expenses	<u>2,657,885</u>	<u>2,576,160</u>	<u>326,003</u>	<u>5,560,048</u>	<u>658,540</u>
Operating income (loss)	1,459,233	2,034,453	859,578	4,353,264	58,582
NON-OPERATING INCOME (EXPENSE):					
Interest income	389,969	344,762	135,719	870,450	2,581
Interest expense	(14,551)	(121,818)	(1,390)	(137,759)	-
Gain (loss) on sale of capital assets	-	-	-	-	8,470
Total non-operating income (expenses)	<u>375,418</u>	<u>222,944</u>	<u>134,329</u>	<u>732,691</u>	<u>11,051</u>
Net income (loss) before transfers	1,834,651	2,257,397	993,907	5,085,955	69,633
TRANSFERS:					
Transfers in (out)	<u>(716,005)</u>	<u>(596,464)</u>	<u>(120,700)</u>	<u>(1,433,169)</u>	<u>(70,718)</u>
Net income (loss) before contributions	1,118,646	1,660,933	873,207	3,652,786	(1,085)
CAPITAL CONTRIBUTIONS:					
Capital contributions	<u>172,423</u>	<u>304,808</u>	<u>295,707</u>	<u>772,938</u>	<u>-</u>
Change in net position	1,291,069	1,965,741	1,168,914	4,425,724	(1,085)
NET POSITION, BEGINNING	<u>22,871,904</u>	<u>17,118,661</u>	<u>4,895,929</u>	<u>44,886,494</u>	<u>158,592</u>
NET POSITION, ENDING	<u>\$ 24,162,973</u>	<u>\$ 19,084,402</u>	<u>\$ 6,064,843</u>	<u>\$ 49,312,218</u>	<u>\$ 157,507</u>

**CITY OF DALLAS, OREGON
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2024**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Sewer Fund	Water Fund	Storm Water Fund	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 4,027,082	\$ 4,373,239	\$ 1,175,834	\$ 9,576,155	\$ 722,168
Other receipts	82,979	245,747	-	328,726	-
Cash paid to employees	(702,079)	(1,076,696)	(65,401)	(1,844,176)	(245,930)
Cash paid to suppliers	(1,048,355)	(694,369)	(240,216)	(1,982,940)	(429,245)
Net cash provided (used) by operating activities	2,359,627	2,847,921	870,217	6,077,765	46,993
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Interfund loan payments to other funds	-	(81,984)	(16,103)	(98,087)	-
Transfers from other funds	-	-	-	-	259,282
Transfers to other funds	(716,005)	(596,464)	(120,700)	(1,433,169)	-
Net cash provided (used) by non-capital financing activities	(716,005)	(678,448)	(136,803)	(1,531,256)	259,282
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Purchase of capital assets	(1,770,966)	(1,216,906)	(113,966)	(3,101,838)	(169,117)
Principal paid on capital debt	(59,000)	(484,383)	-	(543,383)	-
Proceeds from issuance of debt	-	567,560	-	567,560	-
Interest paid on capital debt	(15,058)	(126,263)	(1,390)	(142,711)	-
Cash proceeds from disposal of capital asset	-	-	-	-	8,470
Net cash provided (used) by capital and related financing activities	(1,845,024)	(1,259,992)	(115,356)	(3,220,372)	(160,647)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on investments	389,969	344,762	135,719	870,450	2,581
Net (increase) decrease in investments	(123,473)	(1,162,559)	(709,693)	(1,995,725)	-
Net cash provided (used) by investing activities	266,496	(817,797)	(573,974)	(1,125,275)	2,581
Net increase (decrease) in cash and cash equivalents	65,094	91,684	44,084	200,862	148,209
CASH AND CASH EQUIVALENTS, BEGINNING	<u>93,928</u>	<u>76,746</u>	<u>28,435</u>	<u>199,109</u>	<u>213,515</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 159,022</u>	<u>\$ 168,430</u>	<u>\$ 72,519</u>	<u>\$ 399,971</u>	<u>\$ 361,724</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION:					
Cash and cash equivalents	\$ 159,022	\$ 168,430	\$ 72,519	\$ 399,971	\$ 361,724
Investments	4,385,650	4,645,123	1,999,987	11,030,760	-
Total cash and investments	<u>\$ 4,544,672</u>	<u>\$ 4,813,553</u>	<u>\$ 2,072,506</u>	<u>\$ 11,430,731</u>	<u>\$ 361,724</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 1,459,233	\$ 2,034,453	\$ 859,578	\$ 4,353,264	\$ 58,582
Adjustments					
Depreciation and amortization	669,936	665,003	97,675	1,432,614	43,537
Decrease (increase) in:					
Accounts receivable	(7,057)	6,350	(9,747)	(10,454)	5,046
Inventories	(1,495)	(58,758)	-	(60,253)	-
OPEB asset	(1,601)	(2,470)	212	(3,859)	-
Increase (decrease) in:					
OPEB liability, OPEB asset, and OPEB related items	2,297	3,440	(902)	4,835	(2,442)
Accounts payable and accrued expenses	178,209	102,726	(65,289)	215,646	(28,178)
Deposits	-	1,625	-	1,625	444
Unearned revenue	-	398	-	398	-
Accrued compensated absences	9,977	19,151	3,004	32,132	7,093
Net pension liability and pension related items	50,128	76,003	(14,314)	111,817	(37,089)
Net cash provided (used) by operating activities	<u>\$ 2,359,627</u>	<u>\$ 2,847,921</u>	<u>\$ 870,217</u>	<u>\$ 6,077,765</u>	<u>\$ 46,993</u>
NON-CASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES:					
Unrealized gain (loss) on investments	\$ (5,633)	\$ (5,966)	\$ (2,569)	\$ (14,168)	\$ -
Capital contributions	172,423	304,808	295,707	772,938	-
Total non-cash investing, capital and related financing activities	<u>\$ 166,790</u>	<u>\$ 298,842</u>	<u>\$ 293,138</u>	<u>\$ 758,770</u>	<u>\$ -</u>

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, 2024

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, 2024

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, Urban Renewal Fund and South Dallas 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

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 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.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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 monies 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 10-100 years
- Infrastructure 10-100 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 total 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, 2024

Issuance costs are reported as period costs in the year of issue.

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.

- Nonspendable fund balance represents amounts that are not in a spendable form.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

- 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, 2024.

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. The City has two types of items which qualify for reporting in this category: pension related deferred outflows of resources and other post-employment benefits (OPEB) related deferrals which are both 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 is reported only in the governmental funds balance sheet for property taxes. The second item, lease receivable, is reported in the governmental funds balances sheet as well as in the Statement of Net Position. Finally, there were also deferred inflows representing PERS pension related deferrals and OPEB related deferrals which are both 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, \$37,651,966, 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, 2024

Following is a summary of the City’s deposit and investment balances at June 30, 2024:

	<u>2024</u>
Cash Deposits:	
Cash on hand	\$ 745
Bank deposits	<u>1,317,452</u>
	1,318,197
Pooled cash and investments:	
State of Oregon LGIP	22,074,146
Other investments	<u>14,259,623</u>
Total cash and investments	<u>\$ 37,651,966</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, 2024, the book value of the City’s deposits was \$1,317,452 and the bank balance was \$2,088,484. \$1,608,203 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, 2024, 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, 2024

Investments held by the City at June 30, 2024, 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, 2024. 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 increase of \$85,755 at June 30, 2024.

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.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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.

At June 30, 2024, the City’s investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Rating or S&P</u>	<u>Fair Value</u>	<u>Weighed Average Maturity (yrs)</u>	<u>Percent of Total Portfolio</u>
U.S. Government agency obligations:				
U.S. Treasury Note	AAA	\$ 1,441,348	0.84	4%
U.S. Treasury Note	AAA	939,453	1.34	3%
Fannie Mae	AA+	1,042,164	0.14	3%
Federal Home Loan Mortgage Corporation	AA+	540,432	0.33	1%
Federal Farm Credit Banks	AA+	481,869	0.79	1%
Fannie Mae	AA+	1,414,944	1.33	4%
Federal Home Loan Banks	AA+	2,053,680	1.66	6%
Federal Farm Credit Banks	AA+	992,032	2.02	3%
Federal Home Loan Banks	AA+	1,928,061	2.21	5%
Federal Home Loan Banks	AA+	2,229,505	2.66	6%
Fannie Mae	AA+	1,196,135	3.28	3%
Oregon Short-term Fund	NR	22,074,146	0.00	61%
Totals		<u>\$ 36,333,769</u>		<u>100%</u>
Portfolio weighted average maturity			<u>1.75</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.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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.

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, 2024, the City had the following recurring fair value measurements:

Investments by Fair Value Level	6/30/2024	Level 1	Level 2	Level 3
U.S. Government agency obligations:				
U.S. Treasury Note	\$ 1,441,348	\$ 1,441,348	\$ -	\$ -
U.S. Treasury Note	939,453	939,453	-	-
Fannie Mae	1,042,164	-	1,042,164	-
Federal Home Loan Mortgage Corporation	540,432	-	540,432	-
Federal Farm Credit Banks	481,869	-	481,869	-
Fannie Mae	1,414,944	-	1,414,944	-
Federal Home Loan Banks	2,053,680	-	2,053,680	-
Federal Farm Credit Banks	992,032	-	992,032	-
Federal Home Loan Banks	1,928,061	-	1,928,061	-
Federal Home Loan Banks	2,229,505	-	2,229,505	-
Fannie Mae	1,196,135	-	1,196,135	-
Totals	<u>\$ 14,259,623</u>	<u>\$ 2,380,801</u>	<u>\$ 11,878,822</u>	<u>\$ -</u>

3. NET POSITION

The government-wide statement of net position reports \$21,123,767 of restricted net position, of which \$20,909,587 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, 2024, the total amount of inventory on hand for all funds was \$266,338.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

5. LEASE RECEIVABLE

Governmental Activities:	June 30, 2023			June 30, 2024
	Balance	Additions	Reductions	Balance
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	\$ 213,205	\$ -	\$ (69,677)	\$ 143,528
	<u>\$ 213,205</u>	<u>\$ -</u>	<u>\$ (69,677)</u>	<u>\$ 143,528</u>

Future maturities are as follows:

Fiscal Year	Governmental Activities	
	Principal	Interest
2025	\$ 71,061	\$ 669
2026	72,467	338
	<u>\$ 143,528</u>	<u>\$ 1,007</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, 2024 was as follows:

Primary Government	Beginning Balance June 30, 2023	Additions	Deletions	Transfers	Ending Balance June 30, 2024
Capital assets, nondepreciable:					
Land and land improvements	\$ 1,108,613	\$ 1,014,875	\$ -	\$ 347,945	\$ 2,471,433
Construction in progress	-	336,008	-	-	336,008
Total capital assets, nondepreciable	<u>1,108,613</u>	<u>1,350,883</u>	<u>-</u>	<u>347,945</u>	<u>2,807,441</u>
Capital assets, depreciable/amortizable:					
Infrastructure	90,662,259	1,171,574	-	-	91,833,833
Buildings and improvements	18,728,432	362,785	-	(347,945)	18,743,272
Machinery and equipment	12,705,952	1,361,450	(71,652)	-	13,995,750
Right-to-use leased asset - equipment	50,327	-	-	-	50,327
Subscription-based information technology arrangement assets	74,628	345,367	-	-	419,995
Total capital assets, depreciable/amortizable	<u>122,221,598</u>	<u>3,241,176</u>	<u>(71,652)</u>	<u>(347,945)</u>	<u>125,043,177</u>
Less accumulated depreciation/amortization for:					
Infrastructure	(49,019,647)	(3,187,009)	-	-	(52,206,656)
Buildings and improvements	(11,585,195)	(350,447)	1,449	-	(11,934,193)
Machinery and equipment	(10,530,886)	(441,405)	61,819	-	(10,910,472)
Right-to-use leased asset - equipment	(7,119)	(9,998)	-	-	(17,117)
Subscription-based information technology arrangement assets	(24,876)	(93,949)	-	-	(118,825)
Total accumulated depreciation/amortization	<u>(71,167,723)</u>	<u>(4,082,808)</u>	<u>63,268</u>	<u>-</u>	<u>(75,187,263)</u>
Net capital assets	<u>\$ 52,162,488</u>	<u>\$ 509,251</u>	<u>\$ (8,384)</u>	<u>\$ -</u>	<u>\$ 52,663,355</u>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Only infrastructure assets acquired on July 1, 2004 and thereafter are presented in the financial statements in accordance with GASB 34.

Depreciation on internal service capital assets in the amount of \$43,537 is included in general government expenses. All depreciation expense for governmental activities is charged to functions as follows:

<u>Governmental activities:</u>	
General government	\$ 218,602
Public safety	378,511
Culture and recreation	282,007
Highways & streets	<u>3,203,688</u>
Total depreciation/amortization	<u>\$ 4,082,808</u>

Capital asset activity for business-type activities for the year ended June 30, 2024 was as follows:

<u>Business-type Activities</u>	<u>Beginning Balance June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2024</u>
Capital assets, nondepreciable:				
Land and land improvements	\$ 2,990,098	\$ -	\$ -	\$ 2,990,098
Construction in progress	-	2,305,452	-	2,305,452
Intangibles	9,713	-	-	9,713
Total capital assets, nondepreciable	<u>2,999,811</u>	<u>2,305,452</u>	<u>-</u>	<u>5,305,263</u>
Capital assets, depreciable:				
Buildings and improvements	71,413,888	1,196,048	-	72,609,936
Machinery and equipment	1,545,288	373,276	-	1,918,564
Total capital assets, depreciable	<u>72,959,176</u>	<u>1,569,324</u>	<u>-</u>	<u>74,528,500</u>
Less accumulated depreciation for:				
Buildings and improvements	(32,173,093)	(1,311,940)	-	(33,485,033)
Machinery and equipment	(796,078)	(120,674)	-	(916,752)
Total accumulated depreciation	<u>(32,969,171)</u>	<u>(1,432,614)</u>	<u>-</u>	<u>(34,401,785)</u>
Net capital assets	<u>\$ 42,989,816</u>	<u>\$ 2,442,162</u>	<u>\$ -</u>	<u>\$ 45,431,978</u>

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

<u>Business-type activities:</u>	
Sewer	\$ 669,936
Water	665,003
Stormwater	<u>97,675</u>
Total depreciation	<u>\$ 1,432,614</u>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

7. LEASES PAYABLE

During the year ended June 30, 2024, governmental leases payable activity was as follows:

Governmental Activities	June 30, 2023			June 30, 2024 Balance	Due Within One Year
	Balance	Additions	Reductions		
Office copiers; interest of 0.2287%, monthly payments of principal and interest of \$849, due in 2028	\$ 44,182	\$ -	\$ 10,101	\$ 34,081	\$ (10,101)

Future maturities are as follows:

Fiscal Year	Principal	Interest
2025	\$ 10,125	\$ 67
2026	10,148	44
2027	10,171	21
2028	3,637	2
	<u>\$ 34,081</u>	<u>\$ 134</u>

8. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

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

- Risk management software
- Police body cameras and software

The total of the City’s subscription assets are recorded at a cost of \$419,995, less accumulated amortization of \$118,825.

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

Governmental Activities	June 30, 2023			June 30, 2024 Balance	Due Within One Year
	Balance	Additions	Reductions		
Cloud storage subscription; interest at 4.85, annual payment of principal and interest of \$26,063, due in 2025	\$ 48,565	\$ -	\$ 23,708	\$ 24,857	\$ (24,857)
Police safety equipment and software subscription; interest at 8.05%, annual payments of principal and interest of \$80,776, due in 2028	-	345,367	80,776	264,591	(58,286)
	<u>\$ 48,565</u>	<u>\$ 345,367</u>	<u>\$ 104,484</u>	<u>\$ 289,448</u>	<u>\$ (83,143)</u>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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

Fiscal		
Year	Principal	Interest
2025	\$ 83,143	\$ 23,696
2026	63,241	17,536
2027	68,616	12,160
2028	74,448	6,328
	<u>\$289,448</u>	<u>\$ 59,720</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. 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.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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

Governmental Activities	Balance	Additions	Reductions	Balance	One Year
Governmental bonds:					
Governmental bonds	\$ 5,729,000	\$ -	\$ 584,000	\$ 5,145,000	\$ 606,000
Direct placements and borrowings:					
Governmental loans	171,132	-	127,548	43,584	43,584
Governmental notes	84,849	-	27,090	57,759	27,499
Total bonds, loans, and notes	5,984,981	-	738,638	5,246,343	677,083
Compensated absences	428,320	489,906	428,320	489,906	122,477
Net pension liability	8,494,465	2,548,334	-	11,042,799	-
Total OPEB liability	221,388	35,942	-	257,330	-
Total governmental activities	\$ 15,129,154	\$ 3,074,182	\$ 1,166,958	\$ 17,036,378	\$ 799,560
	June 30, 2023			June 30, 2024	Due Within
Business Type Activities	Balance	Additions	Reductions	Balance	One Year
Business type bonds:					
Business type bonds	\$ 3,466,000	\$ -	\$ 416,000	\$ 3,050,000	\$ 425,000
Direct placements and borrowings:					
Enterprise loans	2,297,459	567,560	127,383	2,737,636	130,079
Total bonds and loans	5,763,459	567,560	543,383	5,787,636	555,079
Compensated absences	52,602	84,734	52,602	84,734	21,184
Net pension liability	1,158,224	439,094	-	1,597,318	-
Total OPEB liability	30,187	7,035	-	37,222	-
Total business type activities	\$ 7,004,472	\$ 1,098,423	\$ 595,985	\$ 7,506,910	\$ 576,263

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	\$ 600,000
2019 Bond; Street Fund - Main St.: original amount \$721,000; interest rate 3.00%; final payment due June 1, 2039	580,000
2019 Bond; Urban Renewal - Main St.: original amount \$927,000; interest rate 3.00%; final payment due June 1, 2039	745,000
2021 Full Faith & Credit; Street Fund: original amount \$4,340,000; interest rate 1.51%; final payment due June 15, 2032	<u>3,220,000</u>
Total governmental bonds	<u>\$ 5,145,000</u>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Future governmental bonds debt service requirements are as follows:

	2005 PERS Bond		2019 Bond (Street & Urban Renewal)		Series 2021 Full Faith & Credit: Street	
	Principal	Interest	Principal	Interest	Principal	Interest
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	-	-	80,000	30,810	405,000	25,066
2030-2034	-	-	438,000	116,609	1,255,000	38,129
2035-2039	-	-	509,000	46,740	-	-
Total	\$ 600,000	\$ 70,306	\$ 1,325,000	\$ 340,109	\$ 3,220,000	\$ 222,878

Total Governmental Bonds		
	Principal	Interest
2025	\$ 606,000	\$ 118,396
2026	628,000	102,772
2027	661,000	86,262
2028	563,000	68,509
2029	485,000	55,876
2030-2034	1,693,000	154,738
2035-2039	509,000	46,740
Total	\$ 5,145,000	\$ 633,293

Business Type Bonds:

Series 2017 Sewer/Water Bond: original amount \$5,600,000; interest rate 2.58%; final payment due March 1, 2032	<u>\$ 3,050,000</u>
Total business type bonds	<u>\$ 3,050,000</u>

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

Series 2017 Sewer/Water Bond		
	Principal	Interest
2025	\$ 425,000	\$ 78,690
2026	436,000	67,725
2027	448,000	56,476
2028	460,000	44,918
2029	472,000	33,050
2030-2034	809,000	33,540
Total	\$ 3,050,000	\$ 314,399

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Loans

Governmental Loans - Direct Borrowings and Placements:

2015 Fire Pumper Loan: original amount \$385,795; interest rate 2.82%; final payment due November 30, 2024	\$ 43,584
Total governmental loans	<u>\$ 43,584</u>

Future governmental loan debt service requirements are as follows:

<u>2015 Fire Pumper Loan</u>	
Principal	Interest
\$ 43,584	\$ 1,229
<u>\$ 43,584</u>	<u>\$ 1,229</u>

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	\$ 795,628
2016 DEQ Clean Water State Revolving Fund (CWSRF) Loan; original amount \$1,750,000; interest rate 1.60%; final payment due February 1, 2037	1,303,931
2022 Oregon Business Development Department (OBDD) Special Public Works Fund Development (SPWFD) Loan; total award \$2,200,000; interest rate 0.45%; final payment due October 28, 2025; at year end the City had drawn down:	<u>638,077</u>
Total business type loans	<u>\$ 2,737,636</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>	
	Principal	Interest	Principal	Interest
2025	\$ 45,207	\$ 27,529	\$ 84,872	\$ 18,088
2026	46,771	25,965	86,074	16,886
2027	48,389	24,346	87,291	15,669
2028	50,063	22,672	88,527	14,433
2029	51,796	20,940	89,779	13,181
2030-2034	287,133	76,545	468,317	46,483
2035-2039	266,269	23,357	399,071	12,763
Total	<u>\$ 795,628</u>	<u>\$ 221,354</u>	<u>\$ 1,303,931</u>	<u>\$ 137,503</u>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

	<u>Total Enterprise Loans</u>	
	Principal	Interest
2025	\$ 130,079	\$ 45,617
2026	132,845	43,882
2027	135,680	40,015
2028	138,590	37,105
2029	141,575	34,121
2030-2034	755,450	123,028
2035-2039	665,340	36,120
Total	\$ 2,099,559	\$ 359,888

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>\$ 57,759</u>
Total governmental notes	<u>\$ 57,759</u>

Future governmental note debt service requirements are as follows:

<u>2016 Radio Shack Note</u>	
Principal	Interest
\$ 27,499	\$ 643
<u>30,260</u>	<u>265</u>
<u>\$ 57,759</u>	<u>\$ 908</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 \$225,533 in 2023 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 they have had a contribution in each of five calendar years or have 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.

A member's beneficiary may choose a monthly payment for life instead of the lump-sum or a combination of lumpsum and monthly payments, if eligible. The monthly payment must be a minimum of \$200 per month for deaths that occur after July 30, 2003.

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 account after retiring and may experience annual benefit fluctuations due to changes in the fair market value of the underlying global equity investments in that account. 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 \$225,533 in 2023 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.

Employers have the option to make employer contributions for a member under ORS 238A.340. Contributions for these accounts are deposited into a separate employer-funded account. The member becomes vested in this optional employer-funded account 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. The accounts fall under Internal Revenue Code Section 414(k).

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, 2024 were \$1,952,387 excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2024 were 26.85 percent for Tier One/Tier Two General Service Member and Tier One/Tier Two Police and Fire, 21.51 percent for OPSRP Pension Program General Service Members, 26.30 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

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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 \$456,286 for the year ended June 30, 2024.

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 \$3,570 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, 2024, the City reported a liability of \$12,640,117 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the net pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. 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, 2023, the City's proportion was 0.0675 percent, which was an increase from its proportion of 0.0630 measured as of June 30, 2022.

For the year ended June 30, 2024, the City's recognized pension expense of \$492,657. At June 30, 2024, 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	\$ 618,140	\$ 50,119
Changes of assumptions	1,122,873	8,372
Net difference between projected and actual earnings on investments	227,195	-
Changes in proportion	1,220,100	104,295
Differences between employer contributions and proportionate share of contributions	73,664	673,172
Total (prior to post-MD contributions)	<u>3,261,972</u>	<u>835,958</u>
Contributions subsequent to the MD	1,952,387	-
Total	<u>\$ 5,214,359</u>	<u>\$ 835,958</u>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

City’s contributions subsequent to the measurement date of \$1,952,387 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, 2025. 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>	
2025	\$ 498,472
2026	(88,784)
2027	1,413,625
2028	521,699
2029	81,002
Total	<u>\$ 2,426,014</u>

Actuarial Assumptions

The net pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2021
Measurement Date	June 30, 2023
Experience Study Report	2020, published July 20, 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>Health retirees and beneficiaries: 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>Active Members: 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>Disabled retirees: 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>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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 2023 the PERS Board reviewed long-term assumptions developed by both Milliman’s 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	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	9.0%	16.5%	12.5%
Private Equity	17.5%	27.5%	20.0%
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>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Compounded Annual Return (Geometric)</u>
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
	<hr/>	
Total	<u>100.00%</u>	
Assumed Inflation - Mean		2.35%

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the net 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 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.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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 net 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 net 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)	\$ 20,879,093	\$ 12,640,117	\$ 5,744,967

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, 2023 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

There were no changes subsequent to the June 30, 2023 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:

	<u>Implicit Rate Subsidy</u>	<u>PERS RHIA Plan</u>	<u>Total OPEB on Financials</u>
Net OPEB Asset	\$ -	\$ 166,672	\$ 166,672
Deferred Outflows of Resources			
Change in Assumptions	8,976	-	8,976
Difference in Earnings	-	473	473
Contributions After MD	4,820	13	4,833
Total OPEB Liability	(294,552)	-	(294,552)
Deferred Inflows of Resources			
Difference in Expected and Actual Experience	(105,684)	(4,184)	(109,868)
Change in Assumptions	(72,201)	(1,797)	(73,998)
Change in Proportionate Share	-	(11,938)	(11,938)
OPEB Expense/(Income)*	24,552	(27,953)	(3,401)

*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>.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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, 2023, the following employees were covered by the benefit terms:

Active employees	80
Eligible retirees	0
Spouses of ineligible retirees	0
Total participants	<u>80</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 \$294,552 was measured as of June 30, 2023, and was determined by an actuarial valuation as of July 1, 2021.

For the fiscal year ended June 30, 2024, the City recognized OPEB expense from this plan of \$24,552. 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	\$ -	\$ 105,684
Changes of assumptions	<u>8,976</u>	<u>72,201</u>
Total (prior to post-MD contributions)	8,976	177,885
Contributions subsequent to the MD	<u>4,820</u>	-
Total	<u>\$ 13,796</u>	<u>\$ 177,885</u>

Deferred outflows of resources related to OPEB of \$4,820 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, 2025. 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>		
2025	\$	(23,473)
2026		(23,473)
2027		(21,688)
2028		(21,243)
2029		(16,555)
Thereafter		<u>(62,477)</u>
Total	\$	<u>(168,909)</u>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

Actuarial Assumptions and Other Inputs

The total 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:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Discount Rate	3.65 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>Health retirees and beneficiaries: 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>Healthcare cost trend rate: Medical and vision: 6.25 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, 2024

Changes in the Total OPEB Liability

	<u>Net OPEB Liability</u>
Balance as of June 30, 2023	\$ 251,575
Changes for the year:	
Service cost	37,812
Interest on total OPEB liability	10,213
Effect of assumption changes or inputs	(3,260)
Benefit payments	<u>(1,788)</u>
Balance as of June 30, 2024	<u>\$ 294,552</u>

Changes in assumptions is the result of the change in the discount rate from 3.54% to 3.65%.

Sensitivity of the Total 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 (2.65 percent) or 1-percentage-point higher (4.65 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 (2.65%)</u>	<u>Current Discount Rate (3.65%)</u>	<u>1% Increase (4.65%)</u>
Net OPEB Liability	\$ 326,683	\$ 294,552	\$ 265,304

Healthcare Cost Trend:

	<u>1% Decrease</u>	<u>Current Health Care Trend Rates</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 250,748	\$ 294,552	\$ 347,872

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 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/2023-ACFR.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 0.05% of PERS-covered salaries for Tier One/Tier Two members to fund the normal cost portion of RHIA. No unfunded actuarial liability (UAL) rate was assigned for the RHIA program as it was funded over 100% as of December 31, 2019. The City's total for the year ended June 30, 2023 contributions was \$13.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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

At June 30, 2024, the City reported an asset of \$166,672 for its proportionate share of the OPERS net OPEB asset. The net OPEB asset was measured as of June 30, 2023, and the net OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2021 rolled forward to June 30, 2023. 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, 2024, the City’s proportionate share was 0.0455 percent, which is an increase from its proportion of 0.0403 percent as of June 30, 2023.

For the year ended June 30, 2024, the City recognized OPEB income from this plan of \$27,953. At June 30, 2024, 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	\$ -	\$ 4,184
Changes of assumptions	-	1,797
Net difference between projected and actual earnings on investments	473	-
Changes in proportionate share	-	11,938
Total (prior to post-MD contributions)	<u>473</u>	<u>17,919</u>
Contributions subsequent to the MD	<u>13</u>	<u>-</u>
Total	<u>\$ 486</u>	<u>\$ 17,919</u>

Deferred outflows of resources related to OPEB of \$13 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, 2025. 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>	
2025	\$ (17,460)
2026	(8,355)
2027	6,159
2028	2,210
Total	<u>\$ (17,446)</u>

Actuarial Methods and Assumptions

The net OPEB asset in the December 31, 2021 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 determine the net OPEB asset.

Sensitivity of the City’s proportionate share of the net OPEB 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:

Discount Rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
Net OPEB Asset	\$ (151,505)	\$ (166,672)	\$ (179,685)

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, 2023 measurement period that require disclosure.

Changes in Plan Provisions Subsequent to Measurement Date

There were no changes subsequent to the June 30, 2023 measurement period that require disclosure.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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:

	Transfers In:		
	General Fund	Non-Major Governmental Funds	Total
Transfers Out:			
Governmental funds:			
General Fund	\$ -	\$ 590,858	\$ 590,858
Street Fund	162,000	30,883	192,883
System Development Fund	83,680	52,300	135,980
Non-Major Governmental Funds	213,890	15,402	229,292
Internal Service Fund	32,000	38,718	70,718
Total governmental funds	<u>491,570</u>	<u>728,161</u>	<u>1,219,731</u>
Business type funds:			
Sewer Fund	589,000	127,005	716,005
Water Fund	535,000	61,464	596,464
Storm Water Fund	117,000	3,700	120,700
Total business type funds	<u>1,241,000</u>	<u>192,169</u>	<u>1,433,169</u>
Total all funds	<u>\$ 1,732,570</u>	<u>\$ 920,330</u>	<u>\$ 2,652,900</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, 2024, are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Grants Fund	<u>\$ 24,653</u>
	Total	<u>\$ 24,653</u>

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

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 General Fund, Street Fund, Water Fund, and Storm Water Fund all of which were approved by Council resolution.

Interfund loan balances as of June 30, 2024:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
System Development Fund	General Fund	\$ 385,445
System Development Fund	Street Fund	218,411
System Development Fund	Water Fund	587,866
System Development Fund	Storm Water Fund	50,631
System Development Fund	Fleet Management Fund	330,000
	Total	<u>\$ 1,572,353</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.

CITY OF DALLAS, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2024

18. DEFICIT FUND BALANCE

At June 30, 2024, the following fund had a deficit budgetary basis fund balance:

<u>Fund</u>	<u>Amount</u>
Grants Fund	\$ (44,620)

19. ACCOUNTING ESTIMATE CHANGE

For June 30, 2024, the City changed how it estimated the allowance for doubtful accounts related to ambulance receivable. The allowance was calculated as a percentage of total charges in fiscal year 2024 less disallowed and uncollected for fiscal year 2024.

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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Property taxes	\$ 5,740,000	\$ 5,740,000	\$ 5,738,894	\$ (1,106)
Public service taxes	1,101,967	1,101,967	1,123,677	21,710
Franchise fees	1,508,000	1,508,000	1,729,559	221,559
Grants	-	3,170,000	2,277,457	(892,543)
Charges for services	2,725,000	2,725,000	3,188,989	463,989
Licenses and permits	1,500	1,500	1,630	130
Fines and forfeitures	135,500	135,500	115,873	(19,627)
Interest	200,000	200,000	507,550	307,550
Miscellaneous	250,000	150,000	152,300	2,300
Total revenues	11,661,967	14,731,967	14,835,929	103,962
EXPENDITURES:				
General government	2,122,000	2,117,465	2,025,845	91,620
Public safety	8,696,500	8,694,713	8,243,887	450,826
Culture and recreation	2,493,500	2,477,567	2,377,376	100,191
Community development	793,500	813,897	768,719	45,178
Capital outlay	3,725,768	3,796,868	2,695,115	1,101,753
Debt service:				
Principal	193,639	193,639	193,638	1
Interest	28,267	28,267	28,237	30
Contingency	300,000	60,200	-	60,200
Total expenditures	18,353,174	18,182,616	16,332,817	1,849,799
Revenues over (under) expenditures	(6,691,207)	(3,450,649)	(1,496,888)	1,953,761
OTHER FINANCING SOURCES (USES):				
Transfers in	1,732,595	1,732,595	1,732,570	(25)
Transfers out	(420,300)	(590,858)	(590,858)	-
Total other financing sources (uses)	1,312,295	1,141,737	1,141,712	(25)
Net changes in fund balance	(5,378,912)	(2,308,912)	(355,176)	1,953,736
FUND BALANCE, BEGINNING BUDGETARY BASIS	6,495,000	3,425,000	4,974,821	1,549,821
FUND BALANCE, ENDING BUDGETARY BASIS	\$ 1,116,088	\$ 1,116,088	4,619,645	\$ 3,503,557
Reconciliation to General Fund - Generally Accepted Accounting Principles:				
Adjustment to investments for gain/(loss) on market value			(6,598)	
Interfund loan payable			(385,445)	
FUND BALANCES, ENDING			\$ 4,228,264	

* 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, 2024

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Public service taxes	\$ 1,420,000	\$ 1,420,000	\$ 1,404,035	\$ (15,965)
Grants	250,000	250,000	178,233	(71,767)
Charges for services	60,000	60,000	47,489	(12,511)
Interest	140,000	140,000	234,795	94,795
Miscellaneous	30,000	30,000	38,500	8,500
Total revenues	1,900,000	1,900,000	1,903,052	3,052
EXPENDITURES:				
Personnel services	417,000	407,617	334,618	72,999
Materials and services	310,000	310,000	280,175	29,825
Capital outlay	956,750	1,016,750	767,521	249,229
Debt service:				
Principal	405,000	405,000	405,000	- *
Interest	72,585	72,585	72,553	32 *
Contingency	2,048,211	1,988,211	-	1,988,211
Total expenditures	4,209,546	4,200,163	1,859,867	2,340,296
Revenues over (under) expenditures	(2,309,546)	(2,300,163)	43,185	2,343,348
OTHER FINANCING SOURCES (USES):				
Interfund loan proceeds (payments)	(59,954)	(59,954)	(59,954)	-
Transfers out	(183,500)	(192,883)	(192,883)	-
Total other financing sources (uses)	(243,454)	(252,837)	(252,837)	-
Net changes in fund balance	(2,553,000)	(2,553,000)	(209,652)	2,343,348
FUND BALANCE, BEGINNING BUDGETARY BASIS	2,860,000	2,860,000	2,946,314	86,314
FUND BALANCE, ENDING BUDGETARY BASIS	\$ 307,000	\$ 307,000	2,736,662	\$ 2,429,662
Interfund loan payable			(218,411)	
Adjustment for unrealized gain (loss) on investments			(3,839)	
FUND BALANCES, ENDING			\$ 2,514,412	

* Sum equals appropriation level

CITY OF DALLAS, OREGON
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Last Ten Fiscal Years

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
2023	0.06748347%	\$ 12,640,117	\$ 6,896,937	183.27%	81.7%
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%

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

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.

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

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
2024	\$ 1,952,387	\$ 1,952,387	\$ -	\$ 8,161,083	23.92%
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%

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

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	July 2013 - June 2015
Actuarial cost method	Entry Age Normal				Projected Unit Credit
Amortization method	Level percentage of payroll				
Asset valuation method	Market Value				
Remaining amortization periods	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			
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 Years¹

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
2023	0.04551816%	\$ (166,672)	\$ 6,896,937	-2.42%	201.6%
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.

¹This 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

Year Ended June 30,	(a) Contractually required 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
2024	\$ 473	\$ 473	\$ -	\$ 8,161,083	0.01%
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 July 1 and rolled forward to the measurement date.

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				
Asset valuation method	Market Value				
Remaining amortization periods	10 years				
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 Years¹

	<u>16-Jul-05</u>	<u>15-Jul-05</u>	<u>14-Jul-05</u>	<u>13-Jul-05</u>	<u>12-Jul-05</u>	<u>11-Jul-05</u>	<u>10-Jul-05</u>
Total OPEB Liability							
Service Interest	\$ 37,812	\$ 46,759	\$ 45,380	\$ 33,993	\$ 30,124	\$ 25,276	\$ 26,975
Interest	10,213	8,863	8,148	12,234	12,244	12,971	10,825
Differences between economic/demographic gains or losses	-	(94,779)	-	(20,133)	-	(37,890)	-
Changes of assumptions	(3,260)	(67,669)	1,809	3,069	11,321	(21,783)	(20,515)
Benefit payment	(1,788)	(10,279)	(19,782)	(22,982)	(25,744)	(32,940)	(33,286)
Net change in total OPEB liability	<u>42,977</u>	<u>(117,105)</u>	<u>35,555</u>	<u>6,181</u>	<u>27,945</u>	<u>(54,366)</u>	<u>(16,001)</u>
Total OPEB liability - beginning	<u>251,575</u>	<u>368,680</u>	<u>333,125</u>	<u>326,944</u>	<u>298,999</u>	<u>353,365</u>	<u>369,366</u>
Total OPEB liability - ending	<u>\$ 294,552</u>	<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	\$ 8,161,083	\$ 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	3.61%	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.

¹This 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.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

CITY OF DALLAS
NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION
For the Fiscal Year Ended June 30, 2024

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, 2024. The City had two supplemental budgets during the year-ended June 30, 2024. Appropriations lapse as of year-end.

PAGE INTENTIONALLY LEFT BLANK

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.

South Dallas Urban Renewal Fund

This fund accounts for the South Dallas's urban renewal projects

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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
System development charges	\$ 2,580,000	\$ 2,580,000	\$ 1,854,038	\$ (725,962)
Total revenues	2,580,000	2,580,000	1,854,038	(725,962)
EXPENDITURES:				
Transportation	2,734,250	2,734,250	445,886	2,288,364
Park	2,132,125	2,132,125	53,851	2,078,274
Water	4,641,973	4,641,973	71,792	4,570,181
Sewer	5,831,697	5,831,697	99,819	5,731,878
Storm	877,200	877,200	-	877,200
Total expenditures	16,217,245	16,217,245	671,348	15,545,897
Revenues over (under) expenditures	(13,637,245)	(13,637,245)	1,182,690	14,819,935
OTHER FINANCING SOURCES (USES):				
Interfund loan proceeds (payments)	(166,775)	(166,775)	(166,775)	-
Transfers out	(135,980)	(135,980)	(135,980)	-
Total other financing sources (uses)	(302,755)	(302,755)	(302,755)	-
Net changes in fund balances	(13,940,000)	(13,940,000)	879,935	14,819,935
FUND BALANCES, BEGINNING BUDGETARY BASIS	13,940,000	13,940,000	13,993,067	53,067
FUND BALANCES, ENDING BUDGETARY BASIS	\$ -	\$ -	14,873,002	\$ 14,873,002
Interfund loan receivable			1,572,353	
Adjustment for unrealized gain (loss) on investments			(18,857)	
FUND BALANCES, ENDING			<u>\$ 16,426,498</u>	

**CITY OF DALLAS, OREGON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2024**

	Total Nonmajor Special Revenue Funds	General Long Term Debt Fund	Total
ASSETS:			
Cash and investments	\$ 2,575,479	\$ 11	\$ 2,575,490
Cash held with county	1,927	-	1,927
Accounts receivable	26,723	-	26,723
Property taxes receivable	8,955	-	8,955
	<u>2,613,084</u>	<u>11</u>	<u>2,613,095</u>
Total assets	<u>\$ 2,613,084</u>	<u>\$ 11</u>	<u>\$ 2,613,095</u>
LIABILITIES:			
Accounts payable and other current liabilities	\$ 85,617	\$ -	\$ 85,617
Due to other funds	24,653	-	24,653
	<u>110,270</u>	<u>-</u>	<u>110,270</u>
Total liabilities	<u>110,270</u>	<u>-</u>	<u>110,270</u>
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue - property taxes	8,955	-	8,955
	<u>8,955</u>	<u>-</u>	<u>8,955</u>
Total deferred inflows of resources	<u>8,955</u>	<u>-</u>	<u>8,955</u>
FUND BALANCES:			
Restricted for:			
Debt	-	11	11
Urban renewal projects	529,654	-	529,654
Building department	1,593,385	-	1,593,385
Trust	214,180	-	214,180
Committed for:			
Public safety	154,850	-	154,850
Assigned for:			
General government	46,410	-	46,410
Unassigned (deficit)	(44,620)	-	(44,620)
	<u>2,493,859</u>	<u>11</u>	<u>2,493,870</u>
Total fund balances (deficit)	<u>2,493,859</u>	<u>11</u>	<u>2,493,870</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 2,613,084</u>	<u>\$ 11</u>	<u>\$ 2,613,095</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, 2024**

	Total Nonmajor Special Revenue Funds	General Long Term Debt Fund	Total
REVENUES:			
Property taxes	\$ 288,561	\$ -	\$ 288,561
Grants	51,589	-	51,589
Licenses and permits	731,256	-	731,256
Fees	455,081	-	455,081
Contributions and donations	132,404	-	132,404
Interest	72,287	-	72,287
Miscellaneous	97,238	-	97,238
	<hr/>	<hr/>	<hr/>
Total revenues	1,828,416	-	1,828,416
	<hr/>	<hr/>	<hr/>
EXPENDITURES:			
Current:			
General government	5,747	-	5,747
Public safety	627,391	-	627,391
Culture and recreation	120,024	-	120,024
Community development	1,430,263	-	1,430,263
Capital outlay	28,588	-	28,588
Debt service:			
Principal	-	140,000	140,000
Interest	-	37,030	37,030
	<hr/>	<hr/>	<hr/>
Total expenditures	2,212,013	177,030	2,389,043
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(383,597)	(177,030)	(560,627)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES):			
Transfers in	743,300	177,030	920,330
Transfers out	(229,292)	-	(229,292)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	514,008	177,030	691,038
	<hr/>	<hr/>	<hr/>
Net changes in fund balances	130,411	-	130,411
	<hr/>	<hr/>	<hr/>
FUND BALANCES, BEGINNING	2,363,448	11	2,363,459
	<hr/>	<hr/>	<hr/>
FUND BALANCES, ENDING	\$ 2,493,859	\$ 11	\$ 2,493,870
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**CITY OF DALLAS, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2024**

	Risk Management Fund	Grants Fund
	<u> </u>	<u> </u>
ASSETS		
Cash and investments	\$ 48,855	\$ -
Cash held with county	-	-
Accounts receivable	-	-
Property taxes receivable	-	-
	<u> </u>	<u> </u>
Total assets	<u>\$ 48,855</u>	<u>\$ -</u>
LIABILITIES:		
Accounts payable and other current liabilities	\$ 2,445	\$ 19,967
Due to other funds	-	24,653
	<u> </u>	<u> </u>
Total liabilities	<u>2,445</u>	<u>44,620</u>
DEFERRED INFLOWS OF RESOURCES:		
Unavailable revenue - property taxes	-	-
	<u> </u>	<u> </u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>
FUND BALANCES:		
Restricted for:		
Urban renewal projects	-	-
Building department	-	-
Trust	-	-
Committed for:		
Public safety	-	-
Assigned for:		
General government	46,410	-
Unassigned (deficit)	-	(44,620)
	<u> </u>	<u> </u>
Total fund balances (deficit)	<u>46,410</u>	<u>(44,620)</u>
Total liabilities, deferred inflows of resources and fund balances (deficit)	<u>\$ 48,855</u>	<u>\$ -</u>

Police Officer Fee and Firefighter/EMS Fee Fund	Building Inspections Fund	Trust/Reserve Fund	Urban Renewal Fund	South Dallas Urban Renewal Fund	Total
\$ 129,875	\$ 1,631,398	\$ 221,452	\$ 480,020	\$ 63,879	\$ 2,575,479
-	-	-	1,537	390	1,927
24,975	-	1,748	-	-	26,723
-	-	-	7,565	1,390	8,955
<u>\$ 154,850</u>	<u>\$ 1,631,398</u>	<u>\$ 223,200</u>	<u>\$ 489,122</u>	<u>\$ 65,659</u>	<u>\$ 2,613,084</u>
\$ -	\$ 38,013	\$ 9,020	\$ 16,172	\$ -	\$ 85,617
-	-	-	-	-	24,653
-	38,013	9,020	16,172	-	110,270
-	-	-	7,565	1,390	8,955
-	-	-	7,565	1,390	8,955
-	-	-	465,385	64,269	529,654
-	1,593,385	-	-	-	1,593,385
-	-	214,180	-	-	214,180
154,850	-	-	-	-	154,850
-	-	-	-	-	46,410
-	-	-	-	-	(44,620)
<u>154,850</u>	<u>1,593,385</u>	<u>214,180</u>	<u>465,385</u>	<u>64,269</u>	<u>2,493,859</u>
<u>\$ 154,850</u>	<u>\$ 1,631,398</u>	<u>\$ 223,200</u>	<u>\$ 489,122</u>	<u>\$ 65,659</u>	<u>\$ 2,613,084</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, 2024**

	Risk Management Fund	Grants Fund
REVENUES:		
Property taxes	\$ -	\$ -
Grants	-	51,589
Licenses and permits	-	-
Fees	-	-
Contributions and donations	-	-
Interest	522	13
Miscellaneous	58,028	-
	<hr/>	<hr/>
Total revenues	58,550	51,602
	<hr/>	<hr/>
EXPENDITURES:		
Current:		
General government	-	-
Public safety	-	49,432
Culture and recreation	-	19,196
Community development	665,390	19,699
Capital outlay	-	-
	<hr/>	<hr/>
Total expenditures	665,390	88,327
	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(606,840)	(36,725)
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES):		
Transfers in	605,700	-
Transfers out	-	-
	<hr/>	<hr/>
Total other financing sources (uses)	605,700	-
	<hr/>	<hr/>
Net changes in fund balances	(1,140)	(36,725)
	<hr/>	<hr/>
FUND BALANCES, BEGINNING	47,550	(7,895)
	<hr/>	<hr/>
FUND BALANCES, ENDING	<u>\$ 46,410</u>	<u>\$ (44,620)</u>

Police Officer Fee and Firefighter/EMS Fee Fund	Building Inspections Fund	Trust/Reserve Fund	Urban Renewal Fund	South Dallas Urban Renewal Fund	Total
\$ -	\$ -	\$ -	\$ 216,559	\$ 72,002	\$ 288,561
-	-	-	-	-	51,589
-	731,256	-	-	-	731,256
455,081	-	-	-	-	455,081
-	-	132,404	-	-	132,404
2,236	17,431	1,713	48,427	1,945	72,287
-	24,221	-	14,989	-	97,238
<u>457,317</u>	<u>772,908</u>	<u>134,117</u>	<u>279,975</u>	<u>73,947</u>	<u>1,828,416</u>
-	-	5,747	-	-	5,747
521,657	-	56,302	-	-	627,391
-	-	100,828	-	-	120,024
-	714,095	-	21,401	9,678	1,430,263
-	-	-	28,588	-	28,588
<u>521,657</u>	<u>714,095</u>	<u>162,877</u>	<u>49,989</u>	<u>9,678</u>	<u>2,212,013</u>
(64,340)	58,813	(28,760)	229,986	64,269	(383,597)
-	52,300	85,300	-	-	743,300
-	(80,405)	-	(148,887)	-	(229,292)
-	(28,105)	85,300	(148,887)	-	514,008
(64,340)	30,708	56,540	81,099	64,269	130,411
<u>219,190</u>	<u>1,562,677</u>	<u>157,640</u>	<u>384,286</u>	<u>-</u>	<u>2,363,448</u>
<u>\$ 154,850</u>	<u>\$ 1,593,385</u>	<u>\$ 214,180</u>	<u>\$ 465,385</u>	<u>\$ 64,269</u>	<u>\$ 2,493,859</u>

**CITY OF DALLAS, OREGON
GENERAL FUND - GENERALLY ACCEPTED ACCOUNTING PRINCIPLES
COMBINING BALANCE SHEET
June 30, 2024**

	General Fund	Improvement Fund	Total General Fund Generally Accepted Accounting Principles
ASSETS:			
Cash and investments	\$ 5,299,733	\$ 662	\$ 5,300,395
Cash held with county	39,387	-	39,387
Accounts receivable	1,185,082	-	1,185,082
Property taxes receivable	190,721	-	190,721
Lease receivable	143,528	-	143,528
Due from other funds	24,653	-	24,653
	<u>6,883,104</u>	<u>662</u>	<u>6,883,766</u>
Total assets	\$ 6,883,104	\$ 662	\$ 6,883,766
LIABILITIES:			
Accounts payable and other current liabilities	\$ 272,804	\$ -	\$ 272,804
Payroll liabilities	373,835	-	373,835
Deposits payable	244,728	-	244,728
Unearned revenue	1,044,441	-	1,044,441
Interfund loan payable	385,445	-	385,445
	<u>2,321,253</u>	<u>-</u>	<u>2,321,253</u>
Total liabilities	2,321,253	-	2,321,253
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue - property taxes	190,721	-	190,721
Unavailable revenue - lease receivable	143,528	-	143,528
	<u>334,249</u>	<u>-</u>	<u>334,249</u>
Total deferred inflows of resources	334,249	-	334,249
FUND BALANCES:			
Unassigned (deficit)	4,227,602	662	4,228,264
	<u>4,227,602</u>	<u>662</u>	<u>4,228,264</u>
Total fund balances	4,227,602	662	4,228,264
	<u>4,227,602</u>	<u>662</u>	<u>4,228,264</u>
Total liabilities, deferred inflows of resources and fund balances	\$ 6,883,104	\$ 662	\$ 6,883,766
	<u>6,883,104</u>	<u>662</u>	<u>6,883,766</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, 2024

	General Fund	Improvement Fund	Total General Fund Generally Accepted Accounting Principles
REVENUES:			
Property taxes	\$ 5,738,894	\$ -	\$ 5,738,894
Public service taxes	1,123,677	-	1,123,677
Franchise fees	1,729,559	-	1,729,559
Grants	2,277,457	-	2,277,457
Charges for services	3,188,989	-	3,188,989
Licenses and permits	1,630	-	1,630
Fines and forfeitures	115,873	-	115,873
Interest	598,364	9	598,373
Miscellaneous	152,300	-	152,300
	<u>14,926,743</u>	<u>9</u>	<u>14,926,752</u>
EXPENDITURES:			
General government	2,025,845	-	2,025,845
Public safety	8,243,887	-	8,243,887
Culture and recreation	2,377,376	-	2,377,376
Community development	768,719	-	768,719
Capital outlay	2,695,115	-	2,695,115
Debt service:			
Principal	193,638	-	193,638
Interest	28,237	-	28,237
	<u>16,332,817</u>	<u>-</u>	<u>16,332,817</u>
Revenues over (under) expenditures	(1,406,074)	9	(1,406,065)
OTHER FINANCING SOURCES (USES):			
Transfers in	1,732,570	-	1,732,570
Transfers out	(590,858)	-	(590,858)
	<u>1,141,712</u>	<u>-</u>	<u>1,141,712</u>
Net changes in fund balances	(264,362)	9	(264,353)
FUND BALANCES, BEGINNING	<u>4,491,964</u>	<u>653</u>	<u>4,492,617</u>
FUND BALANCES, ENDING	<u>\$ 4,227,602</u>	<u>\$ 662</u>	<u>\$ 4,228,264</u>

CITY OF DALLAS, OREGON
GENERAL FUND - BUDGETARY BASIS
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget
	Original	Final		
Admin:				
Personnel services	\$ 665,000	\$ 670,201	\$ 672,888	\$ (2,687) *
Materials and services	260,000	260,000	221,268	38,732 *
Subtotal	925,000	930,201	894,156	36,045
Finance:				
Personnel services	520,000	511,857	505,202	6,655
Materials and services	350,000	350,000	320,557	29,443
Subtotal	870,000	861,857	825,759	36,098
Facilities:				
Personnel services	180,000	178,407	165,901	12,506 *
Materials and services	147,000	147,000	140,029	6,971 *
Capital outlay	27,667	27,667	5,537	22,130 *
Subtotal	354,667	353,074	311,467	41,607
Municipal court:				
Personnel services	120,000	116,459	112,558	3,901
Materials and services	153,000	153,000	148,142	4,858
Subtotal	273,000	269,459	260,700	8,759
Fire department:				
Personnel services	3,130,000	3,106,278	3,030,745	75,533
Materials and services	930,000	1,007,700	1,006,926	774
Capital outlay	137,829	180,929	107,078	73,851
Debt Service:				
Principal	42,389	42,389	42,388	1
Interest	2,425	2,425	2,425	-
Transfer out	85,300	85,300	85,300	-
Subtotal	4,327,943	4,425,021	4,274,862	150,159
Police department:				
Personnel services	3,705,000	3,652,776	3,314,916	337,860
Materials and services	658,500	658,500	630,600	27,900
Capital outlay	220,272	220,272	207,789	12,483
Subtotal	4,583,772	4,531,548	4,153,305	378,243
Library:				
Personnel services	591,500	582,294	573,406	8,888 *
Materials and services	100,000	100,000	98,054	1,946 *
Capital outlay	70,000	98,000	97,158	842 *
Subtotal	761,500	780,294	768,618	11,676
Parks:				
Personnel services	565,000	562,522	503,164	59,358

Materials and services	203,000	203,000	170,168	32,832
Capital outlay	90,000	90,000	87,089	2,911
Subtotal	858,000	855,522	760,421	95,101
Aquatic center:				
Personnel services	685,000	680,751	651,648	29,103 *
Materials and services	349,000	349,000	380,936	(31,936) *
Capital outlay	60,000	60,000	50,889	9,111 *
Subtotal	1,094,000	1,089,751	1,083,473	6,278
Economic and community development:				
Personnel services	534,000	554,397	553,915	482
Materials and services	259,500	259,500	214,804	44,696
Subtotal	793,500	813,897	768,719	45,178
Non-departmental:				
Capital outlay	3,120,000	3,120,000	2,139,575	980,425
Transfer out	335,000	505,558	505,558	-
Debt Service:				
Principal	151,250	151,250	151,250	-
Interest	25,842	25,842	25,812	30
Subtotal	3,632,092	3,802,650	2,822,195	980,455
Total expenditures	\$ 18,473,474	\$ 18,713,274	\$ 16,923,675	\$ 1,789,599

* 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
 - South Dallas 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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Miscellaneous	\$ 10,000	\$ 50,000	\$ 58,028	\$ 8,028
Total revenues	10,000	50,000	58,028	8,028
EXPENDITURES:				
Materials and services	565,700	655,700	665,390	(9,690)
Contingency	20,000	20,000	-	20,000
Total expenditures	585,700	675,700	665,390	10,310
Revenues over (under) expenditures	(575,700)	(625,700)	(607,362)	18,338
OTHER FINANCING SOURCES (USES):				
Transfers in	555,700	605,700	605,700	-
Total other financing sources (uses)	555,700	605,700	605,700	-
Net changes in fund balances	(20,000)	(20,000)	(1,662)	18,338
FUND BALANCE, BEGINNING BUDGETARY BASIS	20,000	20,000	48,133	28,133
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	46,471	\$ 46,471
Adjustment for unrealized gain (loss) on investments			(61)	
FUND BALANCES, ENDING			\$ 46,410	

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, 2024

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Grants	\$ 651,199	\$ 910,504	\$ 51,589	\$ (858,915)
Total revenues	651,199	910,504	51,589	(858,915)
EXPENDITURES:				
Public works	5,000	5,000	-	5,000
Fire	15,000	98,000	20,880	77,120
Police	3,400	29,705	28,552	1,153
Library	8,600	8,600	1,441	7,159
Parks	600,699	600,699	17,755	582,944
Community development block	15,000	165,000	19,699	145,301
Total expenditures	647,699	907,004	88,327	818,677
Revenues over (under) expenditures	3,500	3,500	(36,738)	(40,238)
OTHER FINANCING SOURCES (USES):				
Transfers out	(5,000)	(5,000)	-	5,000
Total other financing sources (uses)	(5,000)	(5,000)	-	5,000
Net changes in fund balances	(1,500)	(1,500)	(36,738)	(35,238)
FUND BALANCE, BEGINNING BUDGETARY BASIS	1,500	1,500	(7,913)	(9,413)
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	(44,651)	\$ (44,651)
Adjustment for unrealized gain (loss) on investments			31	
FUND BALANCES, ENDING			\$ (44,620)	

**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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Fees	\$ 460,000	\$ 460,000	\$ 455,081	\$ (4,919)
Total revenues	460,000	460,000	455,081	(4,919)
EXPENDITURES:				
Personnel services	548,000	548,000	521,657	26,343
Contingency	140,000	140,000	-	140,000
Total expenditures	688,000	688,000	521,657	166,343
Net changes in fund balances	(228,000)	(228,000)	(66,576)	161,424
FUND BALANCE, BEGINNING BUDGETARY BASIS	228,000	228,000	221,587	(6,413)
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	155,011	\$ 155,011
Adjustment for unrealized gain (loss) on investments			(161)	
FUND BALANCES, ENDING			\$ 154,850	

**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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 670,000	\$ 735,000	\$ 731,256	\$ (3,744)
Miscellaneous	500	500	24,221	23,721
Total revenues	<u>670,500</u>	<u>735,500</u>	<u>755,477</u>	<u>19,977</u>
EXPENDITURES:				
Personnel services	553,000	596,095	591,867	4,228 *
Materials and services	82,000	147,000	122,228	24,772 *
Contingency	1,489,300	1,439,300	-	1,439,300
Total expenditures	<u>2,124,300</u>	<u>2,182,395</u>	<u>714,095</u>	<u>1,468,300</u>
Revenues over (under) expenditures	(1,453,800)	(1,446,895)	41,382	1,488,277
OTHER FINANCING SOURCES (USES):				
Transfers in	52,300	52,300	52,300	-
Transfers out	(73,500)	(80,405)	(80,405)	-
Total other financing sources (uses)	<u>(21,200)</u>	<u>(28,105)</u>	<u>(28,105)</u>	<u>-</u>
Net changes in fund balances	(1,475,000)	(1,475,000)	13,277	1,488,277
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>1,475,000</u>	<u>1,475,000</u>	<u>1,582,130</u>	<u>107,130</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>1,595,407</u>	<u>\$ 1,595,407</u>
Adjustment for unrealized gain (loss) on investments			<u>(2,022)</u>	
FUND BALANCES, ENDING			<u>\$ 1,593,385</u>	

* 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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Contributions and donations	\$ 88,700	\$ 88,700	\$ 132,404	\$ 43,704
Total revenues	88,700	88,700	132,404	43,704
EXPENDITURES:				
Trust expenditures:				
Park	58,850	58,850	19,418	39,432
Fire	151,000	151,000	56,302	94,698
Library	42,000	42,000	54,498	(12,498)
Aquatic	31,500	31,500	26,912	4,588
General	8,700	8,700	5,747	2,953
Total expenditures	292,050	292,050	162,877	129,173
Revenues over (under) expenditures	(203,350)	(203,350)	(30,473)	172,877
OTHER FINANCING SOURCES (USES):				
Transfers in	85,300	85,300	85,300	-
Total other financing sources (uses)	85,300	85,300	85,300	-
Net changes in fund balances	(118,050)	(118,050)	54,827	172,877
FUND BALANCE, BEGINNING BUDGETARY BASIS	118,050	118,050	159,628	41,578
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	214,455	\$ 214,455
Adjustment for unrealized gain (loss) on investments			(275)	
FUND BALANCES, ENDING			\$ 214,180	

**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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Property taxes	\$ 238,000	\$ 238,000	\$ 216,559	\$ (21,441)
Interest	10,000	10,000	44,275	34,275
Miscellaneous	20,000	20,000	14,989	(5,011)
Total revenues	268,000	268,000	275,823	7,823
EXPENDITURES:				
Personnel services	9,000	9,000	9,024	(24) *
Materials and services	49,450	49,450	12,377	37,073 *
Capital outlay	115,000	115,000	28,588	86,412 *
Contingency	96,720	96,720	-	96,720
Total expenditures	270,170	270,170	49,989	220,181
Revenues over (under) expenditures	(2,170)	(2,170)	225,834	228,004
OTHER FINANCING SOURCES (USES):				
Transfers out	(148,915)	(148,915)	(148,887)	28
Total other financing sources (uses)	(148,915)	(148,915)	(148,887)	28
Net changes in fund balances	(151,085)	(151,085)	76,947	228,032
FUND BALANCE, BEGINNING BUDGETARY BASIS	300,000	300,000	389,033	89,033
FUND BALANCE, ENDING BUDGETARY BASIS	\$ 148,915	\$ 148,915	465,980	\$ 317,065
Adjustment for unrealized gain (loss) on investments			(595)	
FUND BALANCES, ENDING			\$ 465,385	

* Sum equal appropriation level

**CITY OF DALLAS, OREGON
SOUTH DALLAS URBAN RENEWAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2024**

	Budget		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 30,000	\$ 30,000	\$ 72,002	\$ 42,002
Interest	2,000	2,000	2,025	25
Total revenues	32,000	32,000	74,027	42,027
EXPENDITURES:				
Personnel services	9,000	9,000	8,869	131
Materials and services	23,000	23,000	809	22,191
Total expenditures	32,000	32,000	9,678	22,322
Net changes in fund balances	-	-	64,349	64,349
FUND BALANCES, BEGINNING	-	-	-	-
FUND BALANCE, ENDING BUDGETARY	\$ -	\$ -	64,349	\$ 64,349
Adjustment for unrealized gain (loss) on investments			(80)	
FUND BALANCES, ENDING			\$ 64,269	

**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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES:				
Debt service:				
Principal	\$ 140,000	\$ 140,000	\$ 140,000	\$ -
Interest	37,030	37,030	37,030	-
Total expenditures	177,030	177,030	177,030	-
Revenues over (under) expenditures	(177,030)	(177,030)	(177,030)	-
OTHER FINANCING SOURCES (USES):				
Transfers in	177,030	177,030	177,030	-
Total other financing sources (uses)	177,030	177,030	177,030	-
Net changes in fund balances	-	-	-	-
FUND BALANCES, BEGINNING	-	-	11	11
FUND BALANCES, ENDING	\$ -	\$ -	\$ 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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
FUND BALANCE, BEGINNING BUDGETARY BASIS	\$ -	\$ -	\$ 662	\$ 662
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	662	\$ 662
Reported with General Fund balance			(662)	
FUND BALANCES, ENDING			\$ -	

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, 2024

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 4,000,000	\$ 4,000,000	\$ 4,034,139	\$ 34,139
Interest	100,000	100,000	342,118	242,118
Miscellaneous	85,000	85,000	82,979	(2,021)
Total revenues	<u>4,185,000</u>	<u>4,185,000</u>	<u>4,459,236</u>	<u>274,236</u>
EXPENDITURES:				
Personnel services	738,000	717,995	702,079	15,916 *
Materials and services	1,373,000	1,373,000	1,229,003	143,997 *
Capital outlay	3,021,750	3,021,750	1,768,527	1,253,223 *
Debt service:				
Principal	59,000	59,000	59,000	-
Interest	15,093	15,093	15,058	35
Contingency	<u>2,757,157</u>	<u>2,757,157</u>	<u>-</u>	<u>2,757,157</u>
Total expenditures	<u>7,964,000</u>	<u>7,943,995</u>	<u>3,773,667</u>	<u>4,170,328</u>
Revenues over (under) expenditures	(3,779,000)	(3,758,995)	685,569	4,444,564
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(696,000)</u>	<u>(716,005)</u>	<u>(716,005)</u>	<u>-</u>
Total other financing sources (uses)	<u>(696,000)</u>	<u>(716,005)</u>	<u>(716,005)</u>	<u>-</u>
Net changes in fund balances	(4,475,000)	(4,475,000)	(30,436)	4,444,564
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>4,475,000</u>	<u>4,475,000</u>	<u>4,557,647</u>	<u>82,647</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>4,527,211</u>	<u>\$ 4,527,211</u>

RECONCILIATION TO NET POSITION - GAAP BASIS

Accrued interest	(4,524)
Adjustment for unrealized gain (loss) on investments	(5,633)
Net OPEB assets	7,926
Capital assets, net	20,588,908
Inventories	20,686
Loans Payable	(526,000)
Compensated absences	(30,088)
Deferred inflows related to pensions	(39,753)
Deferred inflows related to OPEB	(9,311)
Net pension liability	(14,007)
Total OPEB liability	(601,083)
Deferred outflows related to pensions	247,962
Deferred outflows related to OPEB	679

NET POSITION \$ 24,162,973

* Sum equals appropriation level

**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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 4,287,000	\$ 4,287,000	\$ 4,364,866	\$ 77,866
Interest	100,000	100,000	307,027	207,027
Miscellaneous	90,000	90,000	245,747	155,747
Total revenues	<u>4,477,000</u>	<u>4,477,000</u>	<u>4,917,640</u>	<u>440,640</u>
EXPENDITURES:				
Personnel services	1,123,000	1,106,536	1,076,696	29,840 *
Materials and services	828,100	848,100	807,148	40,952 *
Capital outlay	5,438,250	5,438,250	1,206,853	4,231,397 *
Debt service:				
Principal	554,383	554,383	484,383	70,000
Interest	132,643	132,643	122,469	10,174
Contingency	784,846	764,846	-	764,846
Total expenditures	<u>8,861,222</u>	<u>8,844,758</u>	<u>3,697,549</u>	<u>5,147,209</u>
Revenues over (under) expenditures	(4,384,222)	(4,367,758)	1,220,091	5,587,849
OTHER FINANCING SOURCES (USES):				
Interfund loan proceeds (payments)	(85,778)	(85,778)	(85,778)	-
Issuance of debt	2,200,000	2,200,000	567,560	(1,632,440)
Transfers out	(580,000)	(596,464)	(596,464)	-
Total other financing sources (uses)	<u>1,534,222</u>	<u>1,517,758</u>	<u>(114,682)</u>	<u>(1,632,440)</u>
Net changes in fund balances	(2,850,000)	(2,850,000)	1,105,409	3,955,409
FUND BALANCE, BEGINNING BUDGETARY BASIS	<u>2,850,000</u>	<u>2,850,000</u>	<u>3,542,095</u>	<u>692,095</u>
FUND BALANCE, ENDING BUDGETARY BASIS	<u>\$ -</u>	<u>\$ -</u>	<u>4,647,504</u>	<u>\$ 4,647,504</u>

RECONCILIATION TO NET POSITION - GAAP BASIS

Accrued interest	(45,302)
Adjustment for unrealized gain (loss) on investments	(5,966)
Net OPEB asset	12,526
Capital assets, net	20,787,279
Interfund loan	(587,866)
Inventories	245,652
Loans payable	(5,261,636)
Compensated absences	(51,135)
Deferred inflows related to pensions	(62,823)
Deferred inflows related to OPEB	(14,715)
Net pension liability	(22,136)
Total OPEB liability	(949,918)
Deferred outflows related to pensions	391,865
Deferred outflows related to OPEB	1,073

NET POSITION \$ 19,084,402

* Sum equals appropriation level

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, 2024

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 1,175,000	\$ 1,175,000	\$ 1,185,581	\$ 10,581
Interest	20,000	20,000	122,097	102,097
Miscellaneous	2,000	2,000	-	(2,000)
Total revenues	1,197,000	1,197,000	1,307,678	110,678
EXPENDITURES:				
Personnel services	115,000	115,000	65,401	49,599 *
Materials and services	194,000	194,000	174,536	19,464 *
Capital outlay	293,750	293,750	114,357	179,393 *
Contingency	1,836,057	1,836,057	-	1,836,057
Total expenditures	2,438,807	2,438,807	354,294	2,084,513
Revenues over (under) expenditures	(1,241,807)	(1,241,807)	953,384	2,195,191
OTHER FINANCING SOURCES (USES):				
Interfund loan proceeds (payments)	(17,493)	(17,493)	(17,493)	-
Transfers out	(120,700)	(120,700)	(120,700)	-
Total other financing sources (uses)	(138,193)	(138,193)	(138,193)	-
Net changes in fund balances	(1,380,000)	(1,380,000)	815,191	2,195,191
FUND BALANCE, BEGINNING BUDGETARY BASIS	1,380,000	1,380,000	1,281,978	(98,022)
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	2,097,169	\$ 2,097,169
RECONCILIATION TO NET POSITION - GAAP BASIS				
Adjustment for unrealized gain (loss) on investments			(2,569)	
Net OPEB asset			611	
Capital assets, net			4,055,791	
Interfund loan			(50,631)	
Compensated absences			(3,511)	
Deferred inflows related to pensions			(3,063)	
Deferred inflows related to OPEB			(717)	
Net pension liability			(46,317)	
Total OPEB liability			(1,079)	
Deferred outflows related to pensions			19,107	
Deferred outflows related to OPEB			52	
NET POSITION			<u>\$ 6,064,843</u>	

* Sum equals appropriation level

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, 2024**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Charges for services	\$ 611,500	\$ 655,200	\$ 717,122	\$ 61,922
Total revenues	611,500	655,200	717,122	61,922
EXPENDITURES:				
Personnel services	293,000	289,282	289,559	(277) *
Materials and services	385,000	443,700	401,067	42,633 *
Capital outlay	330,000	330,000	125,488	204,512 *
Contingency	71,500	56,500	-	56,500
Total expenditures	1,079,500	1,119,482	816,114	303,368
Revenues over (under) expenditures	(468,000)	(464,282)	(98,992)	365,290
OTHER FINANCING SOURCES (USES):				
Interfund loan proceeds (payments)	330,000	330,000	330,000	-
Proceeds from sale of capital assets	5,000	5,000	8,470	3,470
Transfers out	(67,000)	(70,718)	(70,718)	-
Total other financing sources (uses)	268,000	264,282	267,752	3,470
Net changes in fund balances	(200,000)	(200,000)	168,760	368,760
FUND BALANCE, BEGINNING BUDGETARY BASIS	200,000	200,000	202,272	2,272
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	371,032	\$ 371,032

RECONCILIATION TO NET POSITION - GAAP BASIS

Adjustment for unrealized gain (loss) on investments	(40)
Capital assets, net	278,929
Interfund loan	(330,000)
Net OPEB asset	2,813
Deferred outflows related to pensions	87,993
Deferred outflows related to OPEB	241
Accrued compensated absences	(17,774)
Net pension liability	(213,305)
Total OPEB liability	(4,971)
Deferred inflows related to pensions	(14,107)
Deferred inflows related to OPEB	(3,304)

NET POSITION \$ 157,507

* Sum equal appropriation level

STATISTICAL SECTION

STATISTICAL SECTION

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

These schedules present information to help the readers 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 readers 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 services the City provides and the activities it performs.

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

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Governmental activities:				
Net investment in capital assets	\$ 47,325,627	\$ 46,824,760	\$ 43,944,286	\$ 46,675,558
Restricted for special purposes	21,432,704	20,075,808	21,600,094	17,014,195
Unrestricted	(3,753,004)	(3,315,624)	(1,427,187)	(4,135,791)
Total governmental activities net position	<u>\$ 65,005,327</u>	<u>\$ 63,584,944</u>	<u>\$ 64,117,193</u>	<u>\$ 59,553,962</u>
Business-type activities:				
Net investment in capital assets	\$ 39,584,835	\$ 37,226,357	\$ 36,763,923	\$ 33,606,006
Restricted for special purposes	21,063	17,204	14,738	11,949
Unrestricted	9,706,320	7,642,933	5,186,052	3,073,897
Total business-type activities net position	<u>\$ 49,312,218</u>	<u>\$ 44,886,494</u>	<u>\$ 41,964,713</u>	<u>\$ 36,691,852</u>
Primary government:				
Net investment in capital assets	\$ 86,910,462	\$ 84,051,117	\$ 80,708,209	\$ 80,281,564
Restricted for special purposes	21,453,767	20,093,012	21,614,832	17,026,144
Unrestricted	5,953,316	4,327,309	3,758,865	(1,061,894)
Total primary government net position	<u>\$ 114,317,545</u>	<u>\$ 108,471,438</u>	<u>\$ 106,081,906</u>	<u>\$ 96,245,814</u>

Source: City of Dallas Annual Comprehensive Financial Reports

2020	2019	2018	2017	2016	2015
\$ 48,197,682	\$ 48,416,186	\$ 49,729,006	\$ 49,522,634	\$ 52,121,875	\$ 53,826,746
13,133,048	14,420,599	11,357,160	9,100,601	8,835,176	6,760,554
(4,092,595)	(3,314,269)	(1,943,071)	(945,149)	(2,318,099)	(746,388)
<u>\$ 57,238,135</u>	<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>
\$ 32,246,532	\$ 27,913,008	\$ 25,900,291	\$ 23,439,707	\$ 22,291,458	\$ 21,049,915
12,280	-	-	-	-	-
2,631,161	2,922,587	2,873,339	2,140,287	1,494,772	2,147,514
<u>\$ 34,889,973</u>	<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>
\$ 80,444,214	\$ 76,329,194	\$ 75,629,297	\$ 72,962,341	\$ 74,413,333	\$ 74,876,661
13,145,328	14,420,599	11,357,160	9,100,601	8,835,176	6,760,554
(1,461,434)	(391,682)	930,268	1,195,138	(823,327)	1,401,126
<u>\$ 92,128,108</u>	<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>

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
EXPENSES				
Governmental activities:				
General government	\$ 3,257,172	\$ 3,339,778	\$ 4,019,169	\$ 3,843,319
Public safety	9,357,910	8,139,754	7,213,285	7,825,297
Highways and streets	3,519,522	3,053,100	2,714,590	2,712,010
Culture and recreation	2,844,742	2,590,297	1,074,861	1,176,670
Community development	2,246,357	2,080,542	2,936,614	2,322,457
Interest on long-term debt	135,571	153,629	160,114	115,103
Total governmental activities expenses	<u>21,361,274</u>	<u>19,357,100</u>	<u>18,118,633</u>	<u>17,994,856</u>
Business-type activities:				
Sewage disposal	2,672,436	2,525,114	2,144,924	2,317,611
Water	2,697,978	2,408,976	2,406,875	2,578,628
Storm water	327,393	458,488	400,431	253,439
Total business-type activities expenses	<u>5,697,807</u>	<u>5,392,578</u>	<u>4,952,230</u>	<u>5,149,678</u>
Total expenses	<u>\$ 27,059,081</u>	<u>\$ 24,749,678</u>	<u>\$ 23,070,863</u>	<u>\$ 23,144,534</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services				
General Government	\$ 8,272,837	\$ 3,864,493	\$ 2,192,551	\$ 2,466,178
Public Safety	-	572,138	2,710,924	2,619,621
Highways and streets	-	1,130,862	-	-
Culture and Recreation	-	776,673	670,535	296,061
Community development	-	465,232	17,226	20,901
Operating grants and contributions	2,507,279	1,586,300	296,609	357,951
Capital grants and contributions	570,434	714,131	2,904,396	1,745,490
Total governmental activities program revenues	<u>11,350,550</u>	<u>9,109,829</u>	<u>8,792,241</u>	<u>7,506,202</u>
Business-type activities:				
Charges for services	9,584,586	8,696,765	7,940,982	7,615,887
Operating grants and contributions	-	14,530	-	-
Capital grants and contributions	772,938	591,160	3,292,320	1,149,255
Total business-type activities program revenues	<u>10,357,524</u>	<u>9,302,455</u>	<u>11,233,302</u>	<u>8,765,142</u>
Total program revenues	<u>\$ 21,708,074</u>	<u>\$ 18,412,284</u>	<u>\$ 20,025,543</u>	<u>\$ 16,271,344</u>
Net (Expense)/Revenue				
Governmental activities	\$ (10,010,724)	\$ (10,247,271)	\$ (9,326,392)	\$ (10,488,654)
Business-type activities	4,659,717	3,909,877	6,281,072	3,615,464
Total net expense	<u>\$ (5,351,007)</u>	<u>\$ (6,337,394)</u>	<u>\$ (3,045,320)</u>	<u>\$ (6,873,190)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes and assessments	\$ 8,585,000	\$ 8,205,090	\$ 8,396,649	\$ 7,185,012
Franchise Fees	-	1,519,868	-	-
Miscellaneous	1,404,468	527,042	4,229,885	3,495,854
Proceeds from property sales	8,470	-	26,289	58,500
Transfers	1,433,169	1,348,667	1,236,800	1,248,500
Total governmental activities	<u>11,431,107</u>	<u>11,600,667</u>	<u>13,889,623</u>	<u>11,987,866</u>
Business-type activities:				
Miscellaneous	1,199,176	360,571	228,589	252,599
Transfers	(1,433,169)	(1,348,667)	(1,236,800)	(1,248,500)
Total business-type activities	<u>(233,993)</u>	<u>(988,096)</u>	<u>(1,008,211)</u>	<u>(995,901)</u>
Total	<u>\$ 11,197,114</u>	<u>\$ 10,612,571</u>	<u>\$ 12,881,412</u>	<u>\$ 10,991,965</u>
Change in Net Position				
Governmental activities	\$ 1,420,383	\$ 1,353,396	\$ 4,563,231	\$ 1,499,212
Business-type activities	4,425,724	2,921,781	5,272,861	2,619,563
Total	<u>\$ 5,846,107</u>	<u>\$ 4,275,177</u>	<u>\$ 9,836,092</u>	<u>\$ 4,118,775</u>

Source: City of Dallas Annual Comprehensive Financial Reports

	2020	2019	2018	2017	2016	2015
\$	6,066,986	\$ 3,128,997	\$ 3,072,693	\$ 2,618,629	\$ 2,815,836	\$ 2,018,683
	7,405,408	8,334,194	8,421,394	7,462,693	6,812,741	4,208,590
	2,773,333	783,447	750,043	776,622	3,183,830	2,968,164
	1,283,472	842,281	863,203	833,397	1,020,182	705,867
	2,594,730	3,021,745	2,794,594	2,434,292	1,982,360	1,561,447
	136,259	56,981	124,871	157,956	183,031	211,552
	<u>20,260,188</u>	<u>16,167,645</u>	<u>16,026,798</u>	<u>14,283,589</u>	<u>15,997,980</u>	<u>11,674,303</u>
	1,180,763	2,258,528	2,384,194	2,584,857	2,681,117	2,472,804
	2,306,226	2,226,989	2,062,003	2,587,227	1,935,944	1,656,456
	216,107	181,627	162,051	159,480	185,698	-
	<u>3,703,096</u>	<u>4,667,144</u>	<u>4,608,248</u>	<u>5,331,564</u>	<u>4,802,759</u>	<u>4,129,260</u>
\$	<u>23,963,284</u>	<u>20,834,789</u>	<u>20,635,046</u>	<u>19,615,153</u>	<u>20,800,739</u>	<u>15,803,563</u>
\$	613,897	\$ 672,612	\$ 2,697,392	\$ 1,978,726	\$ 2,412,882	\$ 1,198,834
	2,434,316	2,570,300	2,130,488	1,707,545	1,621,164	1,014,802
	-	-	171,029	80,333	203,855	92,806
	493,594	599,017	388,827	203,841	564,981	547,647
	11,264	13,370	556,725	537,447	282,305	406,971
	1,641,459	599,195	235,827	95,408	251,797	16,252
	1,638,878	339,717	1,385,564	41,929	800,746	160,224
	<u>6,833,408</u>	<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>
	6,836,157	6,608,518	6,162,438	5,768,881	5,600,125	5,435,502
	-	-	-	-	-	-
	1,700,395	861,194	2,216,095	1,363,150	569,295	247,351
	<u>8,536,552</u>	<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>15,369,960</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>
\$	(13,426,780)	\$ (11,373,434)	\$ (8,460,946)	\$ (9,638,360)	\$ (9,860,250)	\$ (8,236,767)
	4,833,456	2,802,568	3,770,285	1,800,467	1,366,661	1,553,593
\$	<u>(8,593,324)</u>	<u>(8,570,866)</u>	<u>(4,690,661)</u>	<u>(7,837,893)</u>	<u>(8,493,589)</u>	<u>(6,683,174)</u>
\$	6,495,316	\$ 6,447,411	\$ 6,506,395	\$ 5,832,686	\$ 5,938,713	\$ 6,152,989
	1,336,582	1,302,982	1,254,229	1,185,056	1,116,780	1,093,765
	2,158,508	2,850,312	1,070,181	740,621	577,797	310,686
	-	-	-	-	-	-
	1,151,993	1,152,150	1,095,150	1,025,000	1,025,000	1,025,000
	<u>11,142,399</u>	<u>11,752,855</u>	<u>9,925,955</u>	<u>8,783,363</u>	<u>8,658,290</u>	<u>8,582,440</u>
	372,915	411,547	518,501	1,018,297	247,140	271,629
	(1,151,993)	(1,152,150)	(1,095,150)	(1,025,000)	(1,025,000)	(1,025,000)
	<u>(779,078)</u>	<u>(740,603)</u>	<u>(576,649)</u>	<u>(6,703)</u>	<u>(777,860)</u>	<u>(753,371)</u>
\$	<u>10,363,321</u>	<u>11,012,252</u>	<u>9,349,306</u>	<u>8,776,660</u>	<u>7,880,430</u>	<u>7,829,069</u>
\$	(2,284,381)	\$ 379,421	\$ 1,465,009	\$ (854,997)	\$ (1,201,960)	\$ 345,673
	4,054,378	2,061,965	3,193,636	1,793,764	588,801	800,222
\$	<u>1,769,997</u>	<u>2,441,386</u>	<u>4,658,645</u>	<u>938,767</u>	<u>(613,159)</u>	<u>1,145,895</u>

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
General Fund:				
Restricted	\$ -	\$ -	\$ -	\$ -
Committed	-	-	-	-
Unassigned	4,228,264	4,492,617	6,288,395	3,715,726
Total General Fund	<u>\$ 4,228,264</u>	<u>\$ 4,492,617</u>	<u>\$ 6,288,395</u>	<u>\$ 3,715,726</u>
Special Revenue Funds:				
Restricted	\$ 4,851,631	\$ 4,721,557	\$ 7,767,081	\$ 4,438,688
Committed	154,850	219,190	282,182	313,682
Assigned	46,410	47,550	2,317	-
Unassigned	(44,620)	-	-	-
Total Special Revenue Funds	<u>\$ 5,008,271</u>	<u>\$ 4,988,297</u>	<u>\$ 8,051,580</u>	<u>\$ 4,752,370</u>
Debt Service Funds:				
Restricted	\$ 11	\$ 11	\$ 11	\$ 11
Committed	-	-	-	-
Unassigned	-	-	-	-
Total Debt Service Funds	<u>\$ 11</u>	<u>\$ 11</u>	<u>\$ 11</u>	<u>\$ 11</u>
Capital Projects Funds:				
Restricted	\$ 16,426,498	\$ 15,221,081	\$ 13,728,752	\$ 12,500,366
Committed	-	-	-	-
Unassigned	-	(7,895)	-	(67,501)
Total Debt Service Funds	<u>\$ 16,426,498</u>	<u>\$ 15,213,186</u>	<u>\$ 13,728,752</u>	<u>\$ 12,432,865</u>
All Governmental Funds:				
Restricted	\$ 21,278,140	\$ 21,495,844	\$ 21,495,844	\$ 16,939,065
Committed	154,850	282,182	282,182	313,682
Assigned	46,410	2,317	2,317	-
Unassigned	4,183,644	6,288,395	6,288,395	3,648,225
Gene Total All Governmental Funds	<u>\$ 25,663,044</u>	<u>\$ 28,068,738</u>	<u>\$ 28,068,738</u>	<u>\$ 20,900,972</u>

Source: City of Dallas Annual Comprehensive Financial Reports

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
2,712,289	2,314,216	2,278,112	2,001,787	2,049,619	1,793,551
<u>\$ 2,712,289</u>	<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>
\$ 3,220,090	\$ 3,268,670	\$ 1,918,839	\$ 1,577,973	\$ 8,463,452	\$ 6,379,403
217,590	258,170	213,301	166,342	157,749	108,813
-	-	567,335	454,698	-	-
-	-	-	-	(185,924)	(168,005)
<u>\$ 3,437,680</u>	<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>
\$ 11	\$ 378,845	\$ 347,682	\$ 360,719	\$ 371,724	\$ 381,151
-	-	11	11	11	11
-	-	-	-	-	-
<u>\$ 11</u>	<u>\$ 378,845</u>	<u>\$ 347,693</u>	<u>\$ 360,730</u>	<u>\$ 371,735</u>	<u>\$ 381,162</u>
\$ 9,830,110	\$ 10,773,084	\$ 9,090,639	\$ 7,161,909	\$ -	\$ -
-	-	192,212	234,497	445,996	130,902
(17,713)	(41,995)	(5,124)	(381,652)	-	-
<u>\$ 9,812,397</u>	<u>\$ 10,731,089</u>	<u>\$ 9,277,727</u>	<u>\$ 7,014,754</u>	<u>\$ 445,996</u>	<u>\$ 130,902</u>
\$ 13,050,211	\$ 14,420,599	\$ 11,357,160	\$ 9,100,601	\$ 8,835,176	\$ 6,760,554
217,590	258,170	405,524	400,850	603,756	239,726
-	-	567,335	454,698	-	-
2,694,576	2,272,221	2,272,988	1,620,135	1,863,695	1,625,546
<u>\$ 15,962,377</u>	<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>

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
REVENUES				
Taxes and assessments	\$ 6,027,455	\$5,679,474	\$5,393,763	\$5,125,205
Licenses and permits	732,886	969,080	626,521	817,264
Intergovernmental	5,034,991	4,084,267	4,643,807	2,302,463
Franchise fees	1,729,559	1,519,868	1,394,247	1,422,706
Charges for services	5,090,516	5,170,492	4,911,386	5,577,566
Fines and forfeitures	115,873	124,673	125,544	159,633
Miscellaneous	1,989,372	1,325,774	2,121,923	2,100,566
Total Revenues	<u>20,720,652</u>	<u>18,873,628</u>	<u>19,217,191</u>	<u>17,505,403</u>
EXPENDITURES				
Current operating:				
General government	2,031,592	1,953,917	2,405,499	2,574,358
Highways and streets	617,324	591,119	501,194	527,611
Culture and recreation	2,497,400	2,303,648	784,199	746,985
Public Safety	8,871,278	7,906,213	6,969,873	6,693,605
Community development	2,198,982	2,084,310	2,951,037	2,219,124
Capital outlay	4,507,939	6,166,497	3,209,365	1,554,589
Debt service				
Interest	137,820	155,723	162,813	118,194
Principal	738,638	712,638	702,745	336,957
Total Expenditures	<u>21,600,973</u>	<u>21,874,065</u>	<u>17,686,725</u>	<u>14,771,423</u>
REVENUES OVER (UNDER) EXPENDITURES	(880,321)	(3,000,437)	1,530,466	2,733,980
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	-	-	-
Transfers in	2,652,900	2,287,722	2,182,971	2,338,177
Transfers out	(1,149,013)	(901,222)	(885,671)	(1,008,677)
Proceeds from sale of capital assets	-	-	-	58,500
Debt proceeds	-	-	4,340,000	-
Proceeds from lease and SBITA obligations	345,367	124,955	-	-
Total Other Financing Sources (Uses)	<u>1,849,254</u>	<u>1,511,455</u>	<u>5,637,300</u>	<u>1,388,000</u>
NET CHANGE IN FUND BALANCES	<u>\$ 968,933</u>	<u>\$ (1,488,982)</u>	<u>\$ 7,167,766</u>	<u>\$ 4,121,980</u>
Debt service as a percentage of noncapital expenditures	<u>4.98%</u>	<u>5.29%</u>	<u>5.59%</u>	<u>3.33%</u>

Source: City of Dallas Annual Comprehensive Financial Reports

2020	2019	2018	2017	2016	2015
\$4,855,430	\$4,993,262	\$4,715,373	\$4,427,603	\$4,444,923	\$4,368,926
459,009	586,167	2,895,086	1,856,176	2,511,999	1,092,380
3,303,611	2,666,041	2,327,152	1,514,298	2,056,850	1,990,867
1,336,582	1,302,982	1,254,229	1,185,056	1,116,780	1,093,765
4,099,739	4,289,141	2,350,932	1,940,726	1,890,230	1,481,555
183,013	497,520	246,826	217,196	209,729	189,771
1,511,027	1,245,494	1,069,210	1,000,526	567,788	277,386
<u>15,748,411</u>	<u>15,580,607</u>	<u>14,858,808</u>	<u>12,141,581</u>	<u>12,798,299</u>	<u>10,494,650</u>
3,736,748	2,327,527	1,711,724	1,453,008	1,343,077	1,292,338
554,726	587,394	544,728	574,813	585,384	529,501
772,576	631,506	626,912	616,834	539,061	456,838
6,279,161	6,248,617	6,115,758	5,523,810	5,118,464	4,951,183
2,532,564	2,265,573	2,029,609	1,801,729	1,605,064	1,440,384
5,302,979	1,668,882	1,111,693	2,032,532	1,397,170	1,486,639
123,693	99,750	128,119	656,772	179,014	199,555
286,270	638,725	697,192	153,826	711,459	680,596
<u>19,588,717</u>	<u>14,467,974</u>	<u>12,965,735</u>	<u>12,813,324</u>	<u>11,478,693</u>	<u>11,037,034</u>
(3,840,306)	1,112,633	1,893,073	(671,743)	1,319,606	(542,384)
-	-	-	120,632	385,795	-
2,889,097	2,389,361	2,300,568	2,349,323	1,944,307	1,459,395
(1,685,404)	(1,205,011)	(1,168,418)	(1,454,555)	(972,907)	(488,995)
-	51,000	1,500	-	-	-
1,648,000	-	-	-	-	-
-	-	-	-	-	-
<u>2,851,693</u>	<u>1,235,350</u>	<u>1,133,650</u>	<u>1,015,400</u>	<u>1,357,195</u>	<u>970,400</u>
<u>\$ (988,613)</u>	<u>\$ 2,347,983</u>	<u>\$ 3,026,723</u>	<u>\$ 343,657</u>	<u>\$ 2,676,801</u>	<u>\$ 428,016</u>
<u>2.61%</u>	<u>5.80%</u>	<u>7.48%</u>	<u>7.88%</u>	<u>8.89%</u>	<u>8.48%</u>

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
FUNCTIONS/PROGRAMS				
Governmental Activities:				
General government	\$ 10,557,513	\$ 4,820,669	\$ 2,192,551	\$ 2,466,178
Public safety	70,120	645,783	2,751,381	2,767,630
Highways and streets	616,263	1,905,022	2,718,686	1,272,088
Culture and recreation	90,612	1,001,601	959,169	817,094
Community development	16,042	736,754	170,454	183,212
Total Governmental Activities	<u>11,350,550</u>	<u>9,109,829</u>	<u>8,792,241</u>	<u>7,506,202</u>
Business-type Activities:				
Sewage disposal	4,206,562	4,176,904	4,863,899	4,151,362
Water	4,669,674	3,975,078	4,565,584	3,793,744
Storm Water	<u>1,481,288</u>	<u>1,150,473</u>	<u>1,803,819</u>	<u>820,036</u>
Total Business-type Activities	<u>10,357,524</u>	<u>9,302,455</u>	<u>11,233,302</u>	<u>8,765,142</u>
Total Activities	<u>\$ 21,708,074</u>	<u>\$ 18,412,284</u>	<u>\$ 20,025,543</u>	<u>\$ 16,271,344</u>

Source: City of Dallas Annual Comprehensive Financial Reports

2020	2019	2018	2017	2016	2015
\$ 713,897	\$ 672,612	\$ 2,697,392	\$ 1,978,726	\$ 2,412,882	\$ 1,198,834
2,592,039	2,686,573	2,362,575	1,800,545	1,808,359	1,028,641
1,509,503	339,717	1,223,729	80,333	696,605	92,806
775,610	602,713	721,691	245,770	567,143	550,060
1,242,359	492,596	560,465	539,855	652,741	567,195
<u>6,833,408</u>	<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>
4,163,214	3,557,368	3,927,609	3,660,323	3,222,212	3,148,628
3,459,188	3,413,340	3,370,531	2,888,059	2,596,955	2,534,225
914,150	499,004	1,080,393	583,649	350,253	-
<u>8,536,552</u>	<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>\$ 15,369,960</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>

PAGE INTENTIONALLY LEFT BLANK

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

Fiscal Year Ended June 30,	Real Property		Personal Property*	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
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
2024	1,243,514,682	2,486,300,282	28,706,933	62,191,380

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

Public Utility Property		Total		Ratio of Total Assessed to Total Estimated Actual Value	Total Direct Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$ 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	4.31
27,544,639	27,842,866	1,299,766,254	2,576,334,528	50.45	4.33

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

Fiscal Year Ended June 30,	City of Dallas1	City of Dallas2	City of Dallas Total	Polk County	School District #2
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	4.31	-	4.31	2.11	6.16
2024	4.33	-	4.33	2.18	6.06

Note: 1 Permanent tax rate = Total direct tax rate; 2 Tax levy for debt service

Source: Polk County Department of Assessment and Taxation
Oregon Department of Revenue Summary of Assessments and Levies

Chemeketa Community College	Chemeketa Regional Library	Polk Conservation District	Willamette ESD	Dallas Cemetery District	4-H Extension District	Total
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	13.92
0.88	0.08	0.05	0.29	0.05	0.07	13.91
0.62	0.08	0.05	0.29	0.05	0.07	13.74
0.86	0.08	0.05	0.29	0.05	0.07	13.97

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

Taxpayer	2024			2015		
	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	1.35%	\$ -	-	-
Northwest Natural Gas	13,699,000	2	1.05%	6,436,000	3	0.74%
Greenway	9,679,580	3	0.74%	7,418,740	1	0.86%
Wal-Mart	8,454,890	4	0.65%	6,480,080	2	0.75%
Victoria Place General Partnership	8,052,400	5	0.62%	6,171,570	4	0.71%
Dallas Mennonite Ret Comm, Inc	7,145,690	6	0.55%	5,418,570	5	0.63%
Charter Communications	6,544,850	7	0.50%	4,392,500	6	0.51%
Pacificorp (PP&L)	6,239,976	8	0.48%	2,855,000	10	0.33%
Ascentec Properties LLC	5,181,100	9	0.40%	-	-	-
1351 Tandem Ave LLC Etal	4,779,460	10	0.37%	-	-	-
Safeway #404	-	-	0.00%	3,204,650	7	0.37%
Lacreole Properties Inc	-	-	0.00%	2,890,780	8	0.33%
Forest River Manufacturing LLC	-	-	0.00%	2,925,220	9	0.34%
	<u>\$ 87,316,666</u>		<u>6.71%</u>	<u>\$ 48,193,110</u>		<u>5.57%</u>

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

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

Fiscal Year Ended June 30,	Total tax levy (net of discounts)	Collected in year of levy		Collected in subsequent years	Total collections to date	
		Amount	Percent of Levy		Amount	Percent of Levy
2015	\$ 4,399,871	\$ 4,157,700	94.50	\$ 127,939	\$ 4,285,639	97.40
2016	4,518,220	4,278,742	94.70	108,135	4,386,877	97.09
2017	4,432,938	4,183,640	94.38	110,453	4,294,093	96.87
2018	4,699,253	4,442,743	94.54	103,466	4,546,209	96.74
2019	4,901,124	4,681,046	95.51	108,461	4,789,507	97.72
2020	4,743,320	4,642,543	97.88	65,783	4,708,326	99.26
2021	5,010,014	4,796,120	95.73	69,624	4,865,744	97.12
2022	5,293,010	5,071,078	95.81	55,142	5,126,220	96.85
2023	5,622,388	5,376,436	95.63	54,275	5,430,711	96.59
2024	5,918,303	5,649,002	95.45	-	5,649,002	95.45

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:

Fiscal Year Ended June 30,	Population	Assessed Value	Bonded Debt	Loan Payable	Lease and SBITA Payable	Total Outstanding Debt	Ratio of Bonded Debt to Assessed Value	Debt as % Personal Income	Bonded Debt Per Capita
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	92,747	6,077,728	0.0048	NA	338.40
2024	17,924	1,299,766,254	5,145,000	101,343	323,529	5,569,872	0.0043	NA	310.75

BUSINESS-TYPE ACTIVITIES:

Fiscal Year Ended June 30,	Population	Assessed Value	Notes Payable and Bonded Debt	Loan Payable	Lease and SBITA Payable	Total Outstanding Debt	Ratio of Bonded Debt to Assessed Value	Debt as % Personal Income	Bonded Debt Per Capita
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
2024	17,924	1,299,766,254	3,050,000	2,737,636	-	5,787,636	0.0045	NA	322.90

TOTAL DEBT:

Fiscal Year Ended June 30,	Population	Assessed Value	Notes Payable and Bonded Debt	Loan Payable	Lease and SBITA Payable	Total Outstanding Debt	Ratio of Bonded Debt to Assessed Value	Debt as % Personal Income	Bonded Debt Per Capita
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	7,7194	-	12,891,130	0.0147	2.07%	827.95
2018	15,830	939,567,006	8,932,597	7,8444	-	12,781,368	0.0136	1.95%	807.41
2019	16,260	998,932,582	7,138,624	8,0535	-	10,745,773	0.0108	1.54%	660.87
2020	16,555	1,067,047,707	7,321,000	8,1955	-	10,640,899	0.0100	1.41%	642.76
2021	17,320	1,128,208,719	6,773,000	8,5700	-	9,800,252	0.0087	1.13%	565.83
2022	17,836	1,194,866,901	10,162,000	8,8210	-	12,920,316	0.0108	1.13%	724.40
2023	17,960	1,269,824,790	9,195,000	8,8779	92,747	11,841,187	0.0093	NA	659.31
2024	17,924	1,299,766,254	8,195,000	8,8601	323,529	11,357,508	0.0087	NA	633.65

CITY OF DALLAS, OREGON
COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
30-Jun-24

<u>Governmental Unit</u>	<u>Real market values of overlapping districts</u>	<u>Tax-supported debt outstanding¹</u>	<u>Percentage overlapping²</u>	<u>Overlapping debt applicable to the City of Dallas</u>
Debt Repaid with Property Taxes				
Chemeketa Community College	\$ 88,051,719,968	\$ 71,255,000	3.21 %	\$ 2,283,865
Willamette ESD	96,537,789,423	4,999,798	2.92 %	146,164
Polk Cty SD 2 (Dallas)	4,201,558,967	62,951,000	67.17 %	42,284,376
Polk County	14,867,072,306	11,729,346	18.98 %	2,226,570
Subtotal, overlapping debt		150,935,144		46,940,975
Direct debt outstanding:				
City of Dallas	<u>2,822,201,626</u>	<u>5,569,872</u>	100.00 %	<u>5,569,872</u>
Total Direct and Overlapping Debt	<u>\$ 2,822,201,626</u>	<u>\$ 156,505,016</u>		<u>\$ 52,510,847</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.

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

² 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
COMPUTATION OF LEGAL DEBT MARGIN
30-Jun-24

ORS 287.004 provides a debt limit of 3% of true cash value of all taxable property within the City boundaries:

Assessed value	\$ 1,299,766,254
Rate	<u>x 3%</u>
Debt limit	38,992,988
Debt applicable to limit	<u>0</u>
Legal debt margin	<u><u>\$ 38,992,988</u></u>

<u>Fiscal year ended June 30,</u>	<u>Debt Limit</u>	<u>Debt Applicable to Limit</u>	<u>Legal Debt Margin</u>
2015	\$ 25,928,964	\$ 1,563,849	\$ 24,365,115
2016	26,711,967	1,013,276	25,698,691
2017	26,236,759	554,281	25,682,478
2018	28,187,010	72,318	28,114,692
2019	29,967,977	-	29,967,977
2020	32,011,431	-	32,011,431
2021	33,846,262	-	33,846,262
2022	35,846,007	-	35,846,007
2023	38,094,744	-	38,094,744
2024	38,992,988	-	38,992,988

Source: Polk County Department of Assessment and Taxation and City of Dallas

**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	
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
2024	4,610,613	3,090,697	1,519,916	484,383	122,469	606,852	250.46

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	
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	2,349.00
2022	3,977,836	2,095,368	1,882,468	56,000	18,008	74,008	2,543.60
2023	4,077,603	1,859,180	2,218,423	57,000	16,570	73,570	3,015.39
2024	4,117,118	3,699,609	417,509	59,000	15,058	74,058	563.76

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

Fiscal Year Ended June 30,	Population	Per Capita Personal Income	Total Personal Income (in 000's)	Estimated Employed Population*	Average Annual Wage*	Area in square miles	Average Density (persons / square mile)	Average Annual Unemploy- ment*
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	5,156	51,489	4.45	4,036.0	3.6%
2024	17,924	NA	NA	NA	NA	4.45	4,027.9	3.9%

*State of Oregon Employment Department

Source: Portland State University Population Research and Census
www.qualityinfo.org - Oregon Employment Department

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

Employer	2024			2015		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Dallas Public Schools	450	1	8.73%	300	4	6.49%
Polk County	381	2	7.39%	321	2	6.94%
Dallas Retirement Village	340	3	6.59%	310	3	6.71%
West Valley Hospital	303	4	5.88%	177	5	3.83%
Safeway Stores, Inc.	180	5	3.49%	98	9	2.12%
City of Dallas	155	6	3.01%	140	7	3.03%
Forest River	135	7	2.62%	159	6	3.44%
Wal-Mart	120	8	2.33%	355	1	7.68%
Open Road Transport	75	9	1.45%	-	-	-
Mak Metals	67	10	1.30%	-	-	-
James W. Fowler Company	-	-	-	125	8	2.70%
	<u>2,206</u>		<u>42.79%</u>	<u>1,985</u>		<u>42.94%</u>

Source: Employers
 Oregon Employment Department

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

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	18	16	17	21	17	20	18	22	23	24
Public safety	25	25	29	28	33	35	33	32	50	55
Highways and streets	4	4	3	3	2	3	3	3	3	4
Culture and recreation	23	23	26	27	27	12	21	23	24	25
Sewage disposal	6	9	6	7	7	7	7	7	7	8
Water	5	3	4	7	9	9	7	7	9	9
Ambulance	17	19	18	16	16	16	16	16	*	*
Total	<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>	<u>125</u>

*Ambulance department is combined with public safety.
 Source: City of Dallas

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

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Arrests	1,114	1,064	1,108	1,336	1,200	802	443	408	759	677
Traffic violations	846	1,550	1,570	1,300	1,000	582	685	338	296	459
Municipal Court Cases	2,045	2,504	2,439	2,061	1,767	1,768	1,406	1,107	1,316	1,053
Fire Responses										
City	500	757	1,025	1,099	669	915	1,187	1,235	1,534	1,004
Rural*	480	610	641	578	459	-	-	-	-	-
*data no longer collected due to mutual aid agreements										
Ambulance										
Transports	2,297	2,378	2,466	2,468	2,486	2,674	2,859	2,745	2,664	3,507
Building Activity										
Permits Issued	194	242	214	642	715	638	700	733	728	697
Estimated Value (000's)	\$ 19,979	\$ 41,262	\$ 37,976	\$ 45,331	\$ 45,050	\$ 33,006	\$ 54,541	\$ 48,509	\$ 75,048	\$ 51,049
Planning Applications	118	175	136	118	112	110	117	111	113	106
Library										
Circulation	193,366	196,650	206,462	204,653	209,303	212,694	227,388	215,163	215,383	212,520
Miles of Streets Maintained	56.89	57.37	57.74	59.57	60.43	61.11	61.61	63.32	63.80	64.16
Water										
Connections	5,444	5,541	5,653	5,782	5,837	6,095	6,225	6,310	6,451	6,611
Sewer										
Connections	4,634	4,675	4,778	4,887	5,000	5,210	5,345	5,544	5,575	5,736

Source: City of Dallas

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

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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	4	4	4	4	4	4
Highways and streets										
Streets (miles)	60	60	60	61	61	62	63	65	66	66
Culture and recreation										
Number of parks	11	11	11	13	13	13	13	15	15	15
Acreage	99	99	99	106	106	107	107	108	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	488	490	505	559	568	575	582	599	601	604

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, 2024, and have issued our report thereon dated December 31, 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:

Honorable Mayor and Members of the City Council
 City of Dallas, Oregon
 Independent Auditor’s Report Required by Oregon State Regulations

Budgets legally required (ORS Chapter 294)

In the 2024-25 budget document, the historical information for the year ended June 30, 2023 did not agree to actual amounts reported in the financial statements as required by ORS 294.358 as follows:

Year ended June 30, 2023			
Fund	Proposed Budget	Year Actual	Difference
General Fund			
Resources	\$ 18,931,325	\$ 20,816,969	\$ (1,885,644)
System Development Fund			
Resources	15,019,811	14,865,782	154,029
Requirements	1,026,745	872,715	154,030

The City’s published financial summary, Form LB-1, for the 2024-25 budget did not agree with the amounts on the detailed budget sheets as required by ORS 294.438 as follows:

	Budget	LB-1	Variance
2023-24 Adopted Amounts			
Resources	67,420,396	67,836,565	(416,169)
Requirements	67,963,266	67,836,565	126,701

The City’s appropriations per the 2024-25 adopted budget resolution did not agree to the City’s adopted budget document as required by ORS 294.398 as follows:

Fund/Appropriation Category	Resolution	Budget Document	Variance
General Fund			
Police	\$ 4,872,750	\$ 4,927,750	\$ (55,000)
Sewer Fund			
Sewer Department	5,035,900	4,235,900	800,000
Contingency	3,320,621	3,570,621	(250,000)

In the City’s 2024-25 budget document, the City’s transfers in did not agree to transfers out as required

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

by ORS 294.361 (2) as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Difference</u>
\$ 2,979,466	\$ 2,986,200	\$ (6,734)

Expenditures in excess of appropriations occurred during the year ended June 30, 2024, as follows:

<u>Fund / Appropriation Category</u>	<u>Actual</u>	<u>Appropriations</u>	<u>Variance</u>
Risk Management Fund / Materials and services	\$ 665,390	\$ 655,700	\$ 9,690
Trust/Reserve Fund / Library	\$ 54,498	\$ 42,000	\$ 12,498

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

December 31, 2024

By:



Brad Bingenheimer, Partner