

**CITY OF TROUTDALE
TROUTDALE, OREGON**

For the Year Ended June 30, 2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT



12700 SW 72nd Ave.
Tigard, OR 97223

CITY OF TROUTDALE OREGON

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended June 30, 2022

**SUBMITTED BY
FINANCE DEPARTMENT**

Erich Mueller

CITY OF TROUTDALE, OREGON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDING JUNE 30, 2022

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INTRODUCTORY SECTION



THE CITY OF TROUTDALE

OREGON

EST. 1907

December 23, 2022

TO THE HONORABLE MAYOR, MEMBERS OF THE CITY COUNCIL, AND CITIZENS OF THE CITY OF TROUTDALE, OREGON

The Finance Department is pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Troutdale, Oregon for the fiscal year ended June 30, 2022. State law requires that every local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. We believe the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City selected the accounting firm of Pauly, Rogers and Co., P.C. to conduct the independent financial audit. The auditor rendered an unmodified ("clean") opinion on the City of Troutdale financial statements for the year ended June 30, 2022. The independent auditor's report is located at the front of the Financial Section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

CITY PROFILE

The City of Troutdale is located in northwestern Oregon, in the eastern part of the Portland metropolitan area, in Multnomah County. It is comprised of approximately six square miles and has a population of 16,185.

Troutdale was incorporated in 1907 and operates under the provisions of its own charter adopted in 1994 and applicable State law. The City operates under the Council-Manager form of government. Policy making and legislative authority are vested in the City Council which consists of a Mayor and six Council members. The Mayor is elected to a four-year term; the Council members are elected at large by the citizens of Troutdale with each

Councilor serving a four-year term. The City Council provides community leadership and develops policies to guide the City by setting goals, passing ordinances and adopting resolutions, appointing advisory committees, authorizing contracts, adopting budgets, and hiring the City Manager, City Attorney and City Judge.

The City Manager is the administrative head of the City responsible for carrying out the policies and ordinances of the Council, managing the day-to-day operations of the City and appointing department heads.

The City provides a full range of services as authorized in its charter and ordinances. This includes police protection, contract fire service, street construction and maintenance, water, sanitary and storm sewers, parks, land use planning and zoning, public improvements, building inspections, code enforcement, municipal court, recreation programs and general administrative services.

The City's annual budget is prepared in accordance with the provisions of Oregon Local Budget Law. The budgeting process includes citizen input through various stages of preparation, public hearings, and adoption of the final budget by the City Council. Additional resources not anticipated in the adopted budget may be added through the use of a supplemental budget. A supplemental budget requires hearings before the public, publication in newspapers, and formal adoption by the City Council. Original and supplemental budgets may be modified by the use of appropriation transfers with required approval by the City Council.

The annual budget serves as the foundation for the City of Troutdale's financial planning and control. Budgetary control is maintained and appropriated at the department or program level in the general operating fund and public services fund while all other funds are maintained and appropriated by major category of expense, such as personnel services, materials and services, capital outlay, debt service, and transfers. The operating contingency account is appropriated separately in each fund.

For additional statistics and information about the City of Troutdale please refer to the Statistical Section of this report.

ECONOMIC CONDITION AND OUTLOOK

Local Economy. The city's location in the Portland metropolitan region provides residents with many diverse employment opportunities. The majority of Troutdale's residents in the workforce commute to a job somewhere else in the region. The Portland Oregon regional economy has fully recovered from the great recession.

The COVID-19 public health emergency has disrupted families, schools, employment, all levels of government and the overall economy. The various government orders to limit person to person contact modestly impacted City revenues and expenses during the reporting period, and the impacts while evolving are expected to continue to lessen through the subsequent fiscal year. The unemployment rate after spiking in the Spring of 2020 to over 15% has decreased to approximately 4.1% and is expected to rise slightly over the subsequent reporting period.

The American Rescue Plan Act of 2021 (ARPA), provides additional relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses. The City received the first tranche of \$1.8 million during the report period and expected to receive an equal amount as a second tranche in the next

reporting period from the ARPA Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) providing assistance to local governments.

The Oregon economy contracted in 2020 with a negative 3.1% GDP rate. Unprecedented federal support programs to counter the COVID-19 impacts resulted in strong consumer sentiment with a 2021 GDP rebound exceeding 5%. Strong labor demand continues to be challenged by hybrid or remote school schedules and care giving obligations keeping many out of the workforce. GDP for 2022 is projected at 2% reflecting the significant efforts of the Federal Reserve to reduce the 40 year record high inflation. GDP is expected to be flat to slightly negative as a consequence of the expected mild recession in 2023.

The City of Troutdale receives a portion of the business income tax collected by Multnomah County. The County distributes an allocation to the City of Troutdale, City of Gresham, City of Wood Village and City of Fairview. The tax is distributed based on population and assessed values. The County Commission recently increased the tax rate and modified the portion of revenue which is allocated to the four East County Cities. The combination of the rate increase, formula change, and COVID-19 impacts. Troutdale received \$1.7 million in the report period with an modest increase expected next year

There continues to be interest in Troutdale Reynolds Industrial Park (TRIP) site with the addition of the recently completed Amazon.com fulfillment center project. Development increase is a combination of an easy commute to the nearby cities and the presence of high recreation, and education facilities that have strengthened the city's economic base. Residential and commercial permits have increased. The housing market continues to grow. The City continues to examine opportunities to incrementally invest in services which meet the need of the growing community, while also maintaining existing capital assets in a manner that ensures future years are not overly burdened with costs of our most basic and vital infrastructure.

Troutdale has a diversified economic base. The City is home to one of the Port of Portland's three general aviation airports. The vibrancy of Troutdale is apparent with its easy access to the Port of Portland's international airport and Interstate 84 with two major travel center trucking stops, three motels, one hotel/resort and recreational vehicle park. Troutdale is home to light manufacturing, regional transportation trucking facilities, residential care facilities, factory outlet stores and state of the art shopping centers. A community college and major hospital facility border the south corporate boundary of Troutdale.

Troutdale's strategic location at the eastern edge of the Portland metropolitan area, the western gateway to the Columbia River Gorge National Scenic Area and the Sandy River Recreation Area, allows Troutdale to offer a combination of urban and rural lifestyles to its residents as well as attracting tourists and providing extensive services to commercial travelers.

The City faces longer term financial impact items which include City Hall replacement, Urban Renewal Agency cost, capped property tax increases, increasing health care and retirement costs, and limited acreage for residential development.

Due to its strong and healthy local economy, the City has maintained a strong credit rating for a city of its' size. Moody's Investors Service in 2022 continued their previously rating of the City's general obligation bonds as Aa2. In 2018 Moody's Investors Service rated the City's full faith and credit obligations as Aa2. The City was able to come through the recession of the last decade relatively well due to stable property tax revenues and to responsible fiscal management.

See the Management's Discussion and Analysis (MD&A) section for additional discussion of economic factors affecting the City.

Long-term Financial Planning. The annual budget serves as the foundation for the City of Troutdale's financial planning and control. The City's current and on-going planning efforts include annual goals set by the City Council, a comprehensive plan, and rolling year capital improvement plan supporting shorter-term strategic decisions. The City maintains a Capital Improvement Program which serves as its planning document to ensure that its facilities, equipment, and infrastructure are well maintained and in operating condition. A five-year general fund forecast which includes reserves is reviewed by the Budget Committee during the budget process. Financial forecasts on a regular basis to provide relevant financial information and long-term planning tools for the variety of business functions that the city performs, and range in length from 5 to 20 years depending on the business function. These plans are designed to provide enhanced fiscal sustainability for each program as well as throughout the City. Developing and utilizing these plans enhances the City's ability to address future fiscal needs in a proactive and measured approach.

The City remains committed to providing essential services and infrastructure to its residential and commercial population. The City is managed by fiscally conservative City officials who have always been careful with spending and keeping our debt ratio low. While revenues generally come in higher than anticipated, expenditures are kept to reasonable levels and generally lower than revenues, so as to maintain our reserves for future requirements.

Relevant Financial Policies. The City has a policy of providing accurate information on program and operating costs to assist sound management of the city government by providing accurate and timely information to the City Council's deliberations. In addition, the City policy is to provide and maintain essential public facilities, utilities, infrastructure and capital equipment through sound operational principles, which minimize the cost and financial risk of the city's government consistent with services, desired by the public.

MAJOR FINANCIAL INITIATIVES

Urban Renewal Agency for the City of Troutdale – In January 2006 the City Council established the Urban Renewal Agency for the City of Troutdale (Agency). In May 2006 the Troutdale voters approved the Troutdale Riverfront Renewal Plan. The goal of the Agency is to fund public improvements and spur private development in the Troutdale Riverfront area. The goal of the district is to promote the optimum development of the site. In 2018 the Agency purchased real property from Eastwinds Development LLC, to combine with the City owned land that housed the former sewage treatment plant. Throughout 2019 and 2020 environmental remediation and site demolition to prepare the property for redevelopment was conducted and costs significantly exceeded initial estimates. The City loaned additional funds to the Agency to complete the environmental remediation. The City and Agency completed the obligations of the Consent Judgment prospective purchaser agreement with the State of Oregon Department of Environmental Quality providing for environmental liability protections for future approved development. The Agency has begun the solicitation process to find a developer for the site now known as the Confluence at Troutdale.

Full Faith and Credit (FF&C) Obligations – In order to fund the Agency's real property purchase the City borrowed \$5 million to provide an interfund loan to the Agency. The City

is obligated to repay these debts from any available general revenue. Lenders see these debt payments as first priority payments from the General Fund without regard to other City spending considerations. Through an Intergovernmental Government Agreement (IGA) the City loaned the full \$5 million to the Agency to purchase the property and perform site preparation for resale including demolition and environmental cleanup across both properties. The Agency is obligated under the IGA to pay the City from the property sale proceeds, however if the fair reuse value at which the Agency sells the property is less than the costs, there will be inadequate funds to repay the City in full. However, the City will still be required to repay the outstanding Full Faith and Credit obligations at time of the property resale. Additionally, the General Fund during the site preparation period, is required to make the annual debt service payments without revenue from the Agency until the property resale, which will impact both the budget and the ending fund balance. The City added \$1.5 million to the FF&C obligations with a loan from the Brownfields Redevelopment Fund through the Oregon Business Development Department to finance to completion of the environmental remediation at the URA site.

Police Department Building – On November 2, 2010 Troutdale voters decided it was a civic priority to construct the proposed Community Police Facility by approving \$7.5 million of dedicated property tax resources through a General Obligation Bond. In conjunction with the IGA for Law Enforcement Services with the MCSO in July 2015 the City also leased the Community Police Facility to Multnomah County beginning in the coming Fiscal Year. The MCSO operates the Patrol Division from the City facility resulting in increased police presence in the City. From the rental income \$175,000 is applied to the annual general obligation bond payments, and thereby reducing the necessary debt service levy upon City taxpayers. The General Obligation Bonds were refunded in 2021 which will save the taxpayers approximately \$800,000 of future interest expense.

Old City Hall Building – The Old City Hall was vacant for 10 years in pursuit of the Council goal is to explore options to sell Old City Hall for redevelopment the building was sold. The proposed redevelopment of Old City Hall into restaurant, bar, and beer brewing operation will be a positive addition to the community. The redevelopment will contribute to continued economic redevelopment downtown and be of community value in saving a 100-year old building.

The Tourism and Economic Development Division established in 2019 continues to develop tourism promotion plans and is preparing for implementation of the Town Center Plan vision and goals. The completion of the Depot remodeling project has seen the reopening of the of a Troutdale Visitors Center located at the Depot.

AWARDS AND ACKNOWLEDGMENTS

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 Troutdale for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the 32nd consecutive year that the City has achieved this prestigious award. 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 government unit must publish an easily readable and efficiently organized annual comprehensive financial report (ACFR), whose contents conform to program standards. The 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. We believe our current report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Annual Comprehensive Financial Report was a combined effort of the dedicated staff in the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We also acknowledge the efforts of other departments who provided information that helped to make the report far more than a presentation of financial statements.

In closing, we acknowledge the City Council of Troutdale for their continued support and leadership.

Respectfully Submitted,



Erich R. Mueller
Finance Director





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Troutdale
Oregon**

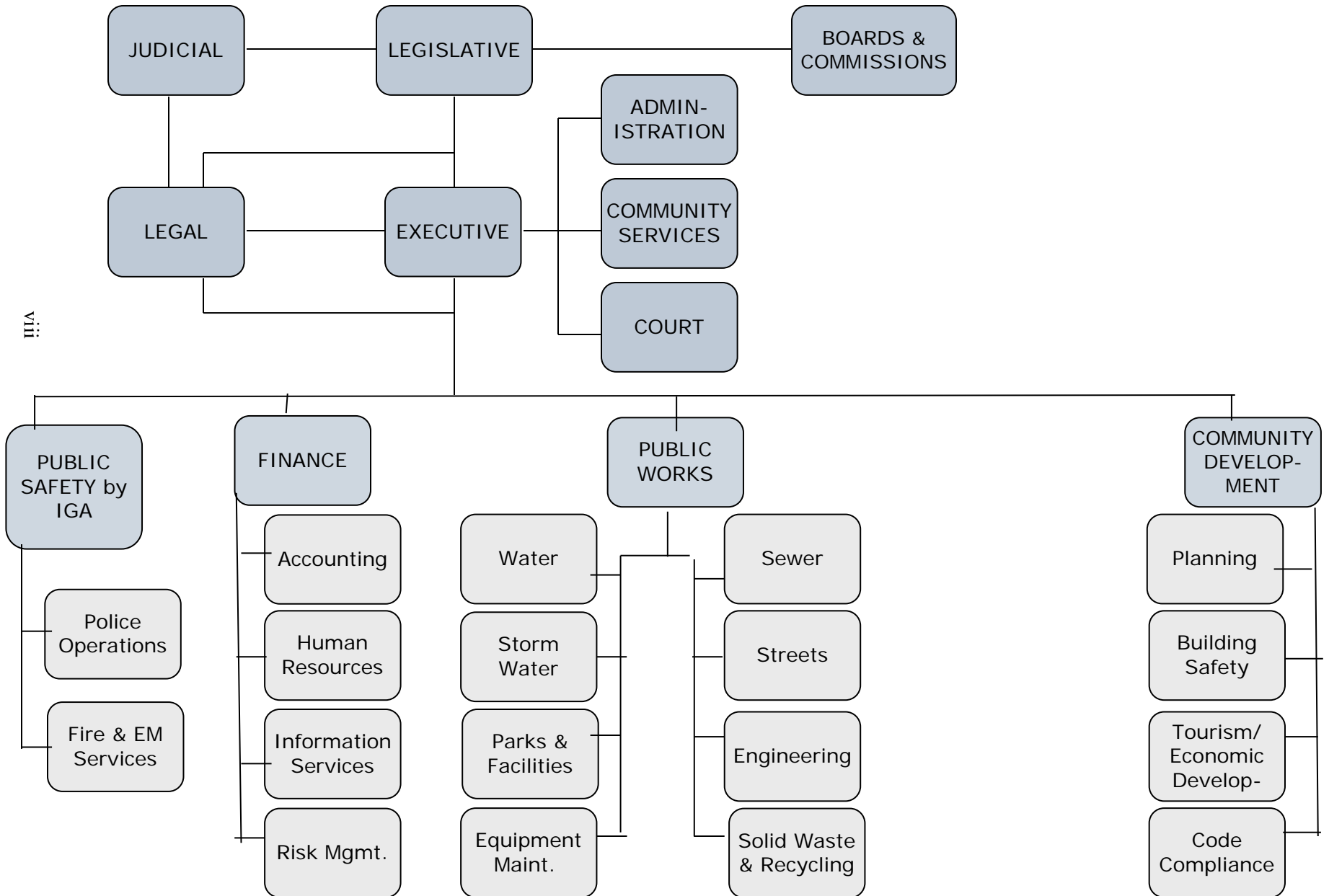
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Executive Director/CEO

City of Troutdale

Organization Chart by Function



City of Troutdale, Oregon

PRINCIPAL OFFICIALS AS OF JUNE 30, 2022

ELECTED OFFICIALS:

	<u>Term Expires</u>
MAYOR	

Randy Lauer	December 31, 2024
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COUNCIL MEMBERS

David Ripma	December 31, 2022
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Alison Caswell	December 31, 2024
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Jamie Kranz	December 31, 2022
-------------	-------------------

Glenn White	December 31, 2024
-------------	-------------------

Nick Moon	December 31, 2022
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Sandy Glantz	December 31, 2024
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APPOINTED OFFICIALS:

CITY MANAGER

Ray Young

LEGAL COUNSEL

Ed Trompke

DEPUTY PUBLIC WORKS DIRECTOR

Travis Hultin

COMMUNITY DEVELOPMENT DIRECTOR

Chris Damgen

FINANCE DIRECTOR

Erich Mueller

All may be reached at:

219 E. Historic Columbia River Hwy
Troutdale, OR 97060-2078
(503) 665-5175

FINANCIAL SECTION



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12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

December 19, 2022

To the Honorable Mayor and
Members of the City Council
City of Troutdale, Oregon

INDEPENDENT AUDITORS' REPORT

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Troutdale, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the 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 Troutdale, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue funds 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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Troutdale 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.

Change in Accounting Principle

The City adopted new accounting guidance, *GASB Statement No. 87- Leases* during the fiscal year under audit. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 City of Troutdale'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.

Auditors' 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 auditors' 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 of Troutdale'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 of Troutdale'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 and other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

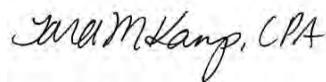
Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the introductory, statistical, and the compliance and other reports sections, as listed in the table of contents, but does not include the basic financial statements and our auditors' 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.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2022 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 19, 2022 on our consideration of 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.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This narrative provides an overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. It focuses on the year's financial activities, significant changes in the City's financial position, budget changes and variances from the approved budget, as well as economic factors affecting the City. We encourage readers to consider the information presented here in conjunction with the additional information provided in the Letter of Transmittal and the Basic Financial Statements included in this report.

The COVID-19 public health emergency which began in 2020 disrupted families, schools, employment, all levels of government and the overall economy. The various government orders to limit person to person contact modestly impacted City revenues and expenses during the reporting period. The various Federal assistance payments and programs moderated the economic impacts for both households and the City. In general the community has evolved to learn to live with COVID in some form in an ongoing manner. The Federal assistance directly to City has been of significant benefit in the reporting period and is expected to continue through the subsequent fiscal year.

FINANCIAL HIGHLIGHTS

- City assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of the fiscal year by \$83.1 million (*total net position*). Of this amount, \$11 million (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased \$8.9 million during the year. Due primarily from the increase in cash and investments from ARPA funds and effective cost controls. Total deferred outflows of resources increased \$1.2 million resulting from the pension plan change in actuarial method assumptions, difference between planned and actual benefits payments experience, along with measurement date value changes for Medical Benefit OPEB Liability. Similarly total deferred inflows of resources increased \$3.5 million resulting from the updated pension plan and Medical Benefit OPEB Liability measurement date value recalculations. Additional information on the deferred resource flows can be found on pages 37-38 and 45, of the Notes to the Basic Financial Statements.
- As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$24.7 million, an increase of \$4 million due to completion of the prior significant costs of the environmental remediation of the urban renewal site, and restricted balances from system development charges and increased revenue of charges for services. \$6.1 million of the ending fund balance is available to meet the City's ongoing obligations to citizens and creditors. (*unassigned fund balance*).
- At year-end, the unassigned fund balance for the General Fund, net of interfund loans to the URA, was \$6 million or 49% of total general fund expenditures during the year excluding debt refunding activity. The change in the ending fund balance for the General Fund is attributable to the delayed capital outlay, ARPA funds and reductions in budgeted expenditures.

- The City's capital assets net of depreciation decreased by \$1.2 million primarily due to limited infrastructure projects work in progress, other limited capital outlay, and routine depreciation and equipment disposals. Outstanding debt, excluding lease liabilities, landfill post-closure liabilities, and bond premium and, decreased by \$1 million through scheduled debt payments and refunding borrowings.

OVERVIEW OF FINANCIAL STATEMENTS

The City's annual financial report consists of several sections. Taken together they provide a comprehensive financial look at the City. The components of the report include the following:

- **Management's Discussion and Analysis (MD&A).** This section of the report provides financial highlights, overview and economic factors affecting the City. The MD&A is intended to explain the significant changes in financial position and differences in operations between the current and prior years.
- **Basic Financial Statements.** This section consists of government-wide financial statements, fund financial statements and notes to the financial statements. The first several statements are highly condensed and present a government-wide view of the City's finances. Within this view, all City operations are categorized and reported as either governmental or business-type activities. Governmental activities are principally supported by taxes and intergovernmental revenues while business-type activities recover all or a significant portion of their costs through user fees and charges. Governmental activities include basic services such as public safety, transportation, community development and general government. Business-type activities are water, sewer, storm sewer, and public services. The government-wide statements include the Statement of Net Position and the Statement of Activities.
 - The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snap-shot view of the assets the community owns, the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts.
 - The Statement of Activities focuses on gross and net costs of city programs and the extent to which such programs rely upon general tax and other revenues. This Statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
 - Fund financial statements focus separately on major government funds and proprietary funds. Governmental fund statements follow the more traditional presentation of financial statements. The City's major governmental funds are presented in their own column and the remaining funds are combined into a column titled "Other Governmental Funds". Budgetary comparison statements are presented for the General Fund and the Street Fund (the sole major special revenue fund). Statements for the City's proprietary funds follow the governmental funds and include revenues, expenses and changes in fund net position, and cash flow.
 - The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

- **Supplementary Information.** This section includes combining statements for non-major governmental funds and budgetary comparison schedules.
 - Combining Statements. Major funds are included within the Basic Financial Statements, whereas non-major funds are presented here. These statements include balance sheets and statements of revenues, expenditures and changes in fund balances.
 - Budgetary Comparisons. Budgetary information for all funds, except the General Fund and Street Fund, which are presented within the Basic Financial Statements, are presented here.
 - Capital Assets and Other Financial Schedules complete the Financial Section of the report.
- **Statistical Section.** Trend information and demographics.
- **Reports by Independent Certified Public Accountants.** Supplemental communication on city compliance and internal controls as required by Oregon statutes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Table 1 provides a summary of net position at fiscal year-end and is a condensed version of the statement of net position.

Table 1
City of Troutdale, Oregon
Summary of Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Cash and investments	\$ 24.3	\$ 20.1	\$ 18.2	\$ 12.5	\$ 42.5	\$ 32.6
Other assets	2.3	1.1	1.2	0.9	3.5	2.0
Capital assets	24.6	24.6	31.1	32.3	55.7	56.9
Total assets	51.2	45.7	50.5	45.7	101.6	91.5
Deferred Outflow s of Resource	2.2	1.3	0.8	0.5	3.0	1.8
Other liabilities	0.6	0.4	0.3	0.4	1.0	0.8
Long-term debt outstanding	14.7	15.7	1.1	1.4	15.8	17.1
Total liabilities	15.4	16.1	1.4	1.7	16.8	17.9
Deferred Inflow s of Resources	3.5	0.9	1.2	0.3	4.8	1.2
Net Position:						
Net investment in capital assets	13.0	12.9	31.1	32.3	44.1	45.2
Restricted	18.6	16.0	9.4	6.3	27.9	22.3
Unrestricted	2.9	1.1	8.1	5.5	11.0	6.6
Total net position	\$ 34.4	\$ 30.0	\$ 48.6	\$ 44.1	\$ 83.1	\$ 74.2

For the fiscal year ended June 30, 2021, Table 1 reflects the City restated the net position of the Governmental Activities and the Business Type Activities by \$638,281 respectively due to the reclassification of capital assets between activities.

The City's assets exceeded liabilities by \$83.1 million at the close of the fiscal year, a \$8.9 million increase from the prior year, primarily due to the delay in many capital projects and cautious budget expenditures. Total deferred outflows of resources increased \$1.2 million resulting from Pension related deferrals. Total liabilities decreased from both a reduction of Net Pension liabilities and routine debt payment reductions. Deferred inflow of resources increased due to recognition of right to use lease deferred inflows resulting from the implementation of GASB 87, as well as an increase in Pension related deferrals.

The majority of the City's net position reflect investment in capital assets (e.g., land, buildings, equipment and infrastructure, and significantly this year construction in process for the ongoing environmental remediation on the URA site), less any related outstanding debt used to acquire those assets. Net position invested in capital are non-liquid assets that cannot be used to meet current operating cash flow needs of the City. Investments include buildings and equipment used to provide city services and infrastructure benefiting the community, including roads, curbs and sidewalks, and water, sewer and waste water systems.

Restricted net position are subject to external restrictions on how they may be used. These restricted net position include system development charges (SDC) collected from developers to pay the cost of infrastructure expansion as needed to meet the demands of population growth, and taxes and other collections limited to repayment of debt. The significant increase in construction activity has generated SDC fees increasing restricted net position.

The remainder of the net position, referred to as unrestricted, may be used to meet the ongoing obligations of the government to citizens and creditors.

Statement of Activities

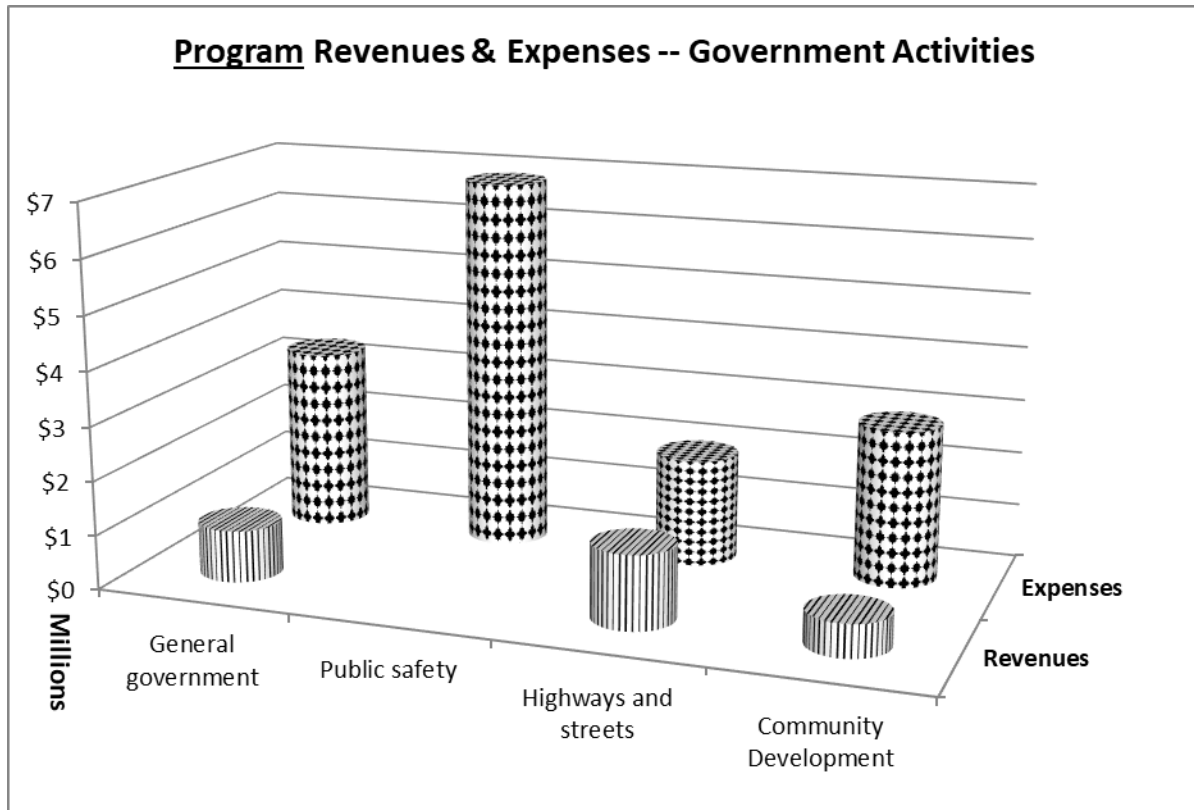
Table 2 provides a summary of the primary sources and uses and the resulting change in net position for the City. The information is condensed from the statement of activities.

Table 2
City of Troutdale, Oregon
Summary of Changes in Net Position
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 1.0	\$ 0.8	\$ 10.1	\$ 9.7	\$ 11.1	\$ 10.5
Operating grants and contributions	1.3	1.2	-	-	1.3	1.2
Capital grants and contributions	0.6	0.1	3.1	1.1	3.7	1.2
General revenues:						
Property taxes	6.4	6.2	-	-	6.4	6.2
Franchise and other taxes	4.4	3.7	-	-	4.4	3.7
Other receipts	6.1	5.1	0.2	0.2	6.3	5.3
Total revenues	<u>19.9</u>	<u>17.1</u>	<u>13.4</u>	<u>11.1</u>	<u>33.2</u>	<u>28.1</u>
Expenses:						
General government	3.4	3.4	-	-	3.4	3.4
Public safety	6.9	6.6	-	-	6.9	6.6
Highways and streets	2.0	2.0	-	-	2.0	2.0
Solid waste/recycling	0.0	0.0	-	-	0.0	0.0
Community development	2.9	3.1	-	-	2.9	3.1
Interest on long-term debt	0.4	0.4	-	-	0.4	0.4
Water	-	-	2.6	2.6	2.6	2.6
Sewer	-	-	3.4	3.4	3.4	3.4
Storm sewer	-	-	1.1	0.9	1.1	0.9
Public services	-	-	1.9	1.8	1.9	1.8
Total expenses	<u>15.5</u>	<u>15.6</u>	<u>8.9</u>	<u>8.7</u>	<u>24.4</u>	<u>24.3</u>
Increase (decrease) in net position						
position before Transfers	4.4	1.4	4.5	2.4	8.9	3.8
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	4.4	1.4	4.5	2.4	8.9	3.8
Net position, beginning	30.1	29.2	44.1	41.1	74.2	70.4
Net position, ending	<u>\$ 34.4</u>	<u>\$ 30.7</u>	<u>\$ 48.6</u>	<u>\$ 43.5</u>	<u>\$ 83.1</u>	<u>\$ 74.2</u>

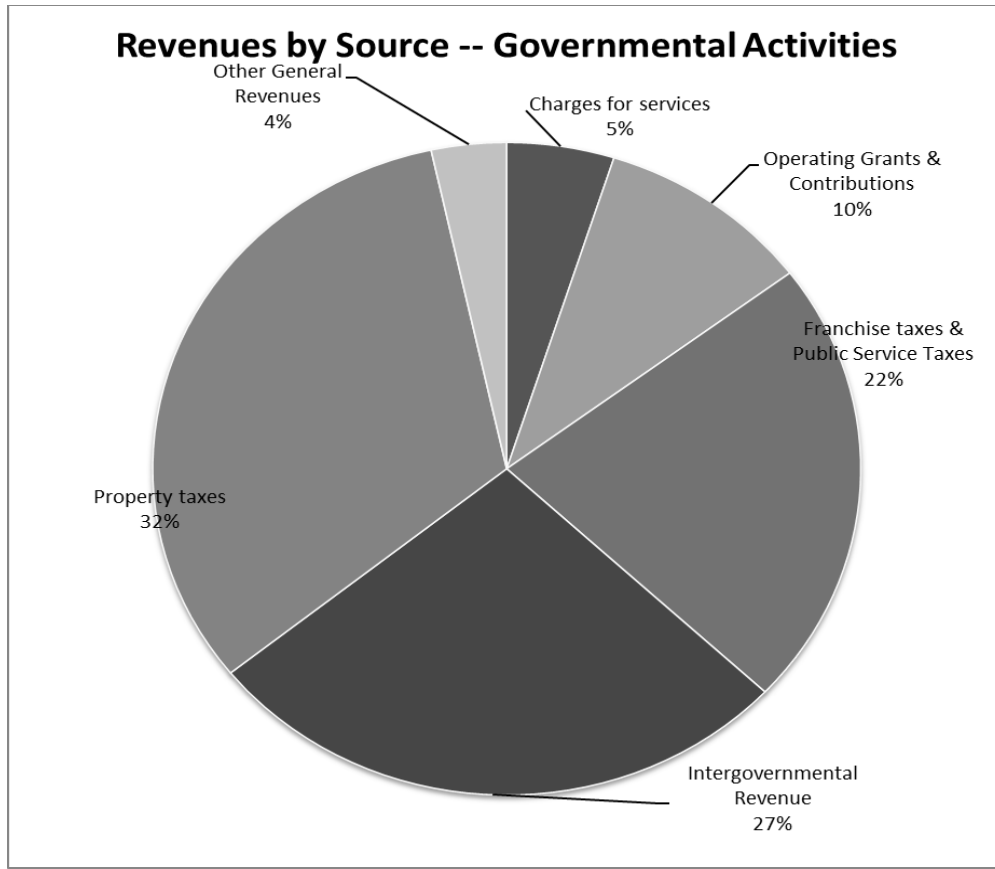
During the fiscal year, the City's total net position increased by \$8.9 million. Business Type activities increased \$4.5 million and the Governmental activities \$4.4 million increase.

The following graph shows the expenses of each governmental function compared to the program revenues generated specifically from its operations.



General government support services (administration, legal, human resources, financial, and computer information services) generate some revenues but are primarily funded from charges to the direct operating functions they support. The public safety function (police, fire and emergency services) generates program revenues as well, but property taxes and other General Fund revenues fund the majority of its costs. The highways and streets program is responsible for maintenance and construction of transportation systems, with funding provided by gas tax revenues. Community development services include building permit, planning and zoning, parks maintenance, and facilities maintenance functions. The building permit program covers total service costs with user permit fees. The planning and zoning and parks and facilities maintenance functions cover some program costs with user fees, but property taxes and other General Fund revenues fund the majority of their costs.

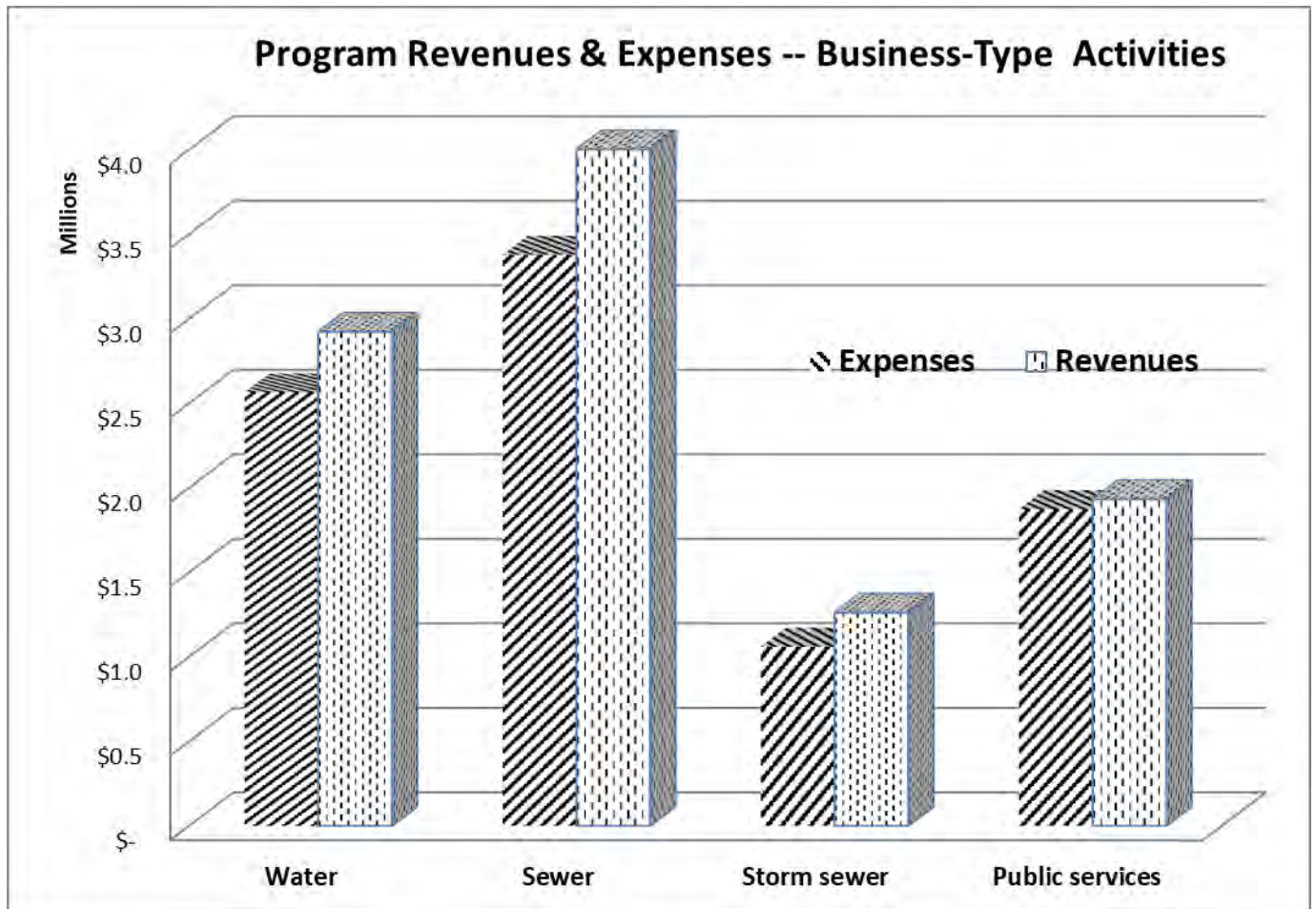
The graph below is a visual representation of the various sources of revenues used to support governmental activities.



Governmental revenues modestly increased from the prior year. The majority of governmental revenues (81%) include property taxes, franchise fees and intergovernmental revenues. The revenues from user fees and charges for services of 5%, with 10% from operating and capital grants and 4% other revenues. The governmental revenues were impacted by the reduced economic activity effects of the COVID-19 public health emergency. During the period both State and Local gas tax revenues and transient lodging tax receipts began to recover and modestly increase over the prior year. General State Revenue sharing as well as State Shared Revenues for liquor, marijuana and cigarette declined only modestly. The County Business Income Tax (BIT) receipts increased over the prior year due to a change in the tax rate and delays in the filing deadlines due to COVID-19.

Governmental program expenses modestly decreased \$0.1 million compared to the prior year due completed capital outlay projects. The increases in governmental expenses occurred with the annual cost of living adjustment and benefits costs attributable to Personnel expenses, and general cost inflation for Materials and Services, and COVID-19 related costs.

Business-type activities resulted in a \$4.5 million increase to the City's total net position due primarily to schedule delays in capital projects and increased development revenues. The following graph shows the program revenues and expenses generated by each business-type function.

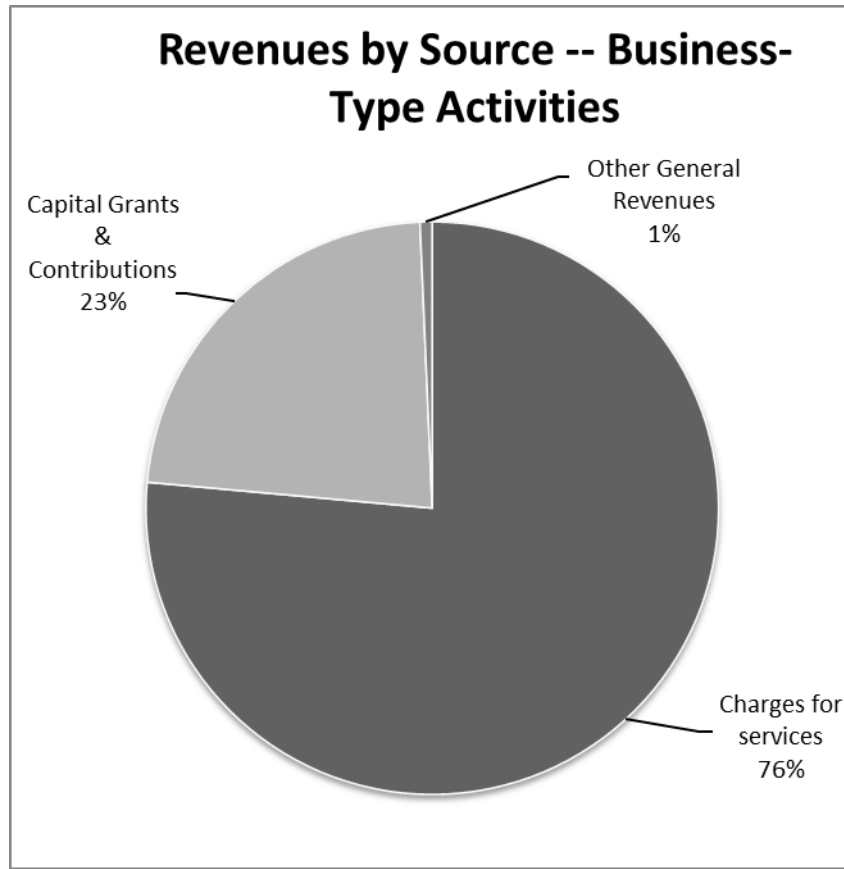


The primary source of revenue for the City operated water, sewer, and storm sewer utilities are customer user fees. Public services (Public Works management and equipment maintenance services) generate some revenues but are primarily funded from charges to the direct utility operating functions they support. Program revenues in excess of expenses represents the increase in net position as shown above.

Total revenues increased \$2.3 million over the prior year due to weather impact upon consumption levels, and the impact of a modest increase of the user rates for water, sewer and storm water systems, and property taxes. Utility systems development charges were significantly above the prior year. Charges collected for system development impact are used to pay the costs of infrastructure expansion as needed to meet the demands of population growth, including debt service on financed infrastructure construction. SDC fees of \$3 million resulting from the several multi-family housing projects. Additional increase in residential development in the City continues into 2023.

City utility user fees for water, sewer and storm services increased by \$0.3 million or 3.7% compared to the prior year. This reflects the user rate increase and changes in consumption from both economic and weather conditions.

The graph below is a visual representation of the various sources of revenues used to support business-type activities.



The majority of business-type activities revenues are generated from user fees and SDC fees from private developers.

Business-type program expenses increased by \$0.1 million compared to the prior year, comprised primarily from the of capital outlay projects. The increase was marginally supported by increased annual cost of living adjustment and benefits costs, contract services, and repair and maintenance projects.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Fund balances totaled \$24.7 million at June 30, 2022. A summary of fund balances follows:

Table 3
City of Troutdale, Oregon
Fund Balances

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>
General Fund	\$ 12,844,433	\$ 11,457,548	\$ 1,386,885
Street Fund	4,004,313	3,622,093	382,220
URA Dev Fund	(8,221,389)	(7,874,023)	(347,366)
Other Governmental	12,026,600	11,164,967	861,633
Total	<u>\$ 20,653,957</u>	<u>\$ 18,370,585</u>	<u>\$ 2,283,372</u>

The general fund balance increased due to effective cost controls, combined with receipt of the first tranche of the ARPA Coronavirus State and Local Fiscal Recovery Funds of \$1.8 million. The Street Fund balance increase resulted from deferred maintenance continued combined with construction weather delays, and recovery of State and Local gas tax revenues to near pre-COVID levels. Other Governmental funds increase reflects development building safety inspection fee revenue from significant construction during the year, and deferred capital outlay across funds and transfers from the General Fund to the Full Faith and Credit Debt Service Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The budgetary statement for the General Fund shows the original budget, final budget and actual revenues, expenditures and transfers in and out for the fiscal year. The City Council adopted a supplemental budget resolution for budget transfer of General Fund contingency appropriations authority to various departments within the General Fund and to other funds, summarized as follows:

- The American Federation of State, County and Municipal Employees (AFSCME) union collective bargaining agreement (CBA) adopted during the fiscal year included a 4.17% cost of living adjustment (COLA) increase. Contingency transfers of \$132,500 into various General Fund departments, and \$169,500 of transfers into the Water, Sewer, Storm and Public Works utility funds.
- A total of \$313,000 budget transfers to various departments and divisions for the temporary labor coverage expense for employees on Family and Medical Leave (FMLA) status, COVID-19 cleaning and teleworking related costs, building maintenance, facility equipment and fixtures, legal fees, and consulting services. An additional \$100,000 of transfers to the Urban Renewal Agency to provide support for the Riverfront Renewal Plan expenses.
- A \$125,000 transfer from Depot remodel project due to delays from related to COVID-19 conditions impacting contractors and product supply chains and other necessary but un-budgeted expenditures.
- Additional expenses of General Obligation Bond 2021 Refunding Series issuance and settlement costs, and other necessary but un-budgeted expenditures transferring \$106,000 from Contingency to the Finance division.
- Various transfers for unanticipated and necessary expenses associated with the temporary labor coverage cost for employees on Family and Medical Leave (FMLA) status in the General Fund Administration Division, Water Utility Fund, Street Fund, Sewer Utility Fund, and Stormwater Utility Fund.
- A \$35,000 transfer for unanticipated and necessary additional expenses of Visitor Center Greeters labor, Visitor Center remodeling loan interest expenses, Community Development Intern labor, restoration of Multnomah Fall Painting, 2nd Street Bridge Option payment, costs for the Wind-er Wonderland and First Friday events, Old City Hall development fees, to Tourism and Economic Development division.

Actual revenues for the year were slightly above budgeted amounts by \$165,000 due primarily to the County Business Income Tax (BIT) receipts which offset reductions of revenue elsewhere. The beginning fund balance in the General Fund was \$932,000 lower than budgeted.

On the expenditure side, operations for all departments were under budget by \$3,361,000. The major expenditure underspend was from deferred capital outlays, which when combined with controlled spending across all departments, accounted for the overall reduction. Excluding budgeted contingency, expenditures came in 10% under budgeted amounts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

As of year-end, the City had \$55.8 million (net of accumulated depreciation) invested in capital assets, as reflected in Table 4. More detailed information can be found in the notes to the financial statements.

Table 4
City of Troutdale, Oregon
Capital Assets
(Net of Depreciation)
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 5.9	\$ 5.9	\$ 1.7	\$ 1.7	\$ 7.6	\$ 7.6
Intangible assets	-	-	0.1	0.1	0.1	0.1
Buildings & improvements	6.8	7.0	1.2	1.3	8.0	8.2
Right-to-use Lease facilities	0.1	-	-	-	0.1	-
Land improvements	6.8	6.8	0.0	0.0	6.8	6.8
Equipment	0.3	0.3	0.5	0.5	0.7	0.9
Right-to-use Lease equipment	0.0	-	0.0	-	0.0	-
Infrastructure	4.1	4.3	27.3	28.6	31.4	32.8
Work in Progress	0.7	0.4	0.3	0.2	1.0	0.6
Total	<u>\$ 24.6</u>	<u>\$ 24.6</u>	<u>\$ 31.1</u>	<u>\$ 32.3</u>	<u>\$ 55.8</u>	<u>\$ 57.0</u>

The 2021 Governmental Activities and the Business Type Activities balances reflect the restated position of \$638,281 respectively due to the reclassification of capital assets between activities. Assets for governmental activities increased by the implementation of GASB 87 Right to Use Leased Assets and were largely offset by routine annual recorded depreciation. Continued site preparation for redevelopment of the Urban Renewal Agency site increased work in progress for future land improvements. These items resulted in governmental activities capital assets being unchanged in total.

Assets for business-type activities decreased by \$1.2 million net of depreciation resulting from minor additions for work in progress and the routine annual recorded depreciation, minor property disposal, and no significant developer constructed and donated public improvement projects.

Additional information on the City's capital assets can be found in the CAPITAL ASSETS section, pages 28-29, of the Notes to the Basic Financial Statements.

DEBT OUTSTANDING

Debt outstanding at year-end is summarized in Table 5. As of year-end, the City had \$10.7 million in bonds and notes outstanding. Of that amount, \$0.3 million is due within one year. Total long-term debt increased \$1 million resulting from the net of refunding borrowing and reductions from routine scheduled principal debt service payments. More detailed information can be found in the notes to the financial statements.

Table 5
City of Troutdale, Oregon
Outstanding Debt
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bond PD	4.2	5.2	-	-	4.2	5.2
Full Faith & Credit Obligations	6.5	6.5	-	-	6.5	6.5
Lease Liabilities	0.13	0.21	0.02	0.01	0.15	0.22
Total	<u>\$10.86</u>	<u>\$11.94</u>	<u>\$0.02</u>	<u>\$0.01</u>	<u>\$10.88</u>	<u>\$11.95</u>

Moody's Investors Service in 2022 continued their previous rating of the City's general obligation bonds as Aa2. Moody's Investors Service in 2022 also continued their previous rating of the City's full faith and credit obligations as Aa2. The City successfully implemented a 2021 Series general obligation bond refunding for the 2011 Series issued for the Police Facility project. For more detailed information on the City's debt and amortization terms refer to the LONG-TERM DEBT section, pages 31-32 of the Notes to the Basic Financial Statements.

ECONOMIC FACTORS AND RATES

- The State's property tax regulations set permanent rates and limited growth in existing property values to a maximum of three percent per year. The assessed values for new residential and commercial construction are also adjusted to reflect the growth limitations so they receive the same tax benefit as existing properties. Troutdale's permanent property tax rate is \$3.7652 per \$1,000 of tax-assessed value. General Fund property tax revenue grew at 2.3% following 4.5% of the prior year. Property tax revenues show a total increase of approximately \$260,000. The coming year tax revenue is budgeted to grow in the more typical 3% range.

- The financial markets and credit crisis resulted in substantial declines in the PERS investment portfolio during 2008 of approximately 28% loss in asset value. Under current legislation, employer contribution rates are set every two years, changing July 1 of the odd numbered year. Employer rates for this reporting period were based on the system's valuation as of December 31, 2015, and reflect the changes from the Legislature's Special Session. The Special Legislative Session actions of 2013 which reduced employer costs were ruled unconstitutional by the State Supreme Court in April 2015. Substantially higher rates for most employers began July 1, 2017, and are expected to again increase the average City rates 3 percentage rate points beginning July 1, 2023. Financial markets 2022 downturn resulting from the Federal Reserve's tightening of monetary policy will likely increase the upward pressure on future employer contribution rates.
- The Street Fund financial forecast for many years indicated a declining fund balance even at a minimal preservation and maintenance level. To fund the department recommended maintenance cycle, and meet the City's goal of 100% good or better street rating in ten years the citizens approved a local gas tax ballot measure. Due to reduced travel resulting from COVID-19, the combined State and local gas tax revenue received was \$42,000 or 2%, above the expected revenue budget. The Street Fund balance remains at a healthy level exceeding 250% of annual expenditures.
- Community service fees of \$886,000 were collected pursuant to an Extended Enterprise Zone Agreement during the reporting period and are expected to continue in a approximately same amount for the subsequent fiscal year.
- The City entered into an Intergovernmental Agreement (IGA) with Multnomah County for the Multnomah County Sheriff's Office (MCSO) to provide law enforcement services in the City. This period was the fourth year of the new 10 year IGA and has saved the City an estimated \$5.9 million to date over the previous solo City operated department costs. Future annual cost escalation formula which includes an average of CPI and labor cost increases over the preceding year through the expiration.
- The American Federation of State, County and Municipal Employees (AFSCME) union collective bargaining agreement (CBA) the new three year term included a 4.17% cost of living adjustment (COLA) increase in report period. The three year successor CBA includes a CPI based COLA increases in years two and three of the agreement.
- Part of the federal government response to the COVID-19 pandemic provides through the American Rescue Plan Act of 2021, (ARPA) additional relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses. A provision of ARPA established the \$362 billion Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) providing direct aid to state and local governments aimed at mitigating the continuing economic impact of the COVID-19 pandemic. The City received the first tranche of \$1.8 million during the report period and expected to receive an equal amount as a second tranche in the next reporting period. The funds may be used for ARPA established eligible costs incurred after March 3, 2021.
- The County Business Income Tax (BIT) receipts declined 36% during the 2008 Great Recession. The County Commission recently increased the tax rate and modified the portion of revenue which is allocated to the four East County Cities. The combination of

the rate increase, formula change, and COVID-19 impacts, and the extended tax filing deadline, collected revenue increased \$240,000 or 16% from the prior year.

Continuing to loom on the horizon is the growing disconnect between what the constrained property tax system in Oregon can provide, and the expected level of government services. With labor, health care, pension, and energy costs all increasing at higher than the maximum 3% annual assessed value increase, property taxes cannot sustain government service at the current levels.

The COVID-19 public health emergency economic disruption continues, however we do not see any material immediate financial risks for the City. Revenue estimates for the Transient Lodging Taxes (TLT) and both the State and local gas taxes increased the report period from the prior year and have been modestly increased in the subsequent fiscal year adopted budget.

Additional information about the operating issues discussed above can be found in the Letter of Transmittal under the heading, "Economic Condition and Outlook".

REQUESTS FOR INFORMATION

The City's financial statements are designed to provide 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. If you have questions about the report or need additional financial information, please contact the City's Finance Director at City Hall, 219 E. Historic Columbia River Hwy, Troutdale, Oregon 97060-2078.



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**BASIC
FINANCIAL
STATEMENTS**

CITY OF TROUTDALE, OREGON
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 10,843,600	\$ 8,786,215	\$ 19,629,815
Accounts receivable, net	953,631	747,537	1,701,168
Property taxes receivable	153,618	-	153,618
Lease Receivable	1,131,179	348,035	1,479,214
Prepaid expenses	1,500	-	1,500
Inventories	30,248	92,070	122,318
Restricted cash and investments	13,479,091	9,386,906	22,865,997
Capital assets:			
Nondepreciable	6,531,716	2,119,188	8,650,904
Depreciable, net	18,048,078	29,002,644	47,050,722
Total assets	<u>51,172,661</u>	<u>50,482,595</u>	<u>101,655,256</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferral	2,146,119	793,770	2,939,889
OPEB related deferral	47,344	-	47,344
Total deferred outflows of resources	<u>2,193,463</u>	<u>793,770</u>	<u>2,987,233</u>
LIABILITIES			
Accounts payable	443,905	264,773	708,678
Accrued payroll	160,162	72,465	232,627
Deposits	3,700	10,200	13,900
Interest payable	30,846	-	30,846
Unearned revenue	3,500	-	3,500
Noncurrent liabilities:			
<i>Due within one year</i>			
Current portion of long-term debt	511,155	-	511,155
Current portion of lease liability	72,515	4,606	77,121
Accrued compensated absences - current	44,977	19,850	64,827
<i>Due in more than one year</i>			
Net Pension liability	2,590,064	957,970	3,548,034
Total OPEB liability	204,510	-	204,510
Accrued compensated absences - long term	179,908	79,396	259,304
Noncurrent portion of long-term debt	11,079,112	-	11,079,112
Noncurrent portion of lease liability	60,478	11,768	72,246
Total liabilities	<u>15,384,832</u>	<u>1,421,028</u>	<u>16,805,860</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related deferral	2,359,508	872,694	3,232,202
OPEB related deferral	61,943	-	61,943
Lease deferred inflows	1,122,954	341,348	1,464,302
Total deferred inflows of resources	<u>3,544,405</u>	<u>1,214,042</u>	<u>4,758,447</u>
NET POSITION			
Net investment in capital assets	13,016,440	31,105,458	44,121,898
Restricted			
Capital Projects	7,332,756	9,386,906	16,719,662
Streets	4,479,014	-	4,479,014
Building Department Services	1,736,793	-	1,736,793
Other	58,698	-	58,698
Debt Service	4,954,351	-	4,954,351
Unrestricted	2,858,835	8,148,931	11,007,766
Total net position	<u>\$ 34,436,887</u>	<u>\$ 48,641,295</u>	<u>\$ 83,078,182</u>

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

CITY OF TROUTDALE, OREGON
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 3,359,514	\$ 959,386	\$ -	\$ -	\$ (2,400,128)	\$ -	\$ (2,400,128)
Public safety	6,861,384	-	-	-	(6,861,384)	-	(6,861,384)
Highway and Streets	1,981,049	14,435	1,321,226	30,454	(614,934)	-	(614,934)
Solid waste/recycling	18,210	-	-	-	(18,210)	-	(18,210)
Community development	2,885,429	-	-	607,500	(2,277,929)	-	(2,277,929)
Interest on long-term debt	389,592	-	-	-	(389,592)	-	(389,592)
Total governmental activities	<u>15,495,178</u>	<u>973,821</u>	<u>1,321,226</u>	<u>637,954</u>	<u>(12,562,177)</u>	<u>-</u>	<u>(12,562,177)</u>
Business-type activities:							
Water	2,563,098	2,860,548	-	942,023	-	1,239,473	1,239,473
Sewer	3,377,648	4,098,053	-	1,982,672	-	2,703,077	2,703,077
Storm sewer	1,059,022	1,260,792	-	132,500	-	334,270	334,270
Public services	<u>1,872,315</u>	<u>1,928,725</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>56,410</u>	<u>56,410</u>
Total business type activities	<u>8,872,083</u>	<u>10,148,118</u>	<u>-</u>	<u>3,057,195</u>	<u>-</u>	<u>4,333,230</u>	<u>4,333,230</u>
Total government	<u>\$ 24,367,261</u>	<u>\$ 11,121,939</u>	<u>\$ 1,321,226</u>	<u>\$ 3,695,149</u>	<u>(12,562,177)</u>	<u>4,333,230</u>	<u>(8,228,947)</u>
General revenues:							
Taxes							
Property taxes					6,425,825	-	6,425,825
Franchise taxes					1,714,422	-	1,714,422
Public service taxes					2,703,821	-	2,703,821
Interest					(282,057)	85,730	(196,327)
Other revenues					6,380,005	78,995	6,459,000
Total general revenues					<u>16,942,016</u>	<u>164,725</u>	<u>17,106,741</u>
Change in net position					4,379,839	4,497,955	8,877,794
Net position - beginning, restated					30,057,048	44,143,340	74,200,388
Net position - ending					<u>\$ 34,436,887</u>	<u>\$ 48,641,295</u>	<u>\$ 83,078,182</u>

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

FUND FINANCIAL STATEMENTS

Major Governmental Funds

General Fund

This fund accounts for the financial operations of the City which are not accounted for in any other fund. Principal sources of revenues are property taxes, state shared revenues, franchise fees and recovered expenditures. Primary expenditures in the general fund are made for police protection, community development, and general development.

Street Fund

This fund accounts for revenues from gasoline tax apportionments from the State of Oregon that are used for the repair and maintenance associated with streets.

URA Riverfront Development Fund

This fund accounts for the operations of the urban renewal agency. Primary resources are property taxes.

CITY OF TROUTDALE, OREGON
Governmental Funds
Balance Sheet
June 30, 2022

	<u>General Fund</u>	<u>Street Fund</u>	<u>URA Riverfront Development</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
ASSETS					
Cash and investments	\$ 7,728,186	\$ 4,249,086	\$ -	\$ 12,345,419	\$ 24,322,691
Accounts receivable	671,425	263,731	-	18,475	953,631
Property taxes receivable	139,071	-	-	14,547	153,618
Lease receivable	768,893	-	362,286	-	1,131,179
Prepaid items	1,500	-	-	-	1,500
Interfund loan	6,800,000	-	-	552,500	7,352,500
Inventory	802	29,446	-	-	30,248
Due from	-	-	-	1,509,801	1,509,801
Total assets	<u>\$ 16,109,877</u>	<u>\$ 4,542,263</u>	<u>\$ 362,286</u>	<u>\$ 14,440,742</u>	<u>\$ 35,455,168</u>
LIABILITIES					
Accounts and Retainage Payable	\$ 221,670	\$ 26,566	\$ 34,147	\$ 161,522	\$ 443,905
Payroll liabilities	133,771	7,237	-	19,154	160,162
Deposits	1,000	-	-	2,700	3,700
Unearned Revenue	3,500	-	-	-	3,500
Interfund loan	320,000	-	6,800,000	232,500	7,352,500
Due to	-	-	1,509,801	-	1,509,801
Total liabilities	<u>679,941</u>	<u>33,803</u>	<u>8,343,948</u>	<u>415,876</u>	<u>9,473,568</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Taxes	127,221	-	-	13,495	140,716
Unavailable Revenue - Lease	767,253	-	355,701	-	1,122,954
Total deferred inflows	<u>894,474</u>	<u>-</u>	<u>355,701</u>	<u>13,495</u>	<u>1,263,670</u>
FUND BALANCES					
Nonspendable	2,302	29,446	-	-	31,748
Restricted	-	4,479,014	-	14,082,598	18,561,612
Unassigned	14,533,160	-	(8,337,363)	(71,227)	6,124,570
Total fund balances	<u>14,535,462</u>	<u>4,508,460</u>	<u>(8,337,363)</u>	<u>14,011,371</u>	<u>24,717,930</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 16,109,877</u>	<u>\$ 4,542,263</u>	<u>\$ 362,286</u>	<u>\$ 14,440,742</u>	<u>\$ 35,455,168</u>
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					24,579,794
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:					
Property taxes earned but unavailable					140,716
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.					
					(224,885)
The net pension liability and the total OPEB liability and deferred inflows and outflows related to the net pension asset is the difference between the total pension liability and assets set aside to pay benefits earned to past and current employees and beneficiaries					
Net pension liability					(2,590,064)
Deferred inflows and deferred outflows					(213,389)
Total OPEB liability					(204,510)
Deferred inflows and deferred outflows					(14,599)
All long term liabilities are reported in the Statement of Net Position whereas in governmental funds, long term liabilities are not due and payable in the current period and are not reported					
Interest payable					(30,846)
Long term debt					(10,730,000)
Lease Liabilities					(132,993)
Post-closure cost care					(159,905)
Bond premium					(700,362)
Net Position of Governmental Activities					<u>\$ 34,436,887</u>

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

CITY OF TROUTDALE, OREGON
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2022

	General Fund	Street Fund	URA Riverfront Development	Other Governmental	Total Governmental
REVENUES					
Intergovernmental	\$ 4,071,862	\$ 1,308,199	\$ 23,430	\$ 13,027	\$ 5,416,518
Charges for services	905,590	-	-	778,587	1,684,177
Property taxes	5,954,409	-	-	485,790	6,440,199
Franchise	1,481,826	-	-	232,596	1,714,422
Licenses and permits	55,316	-	-	826,784	882,100
Fines and forfeitures	281,446	-	-	-	281,446
Interest	(365,052)	20,824	4,897	57,274	(282,057)
Miscellaneous	1,897,175	382	12,517	22,311	1,932,385
Hotel/motel transient tax	817,018	-	-	-	817,018
Fuel tax	-	940,191	-	-	940,191
Solid waste tax	64,512	-	-	-	64,512
Total revenues	<u>15,164,102</u>	<u>2,269,596</u>	<u>40,844</u>	<u>2,416,369</u>	<u>19,890,911</u>
EXPENDITURES					
Current:					
General government	3,399,564	-	-	-	3,399,564
Public safety	6,792,222	-	-	-	6,792,222
Highway and Streets	-	1,745,399	-	-	1,745,399
Solid waste/recycling	18,438	-	-	-	18,438
Community development	1,726,977	-	156,818	896,453	2,780,248
Capital outlay	414,413	20,050	-	40,889	475,352
Debt service:					
Principal	5,252,310	-	-	340,000	5,592,310
Interest	-	-	-	390,217	390,217
Total expenditures	<u>17,603,924</u>	<u>1,765,449</u>	<u>156,818</u>	<u>1,667,559</u>	<u>21,193,750</u>
Excess (deficiency) of revenues over (under) expenditures	(2,439,822)	504,147	(115,974)	748,810	(1,302,839)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	1,235,961	1,235,961
Transfers out	(1,235,961)	-	-	-	(1,235,961)
Sale of capital asset	8,106	-	-	-	8,106
Issuance of Debt	4,570,000	-	-	-	4,570,000
Bond premium	788,706	-	-	-	788,706
Total other financing sources (uses)	<u>4,130,851</u>	<u>-</u>	<u>-</u>	<u>1,235,961</u>	<u>5,366,812</u>
Net change in fund balance	1,691,029	504,147	(115,974)	1,984,771	4,063,973
FUND BALANCES, BEGINNING	<u>12,844,433</u>	<u>4,004,313</u>	<u>(8,221,389)</u>	<u>12,026,600</u>	<u>20,653,957</u>
FUND BALANCES, ENDING	<u>\$ 14,535,462</u>	<u>\$ 4,508,460</u>	<u>\$ (8,337,363)</u>	<u>\$ 14,011,371</u>	<u>\$ 24,717,930</u>

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

CITY OF TROUTDALE, OREGON
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 2022

Net change in fund balances - total governmental funds	\$	4,063,973
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*Amounts reported for governmental activities in the
Statement of Activities are different because:*

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlay exceeded depreciation in the current period.

Capital asset additions	\$ 488,421		
Loss on disposal	(21,245)		
Less current year depreciation	<u>(705,226)</u>		(238,050)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds

Property taxes			(14,374)
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Loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. The repayment of the principal of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which proceeds exceeded repayments.

Principal payments	5,570,000		
Bond premium and discount amortization	109,206		
Landfill post-closure cost care	12,288		
Lease liability payments	72,794		
Debt issuance proceeds - principal and premium	<u>(5,358,706)</u>		405,582

The pension expense and the changes in deferred inflows and outflows related to the net pension liability represents the changes in net pension liability from year to year due to changes in total pension liability and the fair value of pension plan net position to pay pension benefits.

177,128

The OPEB expense and the changes in deferred inflows and outflows related to the total OPEB liability represents the changes in the total OPEB liability from year to year due to changes in total pension liability and the fair value of the OPEB plan net position to pay pension benefits.

(8,002)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	(7,043)		
Accrued interest expense	<u>625</u>		<u>(6,418)</u>

Change in net position of governmental activities	\$	<u><u>4,379,839</u></u>
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The notes to the financial statements are an integral part of this statement.

For the Year Ended June 30, 2022

Budget to GAAP Reconciliation	
Interfund loan transactions	6,480,000
GAAP Fund Balance	\$ 14,535,462

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CITY OF TROUTDALE, OREGON
STREET FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Intergovernmental	\$ 1,245,707	\$ 1,245,707	\$ 1,308,199	\$ 62,492
Charges for services	300	300	-	(300)
Fuel Tax	961,408	961,408	940,191	(21,217)
Interest	73,640	73,640	20,824	(52,816)
Miscellaneous	-	-	382	382
Total revenues	2,281,055	2,281,055	2,269,596	(11,459)
EXPENDITURES:				
Personnel services	302,546	331,546	300,577	30,969
Materials and services	1,905,523	1,905,523	1,444,822	460,701
Capital outlay	383,800	383,800	20,050	363,750
Contingency	1,200,000	1,036,000	-	1,036,000
Total expenditures	3,791,869	3,656,869	1,765,449	1,891,420
Net changes in fund balances	(1,510,814)	(1,375,814)	504,147	1,879,961
FUND BALANCES, BEGINNING	3,711,415	3,711,415	4,004,313	292,898
FUND BALANCES, ENDING	<u>\$ 2,200,601</u>	<u>\$ 2,335,601</u>	<u>\$ 4,508,460</u>	<u>\$ 2,172,859</u>

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

FUND FINANCIAL STATEMENTS

Proprietary Funds

The City of Troutdale utilizes four Proprietary Funds. These funds are used to account for acquisition, operation, and maintenance of the water, sewer, and storm sewer facilities and the cost of public works management and operating automotive and other equipment used by public works. These funds are entirely or predominantly self-supported through user charges to customer. Funds included are:

Water
Sewer
Storm Sewer
Public Services

For budgetary purposes (see budget schedules in the Supplemental Information section), the Water, Sewer, and Storm Sewer funds are accounted in the following separate funds:

Water
Water Fund
Water Improvement Fund
Water Reimbursement Fund

Sewer
Sewer Fund
Sewer Improvement Fund
Sewer Reimbursement Fund

Storm Sewer
Storm Sewer Improvement Fund
Storm Sewer Utility Fund
Storm Sewer Reimbursement Fund

For generally accepted accounting principles purposes, these aforementioned funds and the Public Services Fund are consolidated and included as four Enterprise Funds.

CITY OF TROUTDALE, OREGON
Proprietary Funds
Statement of Net Position
June 30, 2022

	Business-type Activities - Enterprise Funds				
	Water	Sewer	Storm Sewer	Public Services	Totals
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 2,174,814	\$ 4,255,446	\$ 1,390,294	\$ 965,661	\$ 8,786,215
Accounts receivables, net	248,058	383,067	116,412	-	747,537
Lease receivable	348,035	-	-	-	348,035
Inventories	92,070	-	-	-	92,070
Total current assets	2,862,977	4,638,513	1,506,706	965,661	9,973,857
Noncurrent assets:					
Restricted cash and cash equivalents	1,309,211	4,808,163	3,269,532	-	9,386,906
Capital assets not being depreciated	353,080	1,601,026	3,071	162,011	2,119,188
Capital assets being depreciated, net	7,020,171	16,980,214	4,551,450	450,809	29,002,644
Total noncurrent assets	8,682,462	23,389,403	7,824,053	612,820	40,508,738
Total assets	11,545,439	28,027,916	9,330,759	1,578,481	50,482,595
DEFERRED OUTFLOWS OF RESOURCES					
Pension related deferral	323,388	323,388	146,994	-	793,770
LIABILITIES					
Current liabilities:					
Accounts payable	68,984	62,710	6,781	17,932	156,407
Retainage payable	-	108,366	-	-	108,366
Payroll liabilities	15,732	18,892	7,302	30,539	72,465
Accrued compensated absences - current	7,447	8,826	3,577	-	19,850
Deposits	10,200	-	-	-	10,200
Lease liability due within one year	-	-	-	4,606	4,606
Total current liabilities	102,363	198,794	17,660	53,077	371,894
Noncurrent liabilities:					
Net pension liability	390,284	390,284	177,402	-	957,970
Accrued compensated absences	29,787	35,302	14,307	-	79,396
Lease liability	-	-	-	11,768	11,768
Total liabilities	522,434	624,380	209,369	64,845	1,421,028
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to leases	341,348	-	-	-	341,348
Net deferred pension asset	355,542	355,542	161,610	-	872,694
Total Deferred Inflows	696,890	355,542	161,610	-	1,214,042
NET POSITION					
Net investment in capital assets	7,373,251	18,581,240	4,554,521	596,446	31,105,458
Restricted for infrastructure expansion	1,309,211	4,808,163	3,269,532	-	9,386,906
Unrestricted	1,967,041	3,981,979	1,282,721	917,190	8,148,931
Total net position	\$ 10,649,503	\$ 27,371,382	\$ 9,106,774	\$ 1,513,636	\$ 48,641,295

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

CITY OF TROUTDALE, OREGON
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds				
	Water	Sewer	Storm Sewer	Public Services	Totals
OPERATING REVENUES					
Charges for services	\$ 2,860,548	\$ 4,098,053	\$ 1,260,792	\$ 1,910,553	\$ 10,129,946
Licenses & permits	-	-	-	18,172	18,172
Miscellaneous	61,474	8,525	-	3,003	73,002
Total operating revenues	<u>2,922,022</u>	<u>4,106,578</u>	<u>1,260,792</u>	<u>1,931,728</u>	<u>10,221,120</u>
OPERATING EXPENSES					
Personal services	617,785	660,592	267,175	1,356,672	2,902,224
Depreciation	391,824	734,724	245,838	71,863	1,444,249
Contractual services	282,586	174,975	443,724	139,717	1,041,002
Utilities	576,592	664,799	6,373	32,350	1,280,114
Repairs and maintenance	289,296	445,766	53,214	37,320	825,596
Other operating expenses	405,015	696,792	42,698	234,393	1,378,898
Total operating expenses	<u>2,563,098</u>	<u>3,377,648</u>	<u>1,059,022</u>	<u>1,872,315</u>	<u>8,872,083</u>
Operating income (loss)	<u>358,924</u>	<u>728,930</u>	<u>201,770</u>	<u>59,413</u>	<u>1,349,037</u>
NONOPERATING REVENUES (EXPENSES)					
Interest revenue	21,756	37,928	20,892	5,154	85,730
Miscellaneous	382	5,555	-	56	5,993
Total nonoperating revenues (expenses)	<u>22,138</u>	<u>43,483</u>	<u>20,892</u>	<u>5,210</u>	<u>91,723</u>
Income (loss) before contributions and transfers	381,062	772,413	222,662	64,623	1,440,760
Capital Contributions	<u>942,023</u>	<u>1,982,672</u>	<u>132,500</u>	<u>-</u>	<u>3,057,195</u>
Total	<u>942,023</u>	<u>1,982,672</u>	<u>132,500</u>	<u>-</u>	<u>3,057,195</u>
Increase (decrease) in net position	1,323,085	2,755,085	355,162	64,623	4,497,955
Net position - beginning	<u>9,326,418</u>	<u>24,616,297</u>	<u>8,751,612</u>	<u>1,449,013</u>	<u>44,143,340</u>
Net position - ending	<u>\$ 10,649,503</u>	<u>\$ 27,371,382</u>	<u>\$ 9,106,774</u>	<u>\$ 1,513,636</u>	<u>\$ 48,641,295</u>

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

CITY OF TROUTDALE, OREGON
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds				
	Water	Sewer	Storm Sewer	Public Services	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 3,003,516	\$ 4,066,689	\$ 1,250,839	\$ 1,931,728	\$ 10,252,772
Payments to employees	(642,320)	(692,067)	(280,497)	(1,355,906)	(2,970,790)
Payments to suppliers	(1,561,547)	(1,978,857)	(554,361)	(456,917)	(4,551,682)
Net cash provided (used) by operating activities	799,649	1,395,765	415,981	118,905	2,730,300
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contribution	942,023	1,982,672	132,500	-	3,057,195
Purchases of capital assets	(40,043)	(140,386)	-	(41,122)	(221,551)
Proceeds for new debt	-	-	-	13,637	13,637
Principal paid on capital debt	-	-	-	(2,543)	(2,543)
Intergovernmental	382	5,555	-	-	5,937
Net cash provided (used) by capital and related financing activities	902,362	1,847,841	132,500	(30,028)	2,852,675
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	21,756	37,928	20,892	5,210	85,786
Net increase in cash and cash equivalents	1,723,767	3,281,534	569,373	94,087	5,668,761
Balances - beginning of the year	1,760,258	5,782,075	4,090,453	871,574	12,504,360
Balances - end of the year	\$ 3,484,025	\$ 9,063,609	\$ 4,659,826	\$ 965,661	\$ 18,173,121
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income	\$ 358,924	\$ 728,930	\$ 201,770	\$ 59,413	\$ 1,349,037
Adjustments to reconcile operating income to net cash provided by operating activities:					
Cash flows reported in other categories:					
Depreciation expense	391,824	734,724	245,838	71,863	1,444,249
Change in assets and liabilities:					
Accounts receivable	88,181	(39,889)	(9,953)	-	38,339
Lease receivable and inflow	(6,687)	-	-	-	(6,687)
Inventories	(7,075)	-	-	-	(7,075)
Accounts payable	(983)	3,475	(8,352)	(13,137)	(18,997)
Payroll liabilities	963	(380)	(264)	766	1,085
Accrued compensated absences	1,192	(4,405)	(927)	-	(4,140)
Pension related accounts	(26,690)	(26,690)	(12,131)	-	(65,511)
Deposits	-	-	-	-	-
Net cash provided by operating activities	\$ 799,649	\$ 1,395,765	\$ 415,981	\$ 118,905	\$ 2,730,300

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

**NOTES TO
BASIC FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). GAAP statements require the application of all relevant Governmental Accounting Standards Board (GASB) pronouncements. The financial statements have incorporated all applicable GASB pronouncements.

REPORTING ENTITY

The City of Troutdale, Oregon is a municipal corporation, incorporated on October 2, 1907. The City operates under a Council-Manager form of government as amended by the voters in 2010. The governing body consists of six elected council members and a mayor. The mayor and council members are each elected to serve a four-year term. All are part-time elected officials who exercise the legislative powers of the City and determine matters of policy. The City Manager, a full-time appointed official, administers policies and coordinates the activities of the City. The heads of the various departments, formed to provide services, are under the direct supervision of the City Manager.

Accounting principles generally accepted in the United States of America require that these financial statements present the City of Troutdale (the primary government) and all component units, if any. Component units, as established by the Government Accounting Standards Board (GASB) Statement No. 14, 39, 61, are separate organizations that are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

The Urban Renewal Agency (Agency) of the City of Troutdale was created by City Council Ordinance pursuant to Oregon Revised Statute (ORS) 457.035 in January of 2006. The Troutdale Riverfront Renewal Plan (Plan) obtained voter approval in May 2006, and the Plan was assigned to the Agency to implement. The Agency is a legally separate entity which is governed by a board comprised of the members of the City Council as stipulated by the Agency's bylaws, and operational management of the Agency's activities is performed by City Management. The City Council has the ability to impose its will on the Agency as determined on the basis of budget adoption, taxation authority, and funding for the Agency. The Plan duration was originally approved for 10 years, which was extended an additional 10 years, with the up to a total of \$7 million in principal indebtedness limit unchanged. The Agency is presented as a blended component unit within the governmental funds.

BASIC FINANCIAL STATEMENTS

Basic financial statements are presented at both the government-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.

Government-wide financial statements display information about the reporting government as a whole. These statements focus on the sustainability as an entity 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.

CITY OF TROUTDALE, OREGON
Notes to Basic Financial Statements
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The *Statement of Net Position* presents information on all of the assets and liabilities, with the difference between the two reported as *net position*.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants 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, proprietary, or fiduciary, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary 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 financial section of the basic financial statements and detailed in the supplementary information.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include charges between the business-type activities/enterprise funds and the General Fund. Charges are allocated as reimbursement for services provided by the General Fund in support of those functions based on levels or service provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. These charges are included in direct program expenses.

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 financial statements.

There are stated minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and proprietary combined) for the determination of major funds. Non-major funds are combined in a column in the fund financial statements titled "Other Governmental" and detailed in the combining section.

There are the following major governmental funds:

- *General Fund*
This is the primary operating fund. It accounts for all financial operations, except those required to be accounted for in another fund. Principal sources of revenues are property taxes, licenses and permits, state and county shared revenues, franchise fees and charges for administrative services from other funds. Primary expenditures in the general fund are made for public safety (police and fire), community development, and general government.
- *Street Fund*
This fund accounts for the State of Oregon gasoline taxes. The state gasoline taxes are restricted for expenditures under Article XI, Section 3 of the Oregon Constitution for construction, maintenance and repair of streets, roads and bike and foot paths.

CITY OF TROUTDALE, OREGON
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- *URA Riverfront Development Fund*
This fund accounts for the general operations of the urban renewal agency. Primary resources are property taxes.

Additionally, there are the following non-major funds within the governmental fund type.

- *Special Revenue Funds*
These funds account for revenues from specific taxes or ear-marked revenues that are legally restricted to expenditures for specific purposes.
- *Debt Service Funds*
These funds account for the accumulation of resources and payment of bond principal and interest.
- *Capital Projects Funds*
These funds account for revenues derived from specific tax or other ear-marked revenue sources, which are legally restricted to finance the acquisition or construction of major capital assets.

Each of the four proprietary funds are presented as major funds. Three funds are used to account for the acquisition, operation, and maintenance of water, sewer, and storm sewer facilities and are entirely or predominantly self-supported through user charges to customers. Additionally, the Public Services Fund is used to account for the public works management function and the cost of operating automotive and other equipment used by the public works department. The fund's financing sources for the public works management and equipment maintenance activities are billings to the benefiting public works funds. The activities in this fund directly support the operations of the three other proprietary funds. The following proprietary funds are reported:

- *Water Fund*
Water Fund (budgetary basis financial statements only)
Water Improvement Fund (budgetary basis financial statements only)
Water Reimbursement Fund (budgetary basis financial statements only)
- *Sewer Fund*
Sewer Fund (budgetary basis financial statements only)
Sewer Improvement Fund (budgetary basis financial statements only)
Sewer Reimbursement Fund (budgetary basis financial statements only)
- *Storm Sewer Fund*
Storm Sewer Utility Fund (budgetary basis financial statements only)
Storm Sewer Improvement Fund (budgetary basis financial statements only)
Storm Sewer Reimbursement Fund (budgetary basis financial statements only)
- *Public Services Fund*

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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.

The government-wide financial statements and the 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 an entity or 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 focus 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 measurement 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 during the period are reported. Similar to the connection between an economic resource measurement focus and full accrual basis of accounting, a current financial resources measurement focus is inseparable from a modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. *Measurable* means the amount of the transaction can be determined and revenues are considered *available* when they are collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For this purpose, revenues are considered available if they are collected within 60 days of the end of the current fiscal period. Revenues considered susceptible to accrual are property taxes, state, county and local shared revenues taxes and fees, franchise fees, intergovernmental grants, and investment income.

A unavailable revenue liability arises on the balance sheets of the governmental funds when potential 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 and assessments not deemed available to finance operation of the current period. In the government-wide Statement of Activities, with a full accrual basis of accounting, revenue must be recognized as soon as it is earned regardless of its availability. Thus, the liability created on the balance sheets of the governmental funds for unavailable revenue is eliminated. Note that 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, or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. 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 of the government must be recognized. Thus, the expense and related accrued liability for long term portions of debt and compensated absences must be included.

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Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the governmental column of the government-wide presentation. This reconciliation is part of the 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 City's Water, Sewer, Storm Sewer, and Public Services Funds are charges to customers for sales and services. The Water, Sewer, and Storm Sewer Funds also recognize System Development Charges (SDC) fees intended to recover the cost of connecting new customers to the utility systems as operating revenue. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and overhead charges, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the policy to use restricted resources first, then unrestricted resources as they are needed.

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND EQUITY

Cash and Investments

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

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 up on 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)

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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.

Receivables and Payables

Activity between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

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 an unavailable revenue because it is not deemed available to finance operations of the current period. An allowance for doubtful accounts is not deemed necessary by management, as uncollectible taxes become a lien on the property. 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 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Assessments are recognized as receivables at the time the property owners are assessed for property improvement. These receivables are offset by unavailable revenue and, accordingly, have not been recognized as revenue.

In the government-wide financial statements, property taxes and assessment receivables are recognized as revenue when earned.

Receivables of the proprietary funds are recognized as revenue when earned, including services provided but not billed.

Lease Receivables

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 government, reduced by principal payments received.

Supply Inventories and Prepaid items

Inventories of materials and supplies in all funds are stated at cost on a first-in, first-out basis and charged to expenses as used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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Restricted Assets

Cash and investments which may only be used for construction of capital assets or debt service principal and interest payments in accordance with applicable laws and regulations have been reported as restricted cash and investments on the Government-wide Statement of Net Position and the Proprietary Fund Statement of Net Position.

Capital Assets

Capital assets — which include property, plant, equipment, and infrastructure (e.g., streets, sidewalks, and similar items) — are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements, and capitalized in the proprietary fund statements.

Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of greater than one year. Capital assets are recorded at historical cost or estimated historical cost. Donated assets are reported at acquisition value rather than fair value.

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.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	20 - 50
Improvements other than buildings	10 - 20
Utility systems and infrastructure	20 - 40
Machinery, equipment, and vehicles	5 – 15

Capital assets include contribution of capital assets from outside developers. Revenue from these capital contributions is reflected in general revenues on the statement of activities.

Lease Assets

Lease assets are assets which the government leases for a term of more than one year. The value of leases is determined by the net present value of the leases at the government's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

Accrued Compensated Absences and Sick Pay

Accumulated vested vacation and comp-time pay is accrued as it is earned. For governmental funds, only the portion in connection with terminated employees is reported. The non-current portion (the amount estimated to be used in subsequent fiscal years) is maintained separately 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 all funds when leave is taken.

Debt

In the government-wide financial statements, and proprietary fund financial statements, 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

CITY OF TROUTDALE, OREGON
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discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are treated as period costs in the year of issue and are shown as other financing uses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is 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.

Lease Liability

In the government-wide financial statements, lease liabilities are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

Fund Balance

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. 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 of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.
- 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. The use of committed funds would be approved 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. Pursuant to the Fund Balance Policy adopted by the City Council Resolution 2110, the City Manager and the Finance Director have been given authority to assign fund balances.
- 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 governing body has approved the following order of spending regarding fund balance categories: 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.

Use of Estimates

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City's deferred outflows are clearly labeled on the face of the financial statements.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City's deferred inflows are clearly labeled on the face of the financial statements.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY INFORMATION

An annual budget is adopted on a basis consistent with Oregon Revised Statutes (ORS 294 – Local Budgets Law). The process under which the budget is adopted is described in the following paragraphs.

Each April or May, the City Manager submits a proposed budget to the Budget Committee (consisting of the City Council and an equal number of citizens of the City). All funds are required to be budgeted for except the fiduciary fund. The budget is prepared on the modified accrual basis of accounting. Interfund loans are budgeted as sources and uses in accordance with state budget laws. Estimated receipts and expenditures are budgeted for by fund and object.

The Budget Committee conducts public hearings for the purpose of obtaining citizens' comments, and then approves a budget which is then submitted to the City Council for final adoption. The approved expenditures for each fund may not be increased by more than 10% by Council without returning to the Budget Committee for a second approval. After the Council adopts the budget and certifies the total of ad valorem taxes to be levied, no additional tax levy may be made for that fiscal year.

The City Council legally adopted the budget by resolution before July 1. The resolution establishes appropriations for each fund and expenditures cannot legally exceed these appropriations. The level of control established by the resolution is by department for the General Fund and by object class for all other funds. Expenditure budgets are appropriated at the legal level of control which is the department level in the General Fund and the following levels for all other funds: Personal Services, Materials and Services, Capital Outlay, Interfund Transactions, Debt Service, and Operating Contingency. Appropriations lapse as of year-end.

The City Council may change the budget throughout the year by transferring appropriations between levels of control and by adopting supplemental budgets as authorized by Oregon Revised

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Statutes. 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 approval by the City Council. Expenditure appropriations may not be legally over-expended except in the case of grant receipts that could not be reasonably estimated at the time the budget was adopted, and for debt service on new debt issued during the budget year. Management may modify original and supplemental budgets by the use of appropriation transfers between the levels of control within a fund.

Excess of Expenditures over Appropriations

Expenditures of the various funds were within authorized appropriations.

3. DETAILED NOTES ON ALL FUNDS

POOLED DEPOSITS AND INVESTMENTS

Cash and investment balances are maintained in a common pooled account. Investment income is allocated monthly based on each fund's average cash balance.

Cash and investments are comprised of the following at June 30, 2022:

Cash and investments	\$ 19,629,815
Restricted assets - cash and investments	22,865,997
	<u>\$ 42,495,812</u>
Deposits with financial institutions	\$ 2,140,489
Petty cash	950
Oregon State Treasurer's Local Government Investment Pool	40,354,373
	<u>\$ 42,495,812</u>

DEPOSITS

Deposits with financial institutions include bank demand deposits. At year-end, the total bank balance per the bank statements is \$2,368,693. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

Custodial 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. At various times during the fiscal year, bank balances exceeded the FDIC limit but the excess funds were covered by collateral pledged by qualified depositories. These depositories are qualified by the Oregon State Treasurer's office.

INVESTMENTS

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by

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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 fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at fair market value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2022, the fair value of the position in the LGIP is 98.98% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly.

As of June 30, 2022, there were the following investments:

<u>Investment type</u>	<u>Maturities</u>	<u>Fair value</u>
Oregon State Treasury's Local Government Investment Pool	Avg 0 – 6 months	<u>\$40,354,373</u>

To reflect the City's proportional share of the unrealized loss in the Oregon Short Term Fund described above, the City recorded a fair value reduction adjustment of \$415,856. The City has elected to reflect the entire adjustment in the General Fund.

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. Declines in fair values are managed by limiting the weighted average maturity of the investment portfolio to levels required by State statute.

Credit Risk

State statutes authorize investment primarily in general obligations of the U.S. government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers and the Oregon State Treasury's Local Government Investment Pool. The Oregon State Treasury's Local Government Investment Pool is not rated.

Concentration of Credit Risk

At June 30, 2022, 100% of total investments were in the Oregon State Treasury's Local Government Investment Pool. State statutes do not limit the percentage of investment in the Pool.

RECEIVABLES

Receivables as of June 30, 2022 for the major and non-major governmental funds in the aggregate are as follows:

CITY OF TROUTDALE, OREGON
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	General	Street	URA Riverfront Developm ent	Total Non-major	Total
Property taxes	\$ 139,071	\$ -	\$ -	\$ 14,547	\$ 153,618
Accounts	671,425	263,731	-	18,475	953,631
Leases	768,893	-	362,286	-	1,131,179
	<u>\$ 1,579,389</u>	<u>\$ 263,731</u>	<u>\$ 362,286</u>	<u>\$ 33,022</u>	<u>\$ 2,238,428</u>

There is no allowance for uncollectible accounts deemed necessary by management.

Governmental funds report unavailable revenue in the fund financial statements in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also delay recognition in connection with resources that have been received, but not yet earned. As of the end of the fiscal year, the various components of unavailable and unearned revenue reported in the governmental funds were as follows:

Property Taxes	\$ 140,716
Leases	1,122,954
Total	<u>\$ 1,263,670</u>

LEASE RECEIVABLES AND RELATED DEFERRED INFLOWS

For the year ended 6/30/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessor is required to recognize a lease receivable and a deferred inflow of resources.

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	Original Amount	Outstanding June 30, 2021	Additions	Deletions	Outstanding June 30, 2022
Governmental Activities					
Facility Lease, Police Facility, 234 SW Kendall Ct, interest 0.47%, principal and interest of \$21,288 monthly, due 2025	\$ 1,012,487	\$ -	\$ 1,012,487	\$251,639	\$ 760,848
Facility Lease, Sugar Pine Drive In, 1208 EHCRH, interest 0.47%, principal and interest of \$649 monthly, due 2023	15,775	-	15,775	7,730	8,045
Cellular Antenna Space, URA Water Tower, interest 1.29%, principal and interest of \$23,720 annually, due 2036	381,109		381,109	18,823	362,286
Total Governmental Activities	<u>\$ 1,409,371</u>	<u>\$ -</u>	<u>\$ 1,409,371</u>	<u>\$278,192</u>	<u>\$ 1,131,179</u>
Business-type Activities					
Cellular Antenna Space, Water Reservoir # 2, 2445 SE Stark St, interest 1.29%, principal and interest of \$18,662 annually, due 2036	\$ 365,730	\$ -	\$ 365,730	\$ 17,695	\$ 348,035
Total Business-type Activities	<u>\$ 365,730</u>	<u>\$ -</u>	<u>\$ 365,730</u>	<u>\$ 17,695</u>	<u>\$ 348,035</u>

Future maturities of the receivables are as follows. The deferred inflows are amortized on a straight line basis.

	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 280,280	\$ 7,708	\$ 17,923	\$ 4,472
2024	274,377	6,245	18,153	4,242
2025	276,560	4,783	18,386	4,009
2026	22,843	3,855	18,622	3,772
2027	23,937	3,561	23,341	3,533
2028-32	137,478	12,892	126,655	13,089
2033-37	115,704	3,458	124,955	4,040
Total	<u>\$ 1,131,179</u>	<u>\$ 42,502</u>	<u>\$ 348,035</u>	<u>\$ 37,157</u>

CITY OF TROUTDALE, OREGON
Notes to Basic Financial Statements
June 30, 2022

CAPITAL ASSETS

Capital asset activity for governmental activities for the fiscal year ended June 30, 2022 was as follows:

	Restated Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Non-depreciable				
Land	\$ 5,801,327	\$ -	\$ -	\$ 5,801,327
Construction in progress	449,620	280,769	-	730,389
Total non-depreciable	<u>6,250,947</u>	<u>280,769</u>	<u>-</u>	<u>6,531,716</u>
Depreciable/Amortizable				
Buildings and improvements	10,704,127	59,213	(119,399)	10,643,941
Right to use building lease	-	180,823	-	180,823
Land improvements	10,616,173	63,877	(119,206)	10,560,844
Equipment	1,210,328	62,313	(1)	1,272,640
Right to use equipment - Intangible	-	24,964	-	24,964
Infrastructure	<u>25,590,256</u>	<u>22,249</u>	<u>-</u>	<u>25,612,505</u>
Total depreciable	<u>48,120,884</u>	<u>413,439</u>	<u>(238,606)</u>	<u>48,295,717</u>
Accumulated depreciation and amortization				
Buildings and improvements	(3,722,237)	(215,517)	98,155	(3,839,599)
Right to use building lease	-	(64,807)	-	(64,807)
Land improvements	(3,855,773)	(73,368)	119,206	(3,809,935)
Equipment	(884,393)	(104,077)	-	(988,470)
Right to use equipment - Intangible	-	(8,991)	-	(8,991)
Infrastructure	<u>(21,297,371)</u>	<u>(238,466)</u>	<u>-</u>	<u>(21,535,837)</u>
Total accumulated depreciation/amortization	<u>(29,759,774)</u>	<u>(705,226)</u>	<u>217,361</u>	<u>(30,247,639)</u>
Depreciable/Amortizable, net	<u>18,361,110</u>	<u>(291,787)</u>	<u>(21,245)</u>	<u>18,048,078</u>
Governmental activities capital assets, net	<u>\$ 24,612,057</u>	<u>\$ (11,018)</u>	<u>\$ (21,245)</u>	<u>\$ 24,579,794</u>

Depreciation expense for governmental activities is charged to functions as follows:

Function	
General Government	\$ 159,196
Public Safety	149,896
Highways and Streets	256,397
Community Development	<u>139,737</u>
Total	<u>\$ 705,226</u>

CITY OF TROUTDALE, OREGON
Notes to Basic Financial Statements
June 30, 2022

Capital asset activity for business-type activities for the fiscal year ended June 30, 2022 was as follows:

	Restated Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Non-depreciable				
Land	\$ 1,712,972	\$ -	\$ -	\$ 1,712,972
Intangibles	126,799	-	-	126,799
Construction in progress	150,885	128,532	-	279,417
Total non-depreciable	<u>1,990,656</u>	<u>128,532</u>	<u>-</u>	<u>2,119,188</u>
Depreciable/Amortizable				
Buildings and improvements	2,426,714	-	-	2,426,714
Land improvements	392,339	-	-	392,339
Equipment	1,945,619	43,281	(80,214)	1,908,686
Right to use equipment - Intangible	-	18,918	-	18,918
Infrastructure	61,425,717	36,100	-	61,461,817
Total depreciable	<u>66,190,389</u>	<u>98,299</u>	<u>(80,214)</u>	<u>66,208,474</u>
Accumulated depreciation and amortization				
Buildings and improvements	(1,171,491)	(51,834)	-	(1,223,325)
Land improvements	(380,099)	(8,248)	-	(388,347)
Equipment	(1,416,597)	(108,299)	80,214	(1,444,682)
Right to use equipment - Intangible	-	(2,726)	-	(2,726)
Infrastructure	(32,873,608)	(1,273,142)	-	(34,146,750)
Total accumulated depreciation/amortization	<u>(35,841,795)</u>	<u>(1,444,249)</u>	<u>80,214</u>	<u>(37,205,830)</u>
Depreciable/Amortizable, net	<u>30,348,594</u>	<u>(1,345,950)</u>	<u>-</u>	<u>29,002,644</u>
Business-type activities capital assets, net	<u>\$ 32,339,250</u>	<u>\$ (1,217,418)</u>	<u>\$ -</u>	<u>\$ 31,121,832</u>

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

Water	\$ 391,824
Sewer	734,724
Storm Sewer	245,838
Public Services	71,863
Total depreciation business-type activities	<u>\$ 1,444,249</u>

The beginning balances of the governmental and business type activities were restated to reflect the reclassification of governmental type assets to business type assets.

CITY OF TROUTDALE, OREGON
Notes to Basic Financial Statements
June 30, 2022

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund transfers between governmental and business-type activities are reported as net transfers in the Statement of Activities. Net transfers in the Statement of Activities are reported as zero for the fiscal year ended June 30, 2022. Transfers between funds provide support for various programs in accordance with budgetary authorizations.

Interfund transfers are used to pay administrative services, provide funds for debt service, contribute toward the cost of capital projects, and provide operational resources.

The transfers for business type activities are presented in the budgetary funds and not in the proprietary funds as for generally accepted accounting principals purposes, these funds are consolidated.

Interfund receivables and payables are used to fund current operations and long term projects. The interfund activity for fiscal year ended June 30, 2022 is as follows:

	TRANSFERS FROM	TRANSFERS TO		
ALL ACTIVITIES				
GENERAL FUND	\$ 1,235,961	\$ -		
NONMAJOR FUNDS	-	1,235,961		
	<u>\$ 1,235,961</u>	<u>\$ 1,235,961</u>		
TOTAL INTERFUND TRANSFERS	<u>\$ 1,235,961</u>	<u>\$ 1,235,961</u>		
	INTERFUND LOAN RECEIVABLE	INTERFUND LOAN PAYABLE	DUE FROM	DUE TO
GOVERNMENTAL ACTIVITIES				
GENERAL FUND	\$ 6,800,000	\$ 320,000	\$ -	\$ -
URA RIVERFRONT DEVELOPMENT	-	6,800,000	-	1,509,801
NONMAJOR FUNDS	552,500	232,500	1,509,801	-
	<u>\$ 7,352,500</u>	<u>\$ 7,352,500</u>	<u>\$ 1,509,801</u>	<u>\$ 1,509,801</u>

DEBT

There are a variety of debt types for the purpose of carrying out capital financing activities. The various types of debt are discussed below. Outstanding debt amounts are as of June 30, 2022.

CITY OF TROUTDALE, OREGON
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June 30, 2022

The following table presents current year changes in long-term debt outstanding, along with the current portions due for each issue.

	Beginning Balance	Increase	Decrease	Ending Balance	Due in One Year
Governmental Activities					
Bonds					
G.O. Bonds	\$ 5,230,000	\$ -	\$ (5,230,000)	\$ -	\$ -
Full Faith and Credit Obligations	5,000,000	-	-	5,000,000	-
GO Refunding Bond 2021	-	4,570,000	(340,000)	4,230,000	345,000
Other					
Landfill post-closure care	172,193	-	(12,288)	159,905	12,562
Direct Borrowing					
OBDD Loan 2020	1,500,000	-	-	1,500,000	153,593
Deferred Amounts:					
Bond Premium	32,832	788,707	(110,917)	710,622	-
Bond Discount	(11,970)	-	1,710	(10,260)	-
	<u>\$ 11,923,055</u>	<u>\$ 5,358,707</u>	<u>\$ (5,691,495)</u>	<u>\$ 11,590,267</u>	<u>\$ 511,155</u>
Total Governmental Activities					

GOVERNMENTAL ACTIVITIES

General Obligation Bonds

General obligation bonds were issued in February of 2011 in the amount of \$7,540,000 for the construction of a new police station. These twenty (20) year term bonds were issued with interest rates ranging from 2.0% to 4.0% and the final maturity due in 2031. The balance outstanding at June 30, 2022 is \$0 as they were refunded with the GO Refunding Bond 2021. Principal and interest is payable from property tax revenues.

Full Faith and Credit Obligation Bonds

Full faith and credit obligation bonds were issued in March of 2018 in the amount of \$5,000,000 to finance projects for the Troutdale Riverfront Renewal Plan. These ten (10) year term bonds were issued with interest rates ranging from 3.15% to 3.59% and the final maturity due in 2028. The balance outstanding at June 30, 2022 is \$5,000,000. Upon the occurrence and continuance of any event of default, the escrow agent may proceed, and upon written request the owners of fifty-one (51 %) percent or more of the principal amount of obligations then outstanding shall take whatever action may appear necessary or desirable to enforce the financing agreement or to protect any of the rights vested in the escrow agent or the owners of obligations by the escrow agreement or by the obligations, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the escrow agreement or in aid of the exercise of any power granted in the escrow agreement or for the enforcement of any other legal or equitable right vested in the escrow agent by the escrow agreement or by law. Provided, however, that the financing amount and the financing payments shall not be subject to acceleration. Principal and interest is payable from property tax revenues. Annual debt service requirements to maturity for full faith and credit obligation bonds for governmental type activities are as follows:

CITY OF TROUTDALE, OREGON
Notes to Basic Financial Statements
June 30, 2022

Year Ending June 30,	Principal	Interest
2023	\$ -	\$ 167,000
2024	1,000,000	167,000
2025	1,000,000	136,000
2026	1,000,000	103,500
2027	1,000,000	70,000
2028-32	1,000,000	35,500
Totals	<u>\$ 5,000,000</u>	<u>\$ 679,000</u>

GO Refunding Bonds 2021

General obligation refunding bonds were issued in July of 2021 in the amount of \$4,570,000 for refunding of the February 2011 general obligation bonds. These ten (10) year term bonds were issued with interest rates ranging from 3.25% to 4.0% and the final maturity due in 2031. The balance outstanding at June 30, 2022 is \$4,230,000. The current lower interest rates provided the opportunity for the City to reduce total debt service payments by \$924,938 and resulted in an economic gain of \$882,063. Upon the occurrence and continuance of any Event of Default the Owners of fifty-one (51%) percent or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Declaration or the Bonds or in aid of the exercise of any power granted in the Declaration or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of Bonds by the Declaration or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

Year Ending June 30,	Principal	Interest
2023	\$ 345,000	\$ 164,600
2024	370,000	150,800
2025	405,000	136,000
2026	430,000	119,800
2027	470,000	103,675
2028-32	2,210,000	228,800
Totals	<u>\$ 4,230,000</u>	<u>\$ 903,675</u>

Direct Borrowing – OBDD Loan 2020

A loan was received in July of 2021 in the amount of \$1,500,000 for the Riverfront Redevelopment Cleanup Project. The loan spans 11 years and bears an interest rate of 3% per annum. The balance outstanding at June 30, 2022 is \$1,500,000. Annual debt service requirements are noted below:

Year Ending June 30,	Principal	Interest
2023	\$ 153,593	\$ 43,695
2024	172,463	38,669
2025	177,886	33,246
2026	183,373	27,759
2027	189,029	22,103
2028-32	623,656	30,699
Totals	<u>\$ 1,500,000</u>	<u>\$ 196,171</u>

CITY OF TROUTDALE, OREGON
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June 30, 2022

Leases Liability

For the year ended 6/30/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. See the capital asset note for the corresponding intangible right to use lease asset.

	Original Amount	Outstanding June 30, 2021	Additions	Deletions	Outstanding June 30, 2022
Governmental Activities					
Large Format Printer, CommDev, 17.31%, principal and interest of \$210.13 monthly, due 2025 (Lease #300-3243659-100)	6,810	-	6,810	1,455	5,355
Copier/Printer, CommDev, 7.27%, principal and interest of \$180.33 monthly, due 2022 (Lease #1497594-1033528USC)	2,905	-	2,905	2,019	886
Copier/Printer (2), City Hall, 7.58%, principal and interest of \$474.88 monthly, due 2024 (Lease #1497594-1033528USC1)	15,249	-	15,249	4,704	10,545
Facility Lease, 219 EHCRH, interest 0.33%, principal and interest of \$2,810.04 monthly, due 2024	92,299	-	92,299	33,466	58,833
Facility Lease, 321 EHCRH, interest 0.33%, principal and interest of \$2,616.20 monthly, due 2024	88,524	-	88,524	31,150	57,374
Total Governmental Activities	\$ 205,787	\$ -	\$ 205,787	\$ 72,794	\$ 132,993
				Current Portion	(72,515)
				Long Term Portion	<u>\$ 60,478</u>
	Original Amount	Outstanding June 30, 2021	Additions	Deletions	Outstanding June 30, 2022
Business Type Activities					
Large Format Printer, PWKS, 3.86%, principal and interest of \$249.50 monthly, due 2027 (Lease #300-3268031-100)	\$ 13,637	\$ -	\$ 13,637	\$ 663	\$ 12,974
Copier/Printer, PWKS, 12.55%, principal and interest of \$198.24 monthly, due 2024 (Lease #300-3224871-100)	5,280	-	5,280	1,880	3,400
Total Business Type Activities	\$ 18,917	\$ -	\$ 18,917	\$ 2,543	\$ 16,374
				Current Portion	(4,606)
				Long Term Portion	<u>\$ 11,768</u>
	Governmental Activities		Business Type Activities		
	Principal	Interest	Principal	Interest	
2023	\$ 72,515	\$ 1,721	\$ 4,606	\$ 767	
2024	58,901	772	3,969	413	
2025	1,577	104	2,741	253	
2026	-	-	2,849	145	
2027	-	-	2,209	36	
Total	<u>\$ 132,993</u>	<u>\$ 2,597</u>	<u>\$ 16,374</u>	<u>\$ 1,614</u>	

CITY OF TROUTDALE, OREGON
Notes to Basic Financial Statements
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ACCRUED COMPENSATED ABSENCES

Changes in accrued compensated absences are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due within one year
Governmental	\$ 217,842	\$ 237,271	\$ (230,228)	\$ 224,885	\$ 44,977
Business Type	103,386	89,075	(93,215)	99,246	19,850
Total	<u>\$ 321,228</u>	<u>\$ 326,346</u>	<u>\$ (323,443)</u>	<u>\$ 324,131</u>	<u>\$ 64,827</u>

The General Fund has been charged with the costs to liquidate the liability for the compensated absence for the governmental funds.

RESTRICTED ASSETS

The balances of the restricted cash and investment accounts are as follows:

	<u>Governmental</u>	<u>Business-Type</u>
Street	\$ 4,249,086	\$ -
Street Tree	58,698	-
Code Specialties	1,896,325	-
Sam Cox Building	154,691	-
Bike Paths and Trails	8,159	-
Debt service reserves:		
FF & C Debt Service	2,834,884	-
URA Debt Service	360,660	-
Debt service fund	246,054	
System Development Charges:		
Water Improvement	-	895,935
Water Reimbursement	-	413,276
Sewer Improvement	-	1,969,825
Sewer Reimbursement	-	2,838,338
Street Improvement	1,102,345	-
Street Reimbursement	331,672	-
Storm Improvement	-	3,111,996
Storm Reimbursement	-	157,536
Parks Improvement	2,236,517	-
Total restricted assets	<u>\$ 13,479,091</u>	<u>\$ 9,386,906</u>

4. OTHER INFORMATION

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 (CCIS), a public entity risk pool currently operating a common risk management and insurance program. An annual premium is paid to CCIS for its insurance coverage. Based on the experience and the pool, there may be liability for an additional premium of up to approximately 20% of its initial premium or it may receive a refund. There has never been the requirement to pay an additional premium. Predetermined limits and deductible amounts are stated in the policy. Commercial insurance is carried for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

CONTINGENT LIABILITIES

The City is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Management intends to vigorously contest these matters and does not believe their ultimate resolution will have a material effect upon the financial position, results of operations or cash flows.

During 1979 and 1980 sewer hookup reservations were sold as a means of financing the expansion of the wastewater treatment plant. Amounts received from property owners are nontransferable and nonrefundable. Deposits are applied to the sewer system development charge at the time of hookup.

Federal grants are subject to audit by the grantor agency and any adjustments may become a liability of the appropriate fund. Management believes that adjustments, if any, will not materially affect the financial position.

PENSION PLAN – OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Annual Comprehensive Financial Report which can be found at: <https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf>
If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. **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, and 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 benefits results.
A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar

CITY OF TROUTDALE, OREGON
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June 30, 2022

years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 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 2 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.

- ii. **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 contributions are met:
 - *member was employed by PERS employer at the time of death,
 - *member died within 120 days after termination of PERS covered employment,
 - *member died as a result of injury sustained while employed in a PERS-covered job, or
 - *member was on an official leave of absence from a PERS-covered job at the time of death.
- iii. **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.
- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

- i. **Pension Benefits.** 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.

A member of the 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.

- ii. **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,

CITY OF TROUTDALE, OREGON
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receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

- iii. **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.

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. The 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, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2022 were \$395,245, excluding amounts to fund employer specific liabilities. In addition approximately \$250,470 in employee contributions were paid or picked up by the City in fiscal 2022. At June 30, 2022, the City reported a net pension liability of \$3,548,034 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2019. 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 employers, actuarially determined. As of the measurement date of June 30, 2021 and 2020, the City's proportion was .029 percent and .021 percent, respectively. Pension expense for the year ended June 30, 2022 was (\$242,639).

The rates in effect for the year ended June 30, 2022 were:

- (1) Tier 1/Tier 2 – 16.34%
- (2) OPSRP general services – 13.06%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 332,119	\$ -
Changes in assumptions	888,179	9,338
Net difference between projected and actual earnings on pension plan investments	-	2,626,581
Net changes in proportionate share	1,319,838	296,979
Differences between contributions and proportionate share of contributions	4,508	299,304
Subtotal - Amortized Deferrals (below)	2,544,644	3,232,202
Contributions subsequent to measuring date	395,245	-
Deferred outflow (inflow) of resources	<u>\$ 2,939,889</u>	<u>\$ 3,232,202</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2023.

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Amounts reported as deferred outflows or inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2023	\$ (194,032)
2024	(55,239)
2025	(192,732)
2026	(419,216)
2027	173,661
Thereafter	-
Total	<u>\$ (687,558)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 25, 2022. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2021-ACFR.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

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Actuarial Methods and Assumptions:

Valuation date	December 31, 2019
Experience Study Report	2018, Published July 24, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent (reduced from 2.50 percent)
Investment rate of return	6.90 percent (reduced from 7.20 percent)
Discount rate	6.90 percent (reduced from 7.20 percent)
Projected salary increase	3.40 percent (reduced from 3.50 percent)
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	Healthy 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. 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. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts 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 method and assumptions shown are based on the 2018 Experience Study which is reviewed for the four-year period ending December 31, 2019.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	27.5%	37.5%	32.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternatives Portfolio	7.5%	17.5%	15.0%
Opportunity Portfolio	0.0%	5.0%	0.0%
Risk Parity	0.0%	2.5%	2.5%
Total			100.0%

(Source: June 30, 2021 PERS ACFR; p. 104)

CITY OF TROUTDALE, OREGON
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Long-Term Expected Rate of Return:

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

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

(Source: June 30, 2021 PERS ACFR; p. 74)

Discount Rate – The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan, a reduction approved by the Board from 7.20 percent in the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate – the following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$ 6,967,487	\$ 3,548,034	\$ 687,190

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2021 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Deferred Compensation Plan

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the City for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of resignation, death, disability, or retirement; unforeseeable emergency; or by requesting a de minimis distribution from inactive accounts valued less than \$5,000. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the City.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the City are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP 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.

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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.

Contributions:

Employees of the City pay six (6) percent of their covered payroll. Since 2009, the City has paid on behalf of the employees the IAP member required six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$2,535 per month on January 1, 2021) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The City did not make any of the optional additional voluntary after-tax 2.5 percent or 0.75 percent contributions to member IAP accounts for the year ended June 30, 2022.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

Retirement Health Insurance Account

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the City contributes to the 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 OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes 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.

Funding Policy:

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 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars 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 OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the

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subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently contributes 0.05% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2022. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The City's contributions to RHIA for the years ended June 30, 2020, 2021 and 2022 were \$708, \$763 and \$763, respectively, which equaled the required contributions each year.

At June 30, 2022, the City's net OPEB liability/(asset) and deferred inflows and outflows were not considered significant by management and were not accrued on the government wide statements.

Post Employment Benefits Other Than Pensions (OPEB) GASB 75

Plan Description: The District operates a single-employer retiree benefit plan that provides postemployment health, dental and vision insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. All classes of employee are eligible to continue coverage upon retirement. Qualified spouses domestic partners, and children may qualify for coverage. Coverage for retirees and eligible dependents continues until Medicare eligibility for each individual (or until dependent children become ineligible).

Benefits and eligibility for members are established through the collective bargaining agreements. The postretirement healthcare plan is established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution. The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan.

Funding Policy: The benefits from this program are paid by the District on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is not obligation on the part of the District to fund these benefits in advance.

Actuarial Methods and Assumptions: The District engaged an actuary to perform an evaluation as of July 1, 2020 using entry age normal, level percent of salary Actuarial Cost Method. The Single Employer Pension Plan liability was determined using the following actuarial assumptions, applied to all periods including the measurement:

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Discount Rate per year		2.16%
General Inflation Rate per year		2.50%
Salary Scale per year		3.50%
Annual Medical Premium increase rate	2020-21	5.75%
	2021-22	5.25%
	2023-25	5.00%
	2026-40	4.75%
	2041-49	5.00%
	2050-64	4.75%
	2065-67	4.25%
	2068-71	4.25%
	2072+	4.00%

Mortality rates were based on the 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.

Turnover rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by years of service.

Disability was not used.

Retirement rates reflects assumptions used in the Oregon PERS actuarial valuation.

Changes in Medical Benefit OPEB Liability:

Total OPEB Liability - Beginning	2022	2021	2020
	<u>\$ 191,597</u>	<u>\$ 275,373</u>	<u>\$ 277,614</u>
Changes for the Year:			
Service Cost	17,515	14,441	12,994
Interest	4,513	9,581	10,622
Changes of Benefit Terms	-	-	-
Effect of economic/demographic gains/losses	-	(57,472)	-
Changes of Assumptions or Other Input	759	(17,923)	6,712
Benefit Payments	<u>(9,874)</u>	<u>(32,403)</u>	<u>(32,569)</u>
Net Changes for the Year	<u>12,913</u>	<u>(83,776)</u>	<u>(2,241)</u>
Total OPEB Liability - Ending	<u>\$ 204,510</u>	<u>\$ 191,597</u>	<u>\$ 275,373</u>

Sensitivity of the Net Other Post-Employment Benefit Liability to Changes in Discount and Trend Rates: The following analysis presents the net OPEB liability using a discount rate of 2.16%, as well as what the City's net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (1.16%) or one percentage point higher (3.16%) than the current rate, a similar sensitivity analysis is presented for the changes in the healthcare trend assumption:

CITY OF TROUTDALE, OREGON
Notes to Basic Financial Statements
June 30, 2022

June 30, 2022	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 219,959	\$ 204,510	\$ 189,816

June 30, 2022	1% Decrease Healthcare	Current Trend Rate Healthcare	1% Increase Healthcare
Total OPEB Liability	\$ 181,669	\$ 204,510	\$ 231,572

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Benefits:

The City reports information on deferred outflows and deferred inflows of resources at year end as well as a schedule of amounts of those deferred outflows of resources and deferred inflows of resources that will be recognized in other post-employment benefit expense for the following five years.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 30,968	\$ (40,316)
Changes in assumptions	4,211	(21,627)
Benefit Payments	12,165	-
Deferred outflow (inflow) of resources	<u>\$ 47,344</u>	<u>\$ (61,943)</u>

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

Year ending June 30,	Amount
2023	\$ (1,861)
2024	(417)
2025	(6,081)
2026	(10,722)
2027	(7,764)
Thereafter	81
Total	<u>\$ (26,764)</u>

DEFERRED COMPENSATION PLANS

Two deferred compensation trust plans were created in accordance with Internal Revenue Code Section 457. The trusts hold the assets for the exclusive benefit of plan participants and their beneficiaries. Plan assets are not the property of the City, or subject to the claims of the City's general creditors.

PROPERTY TAX LIMITATION

The State of Oregon has a constitutional limit on property taxes for governmental operations. Under the limitation, tax revenue is separated into those for public schools and those for local governments other than public schools. The limitation specifies a maximum rate for all local government operations of \$10.00 per \$1,000 of real market value, while schools are similarly limited to a \$5.00 maximum rate. Local government taxes in the City currently do not exceed the \$10.00 rate limit; however, this limitation may affect the availability of future tax revenues.

In May 1997, voters approved Measure 50 which rolled back assessed values to 90% of 1995-96 and limits future increases of taxable assessed values to 3% per year, exclusive of new construction and property that is improved, rezoned, subdivided, or ceases to qualify for exemption. Tax rates are now fixed and not subject to change. Voters may approve local initiatives above the fixed rate provided a majority approves at either (i) a general election in an even numbered year, or (ii) at any other election in which at least 50% of registered voters cast a ballot.

POST-CLOSURE LANDFILL CARE

The Sunrise Park (Obrist) Landfill previous Solid Waste Disposal Site Closure Permit Number 1193 expired in April 2009. The facility is permitted as a Closed Construction and Demolition Landfill. The landfill closure permit was renewed by the Oregon Department of Environmental Quality (DEQ) on December 21, 2012 based upon a Land Use Compatibility Statement May 14, 1998 and a Solid Waste Disposal Site Closure Permit renewal application of November 17, 2008, and an Environmental Monitoring Plan approved by DEQ on March 15, 2011.

The City has had a previously unrecorded a liability for the estimated costs of landfill postclosure care. As part of the above renewal application with DEQ the City is providing a financial assurance plan beginning with the 2012-2013 fiscal year and for each subsequent year to comply with State and federal laws and regulations which require the City to perform certain maintenance and monitoring functions at the site for thirty years after closure.

The City has evaluated the liability by examining the estimated costs needed to perform the postclosure care over the remaining life determined the year ended June 30, 2022 estimated liability of \$159,906. The estimated future costs to maintain and monitor the landfill may change due to one or more of the following factors of inflation, deflation, changes in technology or changes to applicable laws or regulations. The City believes this long term liability has been, and will remain, immaterial in light of the City's overall financial condition.

5. DEFICIT FUND BALANCE

There is a deficit fund balance in the following fund:

URA Riverfront Development Fund - \$8,337,363
Sam Cox Building - \$50,509
Bike Paths and Trails - \$20,718

The deficit fund balances are the result of budgetary to GAAP accounting differences for Interfund Loans. The fund balance deficits will be resolved when the Interfund loans are paid off.

CITY OF TROUTDALE, OREGON
Notes to Basic Financial Statements
June 30, 2022

6. FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2022 are as follows:

Fund Balances:	General Fund	Street Fund	URA Riverfront Development	Nonmajor Funds	Total
<u>Nonspendable:</u>					
Prepaid items	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
Inventory	802	29,446	-	-	30,248
Total	2,302	29,446	-	-	31,748
<u>Restricted:</u>					
Capital projects	-	-	-	9,128,247	9,128,247
Debt service	-	-	-	4,954,351	4,954,351
Street maintenance	-	4,479,014	-	-	4,479,014
Total	-	4,479,014	-	14,082,598	18,561,612
<u>Unassigned:</u>	14,533,160	-	(8,337,363)	(71,227)	6,124,570
Total Fund Balances	\$ 14,535,462	\$ 4,508,460	\$ (8,337,363)	\$ 14,011,371	\$ 24,717,930

7. TAX ABATEMENT DISCLOSURES

As of June 30, 2022, the City offers tax abatements as a sponsor of the Columbia Cascade Enterprise Zone, ORS Chapter 285C, which would reduce the City's property tax revenue. In addition, there were tax abatement programs provided by the State of Oregon which also reduced the City's property tax revenues.

- Special Assessment of Historic Property, ORS 358.487 to 358.543. To support historic building preservation the program specially assesses a property's assessed value for 15 years through the State Historic Preservation Office (SHPO) approval. City property tax revenues were reduced \$29,234 by the program during the current reporting period.
- Alternative Energy Systems, ORS 307.175. To encourage alternative energy production this abatement exempts the additional taxable value of equipping a property with net metering or with alternative systems for onsite electricity or climate control as compared to a conventional system until 2023. City property tax revenues were reduced \$786 by the program during the current reporting period.
- Day Care Centers, Student Housing and Religious Schools, ORS 307.145. The Legislature has determined that providing a property tax exemption to a variety of religious, charitable, educational and other nonprofit organizations provides a general public good to the community. This abatement exempts qualified nonprofit organization property from property taxes. City property tax revenues were reduced \$3,436 by the program during the current reporting period.

Columbia Cascade Enterprise Zone Tax Abatement

The City's Enterprise Zone is authorized by Oregon Revised Statute (ORS) 285C.050 – 285C.250, the Oregon Enterprise Zone Act (the Act). The City, jointly with the City of Fairview, originally created the Columbia Cascade Enterprise Zone (EZ) with Resolution No. 1901,

CITY OF TROUTDALE, OREGON
Notes to Basic Financial Statements
June 30, 2022

approved by Council on September 11, 2007. The City of Wood Village subsequently joined and expanded the EZ in 2008. The EZ was redesignated via Resolution No. 2423 on June 26, 2018. ORS 285C.255 defines the sunset of all enterprise zone programs, terminating existing programs as of June 30, 2025.

EZ applications go through a series of reviews by the City and by the county assessor, including a preauthorization consultation and review of written application materials. For approved applications for an extended five year abatement, City Council takes formal action via adoption of a resolution finding that the business is eligible for the exemption under the Act, and that the size of the proposed investment, the employment at the facility of the firm or the nature of the activities undertaken by the firm within the EZ will significantly enhance the local economy, promote the purposes for which the zone was created and increase employment within the zone. Applications for a three year abatement are approved administratively by the Enterprise Zone Manager.

Taxes are abated via an exemption of assessed value from applicable tax levies, for a period of three tax years from when the property is placed in service. Applicable tax levies include the permanent rate levies and operating levies for taxing districts that include the property, which may include the City, county, school districts and other special districts depending on the location of the property within the EZ. If the business requests an additional two years of abatement with their application, a community service fee equal to 25% of the total abated taxes will be payable to the City for all five years of the abatement when an extension is requested. Any community service fees received by the City from participating businesses are available for general governmental purposes including use on economic development activities.

Recipients of the EZ tax abatement make commitments to the City in their application in a number of areas, including statutory requirements for an increase in full-time employment of 10%, no concurrent job losses in Oregon within 30 miles of the EZ, maintenance of employment levels during the exemption period, and first-source agreements with local job training providers. The City places additional requirements for a minimum investment of \$1 million, a procurement plan demonstrating a good faith effort to increase purchasing with East Multnomah County area companies, and requirements related to compensation, benefits, and training opportunities.

For the fiscal year ended June 30, 2022, the City's property tax revenues were reduced by an estimated \$698,513 as a result of the Enterprise Zone program. Community service fees of \$885,961 were collected from participating businesses during the fiscal year.

8. RESTATEMENT

For the fiscal year ended June 30, 2022, the City restated the beginning net position of the Governmental Activities and the Business Type Activities by \$638,281 respectively due to the reclassification of capital assets between activities.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF TROUTDALE, OREGON

**REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2022**

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) City's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.0296 %	\$ 3,548,034	\$ 4,424,504	0.8 %	87.6 %
2021	0.0213	4,649,867	3,969,957	1.2	75.8
2020	0.0227	3,931,554	3,381,884	1.2	80.2
2019	0.0197	2,978,688	3,328,387	0.9	82.1
2018	0.0202	2,722,947	3,061,346	0.9	83.1
2017	0.0532	7,989,157	2,896,024	2.8	80.5
2016	0.0580	3,351,769	4,718,429	0.7	91.9
2015	0.0540	(1,224,762)	4,771,980	(26.0)	103.6
2014	0.0540	2,757,356	3,534,062	57.8	92.0

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are 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.

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2022	\$ 395,245	\$ 395,245	\$ -	\$ 4,587,519	8.6 %
2021	460,746	460,746	-	4,424,504	10.4
2020	376,316	376,316	-	3,969,957	9.5
2019	327,986	327,986	-	3,381,884	9.7
2018	324,308	324,308	-	3,328,387	9.7
2017	292,159	292,159	-	3,061,346	9.5
2016	296,606	296,606	-	2,896,024	10.2
2015	414,661	414,661	-	4,718,429	8.8
2014	416,388	416,388	-	4,771,980	8.7

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are 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.

CITY OF TROUTDALE, OREGON

SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS (OPEB) LIABILITY
For the Year Ended June 30, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability - Beginning	<u>\$ 191,597</u>	<u>\$ 275,373</u>	<u>\$ 277,614</u>	<u>\$ 207,616</u>	<u>\$ 217,397</u>
Changes for the year:					
Service Cost	17,515	14,441	12,994	12,623	13,287
Interest	4,513	9,581	10,622	7,628	6,317
Changes of Benefit Terms	-	-	-	-	-
Changes in economic/demographic gains or losses	-	(57,472)	-	82,584	-
Changes of Assumptions or Other Input	759	(17,923)	6,712	(18,358)	(11,198)
Benefit Payments	<u>(9,874)</u>	<u>(32,403)</u>	<u>(32,569)</u>	<u>(14,479)</u>	<u>(18,187)</u>
Net Changes for the Year	12,913	(83,776)	(2,241)	69,998	(9,781)
Total OPEB Liability - Ending	<u>\$ 204,510</u>	<u>\$ 191,597</u>	<u>\$ 275,373</u>	<u>\$ 277,614</u>	<u>\$ 207,616</u>
Covered Payroll	4,587,519	4,424,504	3,969,957	3,381,884	3,328,387
Total OPEB Plan as a Percentage of Covered Payroll	4.46%	4.33%	6.94%	8.21%	6.24%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The City implemented GASB 75 in the fiscal year ending June 30, 2018.

SUPPLEMENTARY INFORMATION

CITY OF TROUTDALE, OREGON
URA RIVERFRONT DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ 550,000	\$ 550,000	\$ -	\$ (550,000)
Charges for Services	-	-	23,430	23,430
Interest	1,000	1,000	4,897	3,897
Miscellaneous	30,000	30,000	12,517	(17,483)
Total revenues	581,000	581,000	40,844	(540,156)
EXPENDITURES:				
Materials and services	520,200	520,200	156,818	363,382
Capital outlay	4,250,000	4,250,000	-	4,250,000
Contingency	560,578	560,578	-	560,578
Total expenditures	5,330,778	5,330,778	156,818	5,173,960
Revenues over (under) expenditures	(4,749,778)	(4,749,778)	(115,974)	4,633,804
OTHER FINANCING SOURCES (USES):				
Interfund Loan Proceeds	4,300,000	4,300,000	200,000	(4,100,000)
Total other financing sources (uses)	4,300,000	4,300,000	200,000	(4,100,000)
Net changes in fund balances	(449,778)	(449,778)	84,026	533,804
FUND BALANCES, BEGINNING	449,778	449,778	178,611	(271,167)
FUND BALANCES, ENDING	\$ -	\$ -	\$ 262,637	\$ 262,637
Budget to GAAP Reconciliation				
Interfund loan transactions			(8,600,000)	
GAAP Fund Balance			\$ (8,337,363)	

CITY OF TROUTDALE, OREGON
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2022

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total
ASSETS				
Cash and investments	\$ 2,117,873	\$ 3,441,598	\$ 6,785,948	\$ 12,345,419
Accounts receivable	16,575	1,900	-	18,475
Property taxes receivable	-	14,547	-	14,547
Interfund loan receivable	-	-	552,500	552,500
Due from	-	1,509,801	-	1,509,801
Total assets	<u>\$ 2,134,448</u>	<u>\$ 4,967,846</u>	<u>\$ 7,338,448</u>	<u>\$ 14,440,742</u>
LIABILITIES				
Accounts payable	\$ 155,830	\$ -	\$ 5,692	\$ 161,522
Payroll liabilities	19,154	-	-	19,154
Deposits payable	2,700	-	-	2,700
Interfund loan payable	232,500	-	-	232,500
Total liabilities	<u>410,184</u>	<u>-</u>	<u>5,692</u>	<u>415,876</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Taxes	<u>-</u>	<u>13,495</u>	<u>-</u>	<u>13,495</u>
FUND BALANCES				
Restricted	1,795,491	4,954,351	7,332,756	14,082,598
Unassigned	(71,227)	-	-	(71,227)
Total fund balances	<u>1,724,264</u>	<u>4,954,351</u>	<u>7,332,756</u>	<u>14,011,371</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,134,448</u>	<u>\$ 4,967,846</u>	<u>\$ 7,338,448</u>	<u>\$ 14,440,742</u>

CITY OF TROUTDALE, OREGON
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2022

	Street Tree Fund	Bike Paths & Trails Fund	Code Specialties Fund	Sam Cox Building Fund	Total
ASSETS					
Cash and investments	\$ 58,698	\$ 8,159	\$ 1,896,325	\$ 154,691	\$ 2,117,873
Accounts receivable	-	1,123	15,452	-	16,575
Total assets	<u>\$ 58,698</u>	<u>\$ 9,282</u>	<u>\$ 1,911,777</u>	<u>\$ 154,691</u>	<u>\$ 2,134,448</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 155,830	\$ -	\$ 155,830
Payroll liabilities	-	-	19,154	-	19,154
Deposits payable	-	-	-	2,700	2,700
Interfund loan payable	-	30,000	-	202,500	232,500
Total liabilities	<u>-</u>	<u>30,000</u>	<u>174,984</u>	<u>205,200</u>	<u>410,184</u>
FUND BALANCES					
Restricted	58,698	-	1,736,793	-	1,795,491
Unassigned	-	(20,718)	-	(50,509)	(71,227)
Total fund balances	<u>58,698</u>	<u>(20,718)</u>	<u>1,736,793</u>	<u>(50,509)</u>	<u>1,724,264</u>
Total liabilities and fund balance	<u>\$ 58,698</u>	<u>\$ 9,282</u>	<u>\$ 1,911,777</u>	<u>\$ 154,691</u>	<u>\$ 2,134,448</u>

CITY OF TROUTDALE, OREGON
Nonmajor Debt Service Funds
Combining Balance Sheet
June 30, 2022

	URA Debt Service Fund	FF&C Debt Service Fund	Debt Service Fund	Total
ASSETS				
Cash and investments	\$ 360,660	\$ 2,834,884	\$ 246,054	\$ 3,441,598
Property taxes receivable	4,094	-	10,453	14,547
Accounts receivable	632	-	1,268	1,900
Due from	1,509,801	-	-	1,509,801
Total assets	<u>\$ 1,875,187</u>	<u>\$ 2,834,884</u>	<u>\$ 257,775</u>	<u>\$ 4,967,846</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Taxes	\$ 3,740	\$ -	9,755	\$ 13,495
Total deferred inflows of resources	<u>3,740</u>	<u>-</u>	<u>9,755</u>	<u>13,495</u>
FUND BALANCES				
Restricted	1,871,447	2,834,884	248,020	4,954,351
Total fund balances	<u>1,871,447</u>	<u>2,834,884</u>	<u>248,020</u>	<u>4,954,351</u>
Total liabilities and fund balances	<u>\$ 1,875,187</u>	<u>\$ 2,834,884</u>	<u>\$ 257,775</u>	<u>\$ 4,967,846</u>

CITY OF TROUTDALE, OREGON
Nonmajor Capital Projects Funds
Combining Balance Sheet
June 30, 2022

	Street Improvement Fund	Parks Improvement Fund	Utilities Underground Fund	Street Reimburse- ment Fund	Total
ASSETS					
Cash and investments	\$ 1,102,345	\$ 2,236,517	\$ 3,115,414	\$ 331,672	\$ 6,785,948
Interfund loan receivable	-	552,500	-	-	552,500
Total assets	<u>\$ 1,102,345</u>	<u>\$ 2,789,017</u>	<u>\$ 3,115,414</u>	<u>\$ 331,672</u>	<u>\$ 7,338,448</u>
LIABILITIES					
Accounts payable	\$ 1,161	\$ 4,139	\$ -	\$ 392	\$ 5,692
Total liabilities	<u>1,161</u>	<u>4,139</u>	<u>-</u>	<u>392</u>	<u>5,692</u>
FUND BALANCES					
Restricted	1,101,184	2,784,878	3,115,414	331,280	7,332,756
Total fund balances	<u>1,101,184</u>	<u>2,784,878</u>	<u>3,115,414</u>	<u>331,280</u>	<u>7,332,756</u>
Total liabilities and fund balances	<u>\$ 1,102,345</u>	<u>\$ 2,789,017</u>	<u>\$ 3,115,414</u>	<u>\$ 331,672</u>	<u>\$ 7,338,448</u>

CITY OF TROUTDALE, OREGON
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2022

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total
REVENUES				
Intergovernmental	\$ 13,027	\$ -	\$ -	\$ 13,027
Charges for services	-	-	778,587	778,587
Property taxes	-	485,790	-	485,790
Franchise	-	-	232,596	232,596
Licenses and permits	826,784	-	-	826,784
Interest	7,689	12,896	36,689	57,274
Miscellaneous	-	22,311	-	22,311
Total revenues	<u>847,500</u>	<u>520,997</u>	<u>1,047,872</u>	<u>2,416,369</u>
EXPENDITURES				
Community development	889,870	-	6,583	896,453
Capital outlay	16,297	-	24,592	40,889
Debt service:				
Principal	-	340,000	-	340,000
Interest	-	390,217	-	390,217
Total expenditures	<u>906,167</u>	<u>730,217</u>	<u>31,175</u>	<u>1,667,559</u>
Excess (deficiency) of revenues over (under) expenditures	(58,667)	(209,220)	1,016,697	748,810
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,235,961	-	1,235,961
Total other financing sources (uses)	<u>-</u>	<u>1,235,961</u>	<u>-</u>	<u>1,235,961</u>
Net changes in fund balances	(58,667)	1,026,741	1,016,697	1,984,771
FUND BALANCES, BEGINNING	<u>1,782,931</u>	<u>3,927,610</u>	<u>6,316,059</u>	<u>12,026,600</u>
FUND BALANCES, ENDING	<u>\$ 1,724,264</u>	<u>\$ 4,954,351</u>	<u>\$ 7,332,756</u>	<u>\$ 14,011,371</u>

CITY OF TROUTDALE, OREGON
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2022

	Street Tree Fund	Bike Paths & Trails Fund	Code Specialties Fund	Sam Cox Building Fund	Total
REVENUES					
Intergovernmental	\$ -	\$ 13,027	\$ -	\$ -	\$ 13,027
Licenses, permits, and fees	14,435	-	795,538	16,811	826,784
Interest	310	-	7,379	-	7,689
Total revenues	<u>14,745</u>	<u>13,027</u>	<u>802,917</u>	<u>16,811</u>	<u>847,500</u>
EXPENDITURES					
Community development	5,904	222	881,839	1,905	889,870
Capital outlay	-	-	-	16,297	16,297
Total expenditures	<u>5,904</u>	<u>222</u>	<u>881,839</u>	<u>18,202</u>	<u>906,167</u>
Net changes in fund balances	8,841	12,805	(78,922)	(1,391)	(58,667)
FUND BALANCES, BEGINNING	<u>49,857</u>	<u>(33,523)</u>	<u>1,815,715</u>	<u>(49,118)</u>	<u>1,782,931</u>
FUND BALANCES, ENDING	<u>\$ 58,698</u>	<u>\$ (20,718)</u>	<u>\$ 1,736,793</u>	<u>\$ (50,509)</u>	<u>\$ 1,724,264</u>

CITY OF TROUTDALE, OREGON
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2022

	URA Debt Service Fund	FF&C Debt Service Fund	Debt Service Fund	Total
REVENUES				
Property taxes	\$ 182,284	\$ -	\$ 303,506	\$ 485,790
Interest	-	12,425	471	12,896
Miscellaneous	-	-	22,311	22,311
Total revenues	<u>182,284</u>	<u>12,425</u>	<u>326,288</u>	<u>520,997</u>
EXPENDITURES				
Debt Service				
Principal	-	-	340,000	340,000
Interest	1,647	206,600	181,970	390,217
Total expenditures	<u>1,647</u>	<u>206,600</u>	<u>521,970</u>	<u>730,217</u>
Excess (deficiency) of revenues over (under) expenditures	180,637	(194,175)	(195,682)	(209,220)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,060,961	175,000	1,235,961
Total other financing sources (uses)	<u>-</u>	<u>1,060,961</u>	<u>175,000</u>	<u>1,235,961</u>
Net changes in fund balances	180,637	866,786	(20,682)	1,026,741
FUND BALANCES, BEGINNING	<u>1,690,810</u>	<u>1,968,098</u>	<u>268,702</u>	<u>3,927,610</u>
FUND BALANCES, ENDING	<u><u>\$ 1,871,447</u></u>	<u><u>\$ 2,834,884</u></u>	<u><u>\$ 248,020</u></u>	<u><u>\$ 4,954,351</u></u>

CITY OF TROUTDALE, OREGON
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2022

	Street Improvement Fund	Parks Improvement Fund	Utilities Undergrounding Fund	Street Reimbursement Fund	Total
REVENUES					
Charges for services	\$ 30,454	\$ 607,500	\$ -	\$ 140,633	\$ 778,587
Franchise	-	-	232,596	-	232,596
Interest	3,557	17,005	14,805	1,322	36,689
Total revenues	<u>34,011</u>	<u>624,505</u>	<u>247,401</u>	<u>141,955</u>	<u>1,047,872</u>
EXPENDITURES					
Materials and services	286	4,614	-	1,683	6,583
Capital outlay	-	24,592	-	-	24,592
Total expenditures	<u>286</u>	<u>29,206</u>	<u>-</u>	<u>1,683</u>	<u>31,175</u>
Net changes in fund balances	33,725	595,299	247,401	140,272	1,016,697
FUND BALANCES, BEGINNING	<u>1,067,459</u>	<u>2,189,579</u>	<u>2,868,013</u>	<u>191,008</u>	<u>6,316,059</u>
FUND BALANCES, ENDING	<u><u>\$ 1,101,184</u></u>	<u><u>\$ 2,784,878</u></u>	<u><u>\$ 3,115,414</u></u>	<u><u>\$ 331,280</u></u>	<u><u>\$ 7,332,756</u></u>

**SCHEDULE OF REVENUES,
EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

Governmental Funds

Special Revenue Funds

Street Tree Fund
Bike Paths and Trails Fund
Code Specialties Fund
Sam Cox Building Fund

Debt Service Funds

URA Debt Service Fund
FF&C Debt Service Fund
Debt Service Fund

Capital Projects Funds

Street Improvement Fund
Parks Improvement Fund
Utilities Undergrounding Fund
Street Reimbursement Fund

**CITY OF TROUTDALE, OREGON
STREET TREE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Sudivision fees	\$ 1,000	\$ 1,000	\$ 14,435	\$ 13,435
Interest	350	350	310	(40)
Total revenues	1,350	1,350	14,745	13,395
EXPENDITURES:				
Materials and services	34,247	34,247	5,904	28,343
Total expenditures	34,247	34,247	5,904	28,343
Net changes in fund balances	(32,897)	(32,897)	8,841	41,738
FUND BALANCES, BEGINNING	32,897	32,897	49,857	16,960
FUND BALANCES, ENDING	\$ -	\$ -	\$ 58,698	\$ 58,698

CITY OF TROUTDALE, OREGON
BIKE PATHS & TRAILS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Intergovernmental revenues	\$ 12,271	\$ 12,271	\$ 13,027	\$ 756
Interest	100	100	-	(100)
Total revenues	12,371	12,371	13,027	656
EXPENDITURES:				
Materials and services	500	500	222	278
Capital outlay	6,564	6,564	-	6,564
Total expenditures	7,064	7,064	222	6,842
Revenues over (under) expenditures	5,307	5,307	12,805	7,498
OTHER FINANCING SOURCES (USES):				
Transfers out	(10,000)	(10,000)	(10,000)	-
Total other financing sources (uses)	(10,000)	(10,000)	(10,000)	-
Net changes in fund balances	(4,693)	(4,693)	2,805	7,498
FUND BALANCES, BEGINNING	4,693	4,693	6,477	1,784
FUND BALANCES, ENDING	\$ -	\$ -	\$ 9,282	\$ 9,282
Budget to GAAP Reconciliation				
Interfund loan transactions			(30,000)	
GAAP Fund Balance			\$ (20,718)	

**CITY OF TROUTDALE, OREGON
CODE SPECIALTIES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Permits and fees	\$ 584,000	\$ 584,000	\$ 795,538	\$ 211,538
Miscellaneous	25,100	25,100	-	(25,100)
Interest	-	-	7,379	7,379
Total revenues	609,100	609,100	802,917	193,817
EXPENDITURES:				
Building inspections	626,654	652,154	595,188	56,966
Electrical inspections	114,151	126,151	98,350	27,801
Plumbing inspections	213,753	230,253	188,301	41,952
Contingency	1,607,774	1,553,774	-	1,553,774
Total expenditures	2,562,332	2,562,332	881,839	1,680,493
Net changes in fund balances	(1,953,232)	(1,953,232)	(78,922)	1,874,310
FUND BALANCES, BEGINNING	1,953,232	1,953,232	1,815,715	(137,517)
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,736,793</u>	<u>\$ 1,736,793</u>

CITY OF TROUTDALE, OREGON
SAM COX BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Permits and fees	\$ 17,000	\$ 17,000	\$ 16,811	\$ (189)
Miscellaneous	1,000	1,000	-	(1,000)
Total revenues	18,000	18,000	16,811	(1,189)
EXPENDITURES:				
Materials and Services	4,468	4,468	1,905	2,563
Capital Outlay	156,000	156,000	16,297	139,703
Contingency	564	564	-	564
Total expenditures	161,032	161,032	18,202	142,830
Revenues over (under) expenditures	(143,032)	(143,032)	(1,391)	(144,019)
OTHER FINANCING SOURCES (USES):				
Transfers Out	(22,500)	(22,500)	(22,500)	-
Total other financing sources (uses)	(22,500)	(22,500)	(22,500)	-
Net changes in fund balances	(165,532)	(165,532)	(23,891)	141,641
FUND BALANCES, BEGINNING	165,532	165,532	175,882	10,350
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 151,991</u>	<u>\$ 151,991</u>
Budget to GAAP Reconciliation				
Interfund loan transactions			(202,500)	
GAAP Fund Balance			<u>\$ (50,509)</u>	

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Property taxes				
Current year	\$ 170,106	\$ 170,106	\$ 169,999	\$ (107)
Prior year	2,000	2,000	2,099	99
Penalties and interest	5,000	5,000	10,186	5,186
Total revenues	177,106	177,106	182,284	5,178
EXPENDITURES:				
Debt Service:				
Principal and Interest	210,000	210,000	201,647	8,353
Total expenditures	210,000	210,000	201,647	8,353
Net changes in fund balances	(32,894)	(32,894)	(19,363)	13,531
FUND BALANCES, BEGINNING				
	81,466	81,466	90,810	9,344
FUND BALANCES, ENDING				
	\$ 48,572	\$ 48,572	\$ 71,447	\$ 22,875
Budget to GAAP Reconciliation				
Interfund loan transactions			1,800,000	
GAAP Fund Balance			\$ 1,871,447	

CITY OF TROUTDALE, OREGON
FF&C DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Interest	\$ 10,000	\$ 10,000	\$ 12,425	\$ 2,425
Total revenues	10,000	10,000	12,425	2,425
EXPENDITURES:				
Debt Service:				
Interest	167,000	216,000	206,600	9,400
Total expenditures	167,000	216,000	206,600	9,400
Revenues over (under) expenditures	(157,000)	(206,000)	(194,175)	11,825
OTHER FINANCING SOURCES (USES):				
Transfers in	1,195,474	1,244,474	1,060,961	(183,513)
Total other financing sources (uses)	1,195,474	1,244,474	1,060,961	(183,513)
Net changes in fund balances	1,038,474	1,038,474	866,786	(171,688)
FUND BALANCES, BEGINNING	1,966,006	1,966,006	1,968,098	2,092
FUND BALANCES, ENDING	<u>\$ 3,004,480</u>	<u>\$ 3,004,480</u>	<u>\$ 2,834,884</u>	<u>\$ (169,596)</u>

**CITY OF TROUTDALE, OREGON
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Property taxes				
Current Year	\$ 291,400	\$ 291,400	\$ 297,961	\$ 6,561
Prior Year	5,000	5,000	5,545	545
Interest	100	100	471	371
Miscellaneous	-	-	22,311	22,311
Total revenues	296,500	296,500	326,288	29,788
EXPENDITURES:				
Debt Service:				
Principal	370,000	370,000	340,000	30,000
Interest	216,000	216,000	181,970	34,030
Total debt service	586,000	586,000	521,970	64,030
Revenues over (under)				
expenditures	(289,500)	(289,500)	(195,682)	93,818
OTHER FINANCING SOURCES (USES):				
Transfers in	175,000	175,000	175,000	-
Total other financing sources	175,000	175,000	175,000	-
(uses)				
Net changes in fund balances	(114,500)	(114,500)	(20,682)	93,818
FUND BALANCES, BEGINNING	259,847	259,847	268,702	8,855
FUND BALANCES, ENDING	<u>\$ 145,347</u>	<u>\$ 145,347</u>	<u>\$ 248,020</u>	<u>\$ 102,673</u>

**CITY OF TROUTDALE, OREGON
STREET IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
System development charges	\$ 10,000	\$ 10,000	\$ 30,454	\$ 20,454
Interest	2,500	2,500	3,557	1,057
Total revenues	12,500	12,500	34,011	21,511
EXPENDITURES:				
Materials and services	25,100	25,100	286	24,814
Capital outlay	225,000	225,000	-	225,000
Contingency	828,324	828,324	-	828,324
Total expenditures	1,078,424	1,078,424	286	1,078,138
Net changes in fund balances	(1,065,924)	(1,065,924)	33,725	1,099,649
FUND BALANCES, BEGINNING	1,065,924	1,065,924	1,067,459	1,535
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,101,184</u>	<u>\$ 1,101,184</u>

CITY OF TROUTDALE, OREGON
PARKS IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
System development charges	15,000	15,000	607,500	592,500
Interest	16,000	16,000	17,005	1,005
Total revenues	131,000	131,000	624,505	493,505
EXPENDITURES:				
Materials and services	75,000	75,000	4,614	70,386
Capital outlay	717,500	717,500	24,592	692,908
Contingency	910,582	910,582	-	910,582
Total expenditures	1,703,082	1,703,082	29,206	1,673,876
Revenues over (under) expenditures	(1,572,082)	(1,572,082)	595,299	2,167,381
OTHER FINANCING SOURCES (USES):				
Transfers In	112,500	112,500	112,500	-
Total other financing sources (uses)	112,500	112,500	112,500	-
Net changes in fund balances	(1,459,582)	(1,459,582)	707,799	2,167,381
FUND BALANCE, BEGINNING	1,459,582	1,459,582	1,524,579	64,997
FUND BALANCE, ENDING	\$ -	\$ -	\$ 2,232,378	\$ 2,232,378
Budget to GAAP Reconciliation				
Interfund loan transactions			552,500	
GAAP Fund Balance			\$ 2,784,878	

CITY OF TROUTDALE, OREGON
UTILITIES UNDERGROUNDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Franchise fees	\$ 206,332	\$ 206,332	\$ 232,596	\$ 26,264
Interest	35,000	35,000	14,805	(20,195)
Total revenues	241,332	241,332	247,401	6,069
EXPENDITURES:				
Capital outlay	3,123,425	3,123,425	-	3,123,425
Total expenditures	3,123,425	3,123,425	-	3,123,425
Net changes in fund balances	(2,882,093)	(2,882,093)	247,401	3,129,494
FUND BALANCE, BEGINNING	2,882,093	2,882,093	2,868,013	(14,080)
FUND BALANCE, ENDING	\$ -	\$ -	\$ 3,115,414	\$ 3,115,414

**CITY OF TROUTDALE, OREGON
STREET REIMBURSEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
System Development Charges	\$ 79,600	\$ 79,600	\$ 140,633	\$ 61,033
Interest	100	100	1,322	1,222
Total revenues	79,700	79,700	141,955	62,255
EXPENDITURES:				
Materials and services	6,000	6,000	1,683	4,317
Capital outlay	56,000	56,000	-	56,000
Contingency	138,932	138,932	-	138,932
Total expenditures	200,932	200,932	1,683	199,249
Net changes in fund balances	(121,232)	(121,232)	140,272	261,504
FUND BALANCES, BEGINNING	121,232	121,232	191,008	69,776
FUND BALANCES, ENDING	\$ -	\$ -	\$ 331,280	\$ 331,280

**SCHEDULE OF REVENUES,
EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

Proprietary Funds

Water Fund
Water Improvement Fund
Water Reimbursement Funds
Water Fund Reconciliation of Budgetary Revenues and
Expenditures to Proprietary Revenues and Expenses

Sewer Fund
Sewer Improvement Fund
Sewer Reimbursement Fund
Sewer Fund Reconciliation of Budgetary Revenues and
Expenditures to Proprietary Revenues and Expenses

Storm Sewer Improvement Fund
Storm Sewer Utility Fund
Storm Sewer Reimbursement Fund
Storm Sewer Fund Reconciliation of Budgetary Revenues and
Expenditures to Proprietary Revenues and Expenses

Public Services Fund
Public Service Fund Reconciliation of Budgetary Revenues and
Expenditures to Proprietary Revenues and Expenses

CITY OF TROUTDALE, OREGON
WATER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Charges for services	\$ 2,718,287	\$ 2,718,287	\$ 2,860,548	\$ 142,261
Interest	83,304	83,304	16,072	(67,232)
Miscellaneous	1,000	1,000	61,474	60,474
Total revenues	2,802,591	2,802,591	2,938,094	135,503
EXPENDITURES:				
Personnel services	627,040	700,040	643,283	56,757
Materials and services	1,790,087	1,790,087	1,517,298	272,789
Capital outlay	1,572,800	1,572,800	38,238	1,534,562
Contingency	325,000	252,000	-	252,000
Total expenditures	4,314,927	4,314,927	2,198,819	2,116,108
Revenues over (under) expenditures	(1,512,336)	(1,512,336)	739,275	2,251,611
OTHER FINANCING SOURCES (USES):				
Sale of Capital Asset	-	-	382	(382)
Total other financing sources (uses)	-	-	382	(382)
Net changes in fund balances	(1,512,336)	(1,512,336)	739,657	2,251,993
FUND BALANCES, BEGINNING	1,656,453	1,656,453	1,689,749	33,296
FUND BALANCES, ENDING	<u>\$ 144,117</u>	<u>\$ 144,117</u>	<u>\$ 2,429,406</u>	<u>\$ 2,285,289</u>

**CITY OF TROUTDALE, OREGON
WATER IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
System development charges	\$ 10,000	\$ 10,000	\$ 542,694	\$ 532,694
Interest	100	100	4,759	4,659
Total revenues	10,100	10,100	547,453	537,353
EXPENDITURES:				
Materials and services	56,000	56,000	30,062	25,938
Capital outlay	70,000	70,000	-	70,000
Contingency	160,617	160,617	-	160,617
Total expenditures	286,617	286,617	30,062	256,555
Net changes in fund balances	(276,517)	(276,517)	517,391	793,908
FUND BALANCES, BEGINNING	276,517	276,517	377,188	100,671
FUND BALANCES, ENDING	\$ -	\$ -	\$ 894,579	\$ 894,579

**CITY OF TROUTDALE, OREGON
WATER REIMBURSEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
System Development Charges	\$ 26,890	\$ 26,890	\$ 399,329	\$ 372,439
Interest	100	100	925	825
Total revenues	26,990	26,990	400,254	373,264
EXPENDITURES:				
Materials and services	6,000	16,000	7,934	8,066
Capital outlay	35,636	25,636	-	25,636
Total expenditures	41,636	41,636	7,934	33,702
Net changes in fund balances	(14,646)	(14,646)	392,320	406,966
FUND BALANCES, BEGINNING	14,646	14,646	19,619	4,973
FUND BALANCES, ENDING	\$ -	\$ -	\$ 411,939	\$ 411,939

CITY OF TROUTDALE, OREGON
WATER FUND
RECONCILIATION OF BUDGETARY REVENUES AND EXPENDITURES
TO PROPRIETARY REVENUES AND EXPENSES
For the Year Ended June 30, 2022

	Revenues	Expenditures/ Expenses
Water Fund	\$ 2,938,476	\$ 2,198,819
Water Improvement Fund	547,453	30,062
Water Reimbursement Fund	400,254	7,934
Total (Budgetary)	<u>3,886,183</u>	<u>2,236,815</u>
Capital outlay expenditures capitalized	-	(40,043)
Depreciation expense	-	391,824
Pension expense	-	(26,690)
Net change in accrued compensated absences	<u>-</u>	<u>1,192</u>
Revenues and expenses (GAAP)	\$ 3,886,183	\$ 2,563,098

**CITY OF TROUTDALE, OREGON
SEWER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Charges for services	\$ 3,816,413	\$ 3,816,413	\$ 4,098,053	\$ 281,640
Interest	40,000	40,000	17,651	(22,349)
Miscellaneous	1,000	1,000	8,525	7,525
Total revenues	3,857,413	3,857,413	4,124,229	266,816
EXPENDITURES:				
Personnel services	669,840	748,340	691,687	56,653
Materials and services	2,258,596	2,258,596	1,973,549	285,047
Capital outlay	2,073,500	2,073,500	130,545	1,942,955
Contingency	600,000	521,500	-	521,500
Total expenditures	5,601,936	5,601,936	2,795,781	2,806,155
Revenues over (under) expenditures	(1,744,523)	(1,744,523)	1,328,448	3,072,971
OTHER FINANCING SOURCES (USES):				
Sale of capital asset	-	-	5,555	5,555
Total other financing sources (uses)	-	-	5,555	5,555
Net changes in fund balances	(1,744,523)	(1,744,523)	1,334,003	3,078,526
FUND BALANCES, BEGINNING	2,292,776	2,292,776	3,120,334	827,558
FUND BALANCES, ENDING	<u>\$ 548,253</u>	<u>\$ 548,253</u>	<u>\$ 4,454,337</u>	<u>\$ 3,906,084</u>

**CITY OF TROUTDALE, OREGON
SEWER IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
System development charges	\$ 40,000	\$ 40,000	\$ 431,561	\$ 391,561
Interest	12,000	12,000	9,597	(2,403)
Total revenues	52,000	52,000	441,158	389,158
EXPENDITURES:				
Materials and Services	56,000	56,000	3,374	52,626
Capital Outlay	180,000	180,000	-	180,000
Contingency	1,212,975	1,212,975	-	1,212,975
Total expenditures	1,448,975	1,448,975	3,374	1,445,601
Net changes in fund balances	(1,396,975)	(1,396,975)	437,784	1,834,759
FUND BALANCES, BEGINNING	1,396,975	1,396,975	1,529,771	132,796
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,967,555</u>	<u>\$ 1,967,555</u>

**CITY OF TROUTDALE, OREGON
SEWER REIMBURSEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
System Development Charges	\$ 70,850	\$ 70,850	\$ 1,551,111	\$ 1,480,261
Interest	1,000	1,000	10,680	9,680
Total revenues	71,850	71,850	1,561,791	1,489,941
EXPENDITURES:				
Materials and services	56,000	56,000	15,250	40,750
Capital outlay	101,000	101,000	-	101,000
Contingency	957,187	957,187	-	957,187
Total expenditures	1,114,187	1,114,187	15,250	1,098,937
Net changes in fund balances	(1,042,337)	(1,042,337)	1,546,541	2,588,878
FUND BALANCES, BEGINNING	1,042,337	1,042,337	1,288,275	245,938
FUND BALANCES, ENDING	\$ -	\$ -	\$ 2,834,816	\$ 2,834,816

CITY OF TROUTDALE, OREGON
SEWER FUND
RECONCILIATION OF BUDGETARY REVENUES AND EXPENDITURES
TO PROPRIETARY REVENUES AND EXPENSES
For the Year Ended June 30, 2022

	Revenues	Expenditures/ Expenses
Sewer Fund	\$ 4,129,784	\$ 2,795,781
Sewer Improvement Fund	441,158	3,374
Sewer Reimbursement Fund	1,561,791	15,250
Total	<u>6,132,733</u>	<u>2,814,405</u>
Depreciation expense	-	734,724
Capital outlay	-	(140,386)
Net change in accrued compensated absences	-	(4,405)
Pension expense	<u>-</u>	<u>(26,690)</u>
Revenues and expenses	\$ 6,132,733	\$ 3,377,648

**CITY OF TROUTDALE, OREGON
STORM SEWER UTILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Charges for services	\$ 1,278,950	\$ 1,278,950	\$ 1,260,792	\$ (18,158)
Licenses and permits	4,000	4,000	-	(4,000)
Interest	500	500	5,457	4,957
Miscellaneous	500	500	382	(118)
Total revenues	1,283,950	1,283,950	1,266,631	(17,319)
EXPENDITURES:				
Personnel services	269,193	303,693	280,233	23,460
Materials and services	687,700	687,700	538,120	149,580
Capital outlay	174,000	174,000	4,594	169,406
Contingency	1,070,062	1,035,562	-	1,035,562
Total expenditures	2,200,955	2,200,955	822,947	1,378,008
Net changes in fund balances	(917,005)	(917,005)	443,684	1,360,689
FUND BALANCES, BEGINNING	917,005	917,005	1,049,172	132,167
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,492,856</u>	<u>\$ 1,492,856</u>

CITY OF TROUTDALE, OREGON
STORM SEWER IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
System development charges	\$ 10,000	\$ 10,000	\$ 105,804	\$ 95,804
Interest	40,000	40,000	14,325	(25,675)
Total revenues	50,000	50,000	120,129	70,129
EXPENDITURES:				
Materials and services	11,000	11,000	2,704	8,296
Capital outlay	175,000	175,000	-	175,000
Contingency	2,598,566	2,598,566	-	2,598,566
Total expenditures	2,784,566	2,784,566	2,704	2,781,862
Net changes in fund balances	(2,734,566)	(2,734,566)	117,425	2,851,991
FUND BALANCES, BEGINNING	2,734,566	2,734,566	2,994,473	259,907
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,111,898</u>	<u>\$ 3,111,898</u>

**CITY OF TROUTDALE, OREGON
STORM SEWER REIMBURSEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022**

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
System Development Charges	\$ 16,670	\$ 16,670	\$ 26,696	\$ 10,026
Interest	100	100	728	628
Total revenues	16,770	16,770	27,424	10,654
EXPENDITURES:				
Materials and services	11,000	11,000	591	10,409
Capital outlay	15,000	15,000	-	15,000
Contingency	109,385	109,385	-	109,385
Total expenditures	135,385	135,385	591	134,794
Net changes in fund balances	(118,615)	(118,615)	26,833	145,448
FUND BALANCES, BEGINNING	118,615	118,615	130,568	11,953
FUND BALANCES, ENDING	\$ -	\$ -	\$ 157,401	\$ 157,401

CITY OF TROUTDALE, OREGON
STORM SEWER FUND
RECONCILIATION OF BUDGETARY REVENUES AND EXPENDITURES
TO PROPRIETARY REVENUES AND EXPENSES
For the Year Ended June 30, 2022

	Revenues	Expenditures/ Expenses
Storm Sewer Improvement Fund	\$ 120,129	\$ 2,704
Storm Sewer Utility Fund	1,266,631	822,947
Storm Sewer Reimbursement Fund	27,424	591
Total	<u>1,414,184</u>	<u>826,242</u>
Depreciation expense	-	245,838
Pension expense	-	(12,131)
Accrued vacation expense	<u> </u>	<u>(927)</u>
Revenues and expenses	\$ 1,414,184	\$ 1,059,022

CITY OF TROUTDALE, OREGON
INTERNAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended June 30, 2022

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Charges for services	\$ 1,991,713	\$ 1,991,713	\$ 1,910,553	\$ (81,160)
Licenses and permits	4,556	4,556	18,172	13,616
Interest	1,000	1,000	5,154	4,154
Miscellaneous	-	-	3,003	3,003
Total revenues	1,997,269	1,997,269	1,936,882	(60,387)
EXPENDITURES:				
Equipment maintenance	383,512	394,012	340,470	53,542
Public works management	1,700,026	1,744,026	1,503,647	240,379
Contingency	664,717	610,217	-	610,217
Total expenditures	2,748,255	2,748,255	1,844,117	904,138
Revenues over (under) expenditures	(750,986)	(750,986)	92,765	843,751
OTHER FINANCING SOURCES (USES):				
Lease proceeds	-	-	13,637	13,637
Sale of equipment	-	-	56	56
Total other financing sources (uses)	-	-	13,693	13,693
Net Changes in fund balances	(750,986)	(750,986)	106,458	857,444
FUND BALANCES, BEGINNING	750,986	750,986	810,732	59,746
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 917,190</u>	<u>\$ 917,190</u>

CITY OF TROUTDALE, OREGON
PUBLIC SERVICES FUND
RECONCILIATION OF BUDGETARY REVENUES AND EXPENDITURES
TO PROPRIETARY REVENUES AND EXPENSES
For the Year Ended June 30, 2022

	Revenues	Expenditures/ Expenses
Public Services Fund	<u>\$ 1,950,575</u>	<u>\$ 1,844,117</u>
Total	1,950,575	1,844,117
Depreciation expense	-	71,863
Capital outlay	-	(43,058)
Lease liability proceeds	(13,637)	-
Debt payments	<u> </u>	<u>(663)</u>
Revenues and expenses	\$ 1,936,938	\$ 1,872,259

**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

CITY OF TROUTDALE, OREGON
Capital Assets Used in the Operation of Governmental Funds
Schedule By Source
June 30, 2022

Governmental funds capital assets:

Land	\$ 5,801,327
Right to use eqiuptment lease	24,964
Land improvements	6,216,363
Buildings and building improvements	14,988,423
Right to use building lease	180,823
Equipment	1,272,640
Infrastructure	25,612,505
Work in process	<u>730,388</u>
Total governmental funds capital assets	<u><u>\$ 54,827,433</u></u>

Investments in governmental capital assets by source:

Balance, July 1, 2021	\$ 54,371,831
Net changes provided by:	
General fund	396,705
Urban Renewal	53,399
Parks	(32,547)
Streets	<u>38,045</u>
Total	455,602
Total governmental funds capital assets	<u><u>\$ 54,827,433</u></u>

CITY OF TROUTDALE, OREGON
Capital Assets Used in the Operation of Governmental Funds
Schedule By Function and Activity
June 30, 2022

	<u>Land and Land Improvements and Intangibles</u>	<u>Buildings and Improvements</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Work in Progress</u>	<u>Total</u>
General Government	\$ 2,000,626	\$ 1,066,948	\$ 324,841	\$ -	\$ 543,833	\$ 3,936,248
Urban Renewal	6,751,289	-	-	-	186,555	6,937,844
Community Development	6,955,904	2,114,867	457,354	-	-	9,528,125
Public Safety	115,781	7,425,332	32,000	-	-	7,573,113
Highways and Streets	<u>744,358</u>	<u>36,793</u>	<u>458,446</u>	<u>25,612,506</u>	<u>-</u>	<u>26,852,103</u>
Total Investment	<u>\$ 16,567,958</u>	<u>\$ 10,643,940</u>	<u>\$ 1,272,641</u>	<u>\$ 25,612,506</u>	<u>\$ 730,388</u>	<u>\$ 54,827,433</u>

CITY OF TROUTDALE, OREGON
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For the Year Ended June 30, 2022

Function and Activity	Balance July 1, 2021	Additions	Deductions	Balance June 30, 2022
General Government	\$ 3,539,543	\$ 517,934	\$ (121,229)	\$ 3,936,248
Urban Renewal	6,884,445	53,399	-	6,937,844
Community Development	9,560,671	84,830	(117,376)	9,528,125
Public Safety	7,573,113		-	7,573,113
Highways and Streets	<u>26,814,057</u>	<u>38,046</u>	<u>-</u>	<u>26,852,103</u>
Total Investment	<u><u>\$ 54,371,829</u></u>	<u><u>\$ 694,209</u></u>	<u><u>\$ (238,605)</u></u>	<u><u>\$ 54,827,433</u></u>

City of Troutdale, Oregon

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND OUTSTANDING BALANCES

June 30, 2022

Tax Year	Taxes Uncollected July 1, 2021	Add Levy As Extended By Assessor	(Deduct) Discounts Allowed	Add Interest Adjustments	Add (Deduct) Cancellations and Adjustments	(Deduct) Interest and Tax Collected	Taxes Uncollected June 30, 2022
2021-2022	\$	\$ 6,599,098	\$ (175,203)	\$ 1,318	\$ (17,891)	\$ (6,331,518)	\$ 75,803
2020-2021	86,376		102	2,184	(9,652)	(47,265)	31,746
2019-2020	36,578		19	2,082	(1,630)	(17,706)	19,342
2018-19	20,451		10	2,444	(530)	(14,027)	8,348
2017-18	10,037		1	2,003	(98)	(9,371)	2,571
2016-17	2,298		2	380	(112)	(1,192)	1,376
2015-16	1,160			268	(36)	(787)	604
2014-15	622			43	-	(129)	536
2013-14	545			35	-	(94)	487
2012-13	690			36	(3)	(89)	634
2011-12 and prior	12,421			245	-	(496)	12,170
Total	\$ <u>171,178</u>	\$ <u>6,599,098</u>	\$ <u>(175,068)</u>	\$ <u>11,038</u>	\$ <u>(29,951)</u>	\$ <u>(6,422,675)</u>	\$ <u>153,618</u>

	Revenue Total	Receivable June 30, 2022
Governmental Funds	\$ 6,451,670	\$ 153,618
Miscellaneous adjustments		
Change in property taxes subject to accrual	<u>17,524</u>	
Total taxes, tax penalties and interest	\$ <u>6,440,199</u>	

OTHER INFORMATION

City of Troutdale, Oregon

SCHEDULE OF DEBT PRINCIPAL TRANSACTIONS

June 30, 2022

	Interest Rate		Original Issue Date	Amount	Outstanding July 1, 2021	Increases/ (Reductions)	2021-2022 Transactions Matured/ Called		Paid	Outstanding at June 30, 2022 Unmatured
<u>General obligation bonds</u>										
Police Facility Bonds, Series 2011	2.0-4.35	%	2-17-11	\$ 7,540,000	\$ 5,230,000	\$ -	\$ 5,230,000	\$ 5,230,000	\$ -	
Police Facility Bonds Refunding Series 2021	3.25-4.0	%	7-7-21	\$ 4,570,000	\$ -	\$ 4,570,000	\$ 340,000	\$ 340,000	\$ 4,230,000	
<u>Full Faith and Credit Obligations</u>										
Troutdale Riverfront Renewal Plan	3.15-3.59	%	3-1-18	\$ 5,000,000	\$ 5,000,000	\$ -	\$ -	\$ -	\$ 5,000,000	
Riverfront Redevelopment Cleanup Project State Brownfields Redevelopment Fund Financing Contract #N20018	3.00	%	8-13-2020	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000	
<u>Leases - Right to Use</u>										
Governmental Activities										
Various Equipment Leases	7.27-17.31	%	various	\$ 46,117	\$ 24,964	\$ -	\$ -	\$ 8,178	\$ 16,786	
Governmental Activities										
Various Facility Leases	0.33	%	various	\$ 195,345		\$ -	\$ -	\$ 64,616	\$ 116,207	
Business-type Activities										
Various Equipment Leases	3.86-12.55	%	various	\$ 8,893	\$ 5,280	\$ 13,637	\$ -	\$ 2,543	\$ 16,374	

City of Troutdale, Oregon

SCHEDULE OF DEBT INTEREST TRANSACTIONS

June 30, 2022

	Issue Date			2021-2022 Transactions			Future Liability at June 30, 2022	
		Unmatured	Total	Increases/ (Reductions)	Matured	Paid	Unmatured	Total
<u>General obligation bonds</u>								
Police Facility Bonds, Series 2011								
2.0%-4.35% interest	2-17-11	\$ <u>1,328,993</u>	\$ <u>1,328,993</u>	\$ <u>(1,307,403)</u>	\$ <u>21,590</u>	\$ <u>21,590</u>	\$ <u>-</u>	\$ <u>-</u>
Police Facility Bonds, Refunding Series 2021								
3.25%-4.0% interest	7-7-21	\$ <u>1,064,055</u>	\$ <u>1,064,055</u>	\$ <u>-</u>	\$ <u>160,380</u>	\$ <u>160,380</u>	\$ <u>903,675</u>	\$ <u>903,675</u>
<u>Full Faith and Credit Obligations</u>								
Troutdale Riverfront Renewal Plan	3-1-18	\$ <u>1,013,000</u>	\$ <u>1,013,000</u>	\$ <u>-</u>	\$ <u>167,000</u>	\$ <u>167,000</u>	\$ <u>846,000</u>	\$ <u>846,000</u>
Riverfront Redevelopment Cleanup Project								
State Brownfields Redevelopment Fund								
Financing Contract #N20018	8-13-2020	\$ <u>238,047</u>	\$ <u>238,047</u>	\$ <u>-</u>	\$ <u>39,600</u>	\$ <u>39,600</u>	\$ <u>198,447</u>	\$ <u>198,447</u>
<u>Leases - Right to Use</u>								
Governmental Activities								
Various Equipment Leases	various	\$ <u>4,443</u>	\$ <u>4,443</u>	\$ <u>-</u>	\$ <u>2,206</u>	\$ <u>2,206</u>	\$ <u>2,237</u>	\$ <u>2,237</u>
Governmental Activities								
Various Facility Leases	various	\$ <u>859</u>	\$ <u>859</u>	\$ <u>-</u>	\$ <u>499</u>	\$ <u>499</u>	\$ <u>360</u>	\$ <u>360</u>
Business-type Activities								
Various Equipment Leases	various	\$ <u>4,443</u>	\$ <u>4,443</u>	\$ <u>-</u>	\$ <u>584</u>	\$ <u>584</u>	\$ <u>3,859</u>	\$ <u>3,859</u>

SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS
OF GENERAL OBLIGATION BONDS

June 30, 2022

Year of Maturity	Police Facility Refunding Series 2021 Issued 7-7-2021	
	Principal	Interest
2022-23	\$ 345,000	\$ 164,600
2023-24	370,000	150,800
2024-25	405,000	136,000
2025-26	430,000	119,800
2026-27	470,000	103,675
2027-28	495,000	88,400
2028-29	530,000	68,600
2029-30	575,000	47,400
2030-31	<u>610,000</u>	<u>24,400</u>
	\$ <u><u>4,230,000</u></u>	\$ <u><u>903,674</u></u>

City of Troutdale, Oregon

SCHEDULE OF GENERAL GOVERNMENTAL REVENUES BY SOURCE
BUDGETARY BASIS
ALL GOVERNMENTAL FUND TYPES

Last ten fiscal years

(1) Fiscal year ended June 30,	Taxes	Intergovern- mental Revenues	Licenses and Permits	Fines and Forfeitures	Charges for Current Services	Franchise	Micellaneous Revenues	Total
2013	\$ 4,705,830	\$ 2,794,696	\$ 246,595	\$ 362,591	\$ 409,348	\$ 1,272,918	\$ 1,141,834	\$ 10,933,812
2014	4,910,416	2,237,890	356,378	339,269	344,131	1,276,287	1,189,477	10,653,848
2015	5,479,355	2,498,274	401,936	295,888	313,894	1,319,304	1,012,273	11,320,924
2016	5,879,695	2,617,629	269,583	222,053	60,110	1,332,446	1,441,518	11,823,034
2017	6,515,952	2,570,534	1,054,239	381,928	67,403	1,345,455	2,111,679	14,047,190
2018	7,107,336	2,867,310	1,742,901	235,011	874,578	1,397,703	2,258,970	16,483,809
2019	7,417,593	3,197,483	681,822	265,867	203,495	1,449,159	2,269,037	15,484,456
2020	7,670,016	2,918,014	826,231	258,240	1,665,445	1,506,321	2,332,022	17,176,289
2021	7,832,574	4,027,831	531,677	235,317	887,203	1,555,665	2,035,187	17,105,454
2022	8,261,920	5,416,518	882,100	281,446	1,684,177	1,714,422	1,650,328	19,890,911

(1) This schedule is presented on the budgetary basis. Statements and Schedules of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual are used to determine these amounts and supplemented by detailed financial records of the City.

City of Troutdale, Oregon

SCHEDULE OF GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
BUDGETARY BASIS
ALL GOVERNMENTAL FUND TYPES

Last ten fiscal years

(1) Fiscal year ended June 30,	General Government	Public Safety	Highways and Streets	Community Development	Solid Waste/ Recycling	Capital Outlay	Debt Service	Total
2013	\$ 2,088,156	\$ 5,240,764	\$ 786,038	\$ 1,295,030	\$ 13,517	\$ 2,788,459	\$ 139,340	\$ 12,351,304
2014	2,067,329	5,462,943	929,899	1,581,270	17,225	619,939	140,286	10,818,891
2015	2,182,269	5,677,030	732,538	1,617,532	15,114	307,304	142,093	10,673,880
2016	2,101,025	5,572,587	977,486	1,649,501	14,832	616,417	143,843	11,075,691
2017	2,281,365	5,391,943	731,374	2,000,360	9,257	344,192	145,354	10,903,845
2018	2,542,026	5,552,528	1,001,291	2,374,536	14,297	3,312,230	183,330	14,980,238
2019	2,495,214	5,920,806	1,319,170	3,293,967	11,997	2,845,198	167,000	16,053,352
2020	2,776,919	6,300,868	1,916,831	3,044,448	15,411	2,247,870	734,655	17,037,002
2021	3,447,499	6,634,570	1,730,287	3,024,155	24,824	734,378	738,369	16,334,082
2022	3,399,564	6,792,222	1,745,399	2,780,248	18,438	475,352	5,982,527	21,193,750

(1) This schedule is presented on the budgetary basis. Statements and Schedules of Revenue, Expenditures, and Changes in Fund Balance, Budget and Actual are used to determine these amounts and supplemented by detailed financial records of the City.

City of Troutdale, Oregon

SCHEDULE OF ACCOUNTABILITY FOR INDEPENDENTLY ELECTED OFFICIALS

Fiscal year ended June 30, 2022

Oregon Revised Statutes section 297 requires a statement of accountability for each independently elected official collecting or receiving money in the municipal corporation. The statement is a presentation of the beginning balances, receipts, disbursements, refunds, and turnovers to the appropriate governmental official, reconciled to cash on hand at the beginning and end of the audit period.

In compliance with ORS 297, there are no independently elected officials that collect or receive money on behalf of the City of Troutdale.

STATISTICAL SECTION

This part of the City of Troutdale's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall health.

Pages

Financial Trends

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

95-99

Revenue Capacity

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

100-103

Debt Capacity

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

104-107

Demographic and Economic Information

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

108-112

Operating Information

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

113-114

CITY OF TROUTDALE , OREGON
NET POSITION BY COMPONENT
Last Ten Fiscal Years Ending June 30th
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 11,681,650	\$ 11,679,907	\$ 10,979,510	\$ 11,576,791	\$ 11,304,143	\$ 8,767,186	\$ 12,528,876	\$ 14,391,019	\$ 13,541,199	\$ 13,016,440
Restricted	5,338,679	5,478,484	5,893,683	5,886,401	7,647,283	11,091,412	12,116,955	14,817,802	16,072,989	18,561,612
Unrestricted	3,056,564	3,110,090	2,775,525	1,610,901	1,255,451	4,171,911	2,058,656	32,835	1,081,141	2,858,835
Total governmental activities net assets	<u>\$ 20,076,893</u>	<u>\$ 20,268,481</u>	<u>\$ 19,648,718</u>	<u>\$ 19,074,093</u>	<u>\$ 20,206,877</u>	<u>\$ 24,030,509</u>	<u>\$ 26,704,487</u>	<u>\$ 29,241,656</u>	<u>\$ 30,695,329</u>	<u>\$ 34,436,887</u>
Business-type activities										
Net investment in capital assets	\$ 26,034,221	\$ 30,043,118	\$ 29,873,029	\$ 30,273,275	\$ 30,214,400	\$ 31,536,933	\$ 31,623,622	\$ 32,225,418	\$ 31,700,969	\$ 31,105,458
Restricted	1,147,530	2,332,344	2,374,868	2,044,059	2,121,132	3,288,474	4,684,760	5,230,099	6,339,894	9,386,906
Unrestricted	4,392,238	3,449,058	3,417,969	2,116,593	3,323,380	3,871,447	4,069,924	3,668,489	5,464,196	8,148,931
Total business-type activities net assets	<u>\$ 31,573,989</u>	<u>\$ 35,824,520</u>	<u>\$ 35,665,866</u>	<u>\$ 34,433,927</u>	<u>\$ 35,658,912</u>	<u>\$ 38,696,854</u>	<u>\$ 40,378,306</u>	<u>\$ 41,124,006</u>	<u>\$ 43,505,059</u>	<u>\$ 48,641,295</u>
Primary government										
Net investment in capital assets	\$ 37,715,871	\$ 41,723,025	\$ 40,852,539	\$ 41,850,066	\$ 41,518,543	\$ 40,304,119	\$ 44,152,498	\$ 46,616,437	\$ 45,242,168	\$ 44,121,898
Restricted	6,486,209	7,810,828	8,268,551	7,930,460	9,768,415	14,379,886	16,801,715	20,047,901	22,412,883	27,948,518
Unrestricted	7,448,802	6,559,148	6,193,494	3,727,494	4,578,831	8,043,358	6,128,580	3,701,324	6,545,337	11,007,766
Total primary government net assets	<u>\$ 51,650,882</u>	<u>\$ 56,093,001</u>	<u>\$ 55,314,584</u>	<u>\$ 53,508,020</u>	<u>\$ 55,865,789</u>	<u>\$ 62,727,363</u>	<u>\$ 67,082,793</u>	<u>\$ 70,365,662</u>	<u>\$ 74,200,388</u>	<u>\$ 83,078,182</u>

¹ Information is presented for years ended subsequent to the implementation of GASB Statement No. 34.

CITY OF TROUTDALE , OREGON
CHANGES IN NET POSITION
Last Ten Fiscal Years Ending June 30th
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 1,980,493	\$ 1,875,390	\$ 2,016,349	\$ 2,251,403	\$ 2,366,482	\$ 2,344,521	\$ 2,048,064	\$ 2,831,406	\$ 3,443,527	\$ 3,359,514
Public safety	4,760,654	5,365,424	5,235,720	6,536,118	6,272,781	5,767,448	5,569,285	6,396,456	6,625,288	6,861,384
Highways and streets	1,239,829	1,408,175	1,166,959	1,519,782	1,179,564	1,319,285	1,540,598	2,182,418	2,026,287	1,981,049
Solid waste/recycling	28,845	15,945	13,375	16,926	10,465	14,408	10,946	15,235	24,209	18,210
Community development	1,580,808	1,812,461	1,780,461	2,204,802	2,579,361	2,565,323	3,183,733	3,238,324	3,124,179	2,885,429
Interest on long-term debt	20,900	1,379	15,454	11,020	6,215	37,488	166,046	418,620	397,251	389,592
Transfers Out	-	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	9,611,529	10,478,774	10,228,318	12,540,051	12,414,868	12,048,473	12,518,672	15,082,459	15,640,741	15,495,178
Business-type activities:										
Water	\$ 1,882,941	\$ 1,887,225	\$ 1,696,706	\$ 2,409,035	\$ 1,975,540	\$ 1,837,104	\$ 2,644,216	\$ 2,170,890	\$ 2,588,595	\$ 2,563,098
Sewer	3,180,079	3,343,454	3,087,108	4,066,368	3,262,115	3,446,285	3,531,119	3,233,923	3,400,426	3,377,648
Storm sewer	449,292	461,676	614,969	1,303,614	835,776	813,068	1,009,700	1,046,295	866,763	1,059,022
Public services	942,509	1,081,187	1,108,024	1,336,509	1,333,159	1,552,103	1,788,365	1,717,118	1,813,519	1,872,315
Total business-type activities expenses	6,454,821	6,773,542	6,506,807	9,115,526	7,406,590	7,648,560	8,973,400	8,168,226	8,669,303	8,872,083
Total primary government expenses	\$ 16,066,350	\$ 17,252,316	\$ 16,735,125	\$ 21,655,577	\$ 19,821,458	\$ 19,697,033	\$ 21,492,072	\$ 23,250,685	\$ 24,310,044	\$ 24,367,261
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 275,880	\$ 397,213	\$ 325,671	\$ 69,903	\$ 55,717	\$ 57,058	\$ 57,544	\$ 1,162,322	\$ 796,667	\$ 959,386
Other activities	7,875	8,175	7,875	600	2,700	-	-	-	19,482	14,435
Operating grants and contributions	914,475	889,969	929,972	963,559	974,986	1,051,943	1,199,833	1,124,872	1,221,393	1,321,226
Capital grants and contributions	53,745	50,397	57,550	509,705	57,376	865,435	91,957	549,558	65,000	637,954
Total governmental activities program revenues	1,251,975	1,345,754	1,321,068	1,543,767	1,090,779	1,974,436	1,349,334	2,836,752	2,102,542	2,933,001
Business-type activities:										
Charges for services:										
Water	1,508,663	1,443,755	1,429,516	1,670,061	1,699,038	2,105,320	2,349,240	2,245,950	2,764,547	2,860,548
Sewer	2,380,969	2,471,898	2,575,013	2,777,232	2,895,792	3,087,338	3,422,477	3,524,806	3,813,031	4,098,053
Storm sewer	231,036	240,270	251,092	319,224	380,035	618,967	937,188	1,062,834	1,192,560	1,260,792
Public services	1,024,115	1,029,977	973,584	1,323,756	1,638,251	1,714,483	1,691,434	1,968,467	1,933,376	1,928,725
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	40,867	63,281	4,176,323	52,032	104,379	1,654,498	1,441,731	463,654	1,114,116	3,057,195
Total business-type activities program revenues	5,185,650	5,249,181	9,405,528	6,142,305	6,717,495	9,180,606	9,842,070	9,265,711	10,817,630	13,205,313
Total primary government program revenues	\$ 6,437,625	\$ 6,594,935	\$ 10,726,596	\$ 7,686,072	\$ 7,808,274	\$ 11,155,042	\$ 11,191,404	\$ 12,102,463	\$ 12,920,172	\$ 16,138,314

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net(expense)/revenue										
Governmental activities	\$ (9,133,020)	\$ (8,907,250)	\$ (8,915,124)	\$ (10,996,284)	\$ (11,324,089)	\$ (10,074,037)	\$ (11,169,338)	\$ (12,245,498)	\$ (13,538,199)	\$ (12,562,177)
Business-type activities	(1,524,361)	2,898,721	(1,037,004)	(2,973,221)	(689,095)	1,532,046	868,670	1,097,485	2,148,327	4,333,230
Total primary government net expense	<u>\$ (10,657,381)</u>	<u>\$ (6,008,529)</u>	<u>\$ (9,952,128)</u>	<u>\$ (13,969,505)</u>	<u>\$ (12,013,184)</u>	<u>\$ (8,541,991)</u>	<u>\$ (10,300,668)</u>	<u>\$ (11,148,013)</u>	<u>\$ (11,389,872)</u>	<u>\$ (8,228,947)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	\$ 4,198,071	\$ 4,389,337	\$ 4,862,600	\$ 4,945,564	\$ 5,218,664	\$ 5,417,849	\$ 5,546,391	\$ 6,113,796	\$ 6,255,637	\$ 6,425,825
Franchise taxes	1,272,918	1,276,287	1,319,304	1,332,446	1,345,455	1,397,703	1,449,159	1,506,321	1,555,665	1,714,422
Business income taxes	708,606	789,670	875,509	1,118,817	1,054,570	1,185,784	1,343,887	1,111,907	1,495,069	1,735,106
Hotel taxes	451,708	480,624	47,516	718,344	738,182	724,913	716,523	548,594	537,637	817,018
Liquor taxes	213,221	224,251	577,726	230,109	245,594	256,000	268,894	287,180	315,733	305,068
Cigarette taxes	22,735	21,545	21,382	21,140	20,367	19,813	18,543	17,693	15,554	13,408
Solid waste taxes	57,118	56,968	58,114	64,176	64,278	74,054	70,046	65,580	64,844	64,512
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Investment earnings	54,752	45,229	45,229	61,068	114,463	258,228	424,820	386,982	144,931	(282,057)
Miscellaneous	2,609,996	2,065,383	2,219,435	1,929,995	3,655,300	4,780,722	4,005,123	4,314,502	4,606,802	6,148,713
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>\$ 9,589,125</u>	<u>\$ 9,349,294</u>	<u>\$ 10,026,816</u>	<u>\$ 10,421,659</u>	<u>\$ 12,456,873</u>	<u>\$ 14,115,066</u>	<u>\$ 13,843,386</u>	<u>\$ 14,352,556</u>	<u>\$ 14,991,872</u>	<u>\$ 16,942,016</u>
Business-type activities:										
Taxes										
Property taxes	1,431,836	1,459,418	1,409,806	1,320,157	1,306,567	1,115,233	383,154	-	-	-
Investment earnings	30,758	30,761	30,100	42,170	67,792	142,071	239,658	205,421	80,535	85,730
Miscellaneous	116,514	128,366	47,957	26,955	21,721	(91,408)	14,970	(103,718)	152,191	78,995
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	352,000	518,000	340,000	175,000	-	-	-
Total business-type activities	<u>1,579,108</u>	<u>1,618,545</u>	<u>1,487,863</u>	<u>1,741,282</u>	<u>1,914,080</u>	<u>1,505,896</u>	<u>812,782</u>	<u>101,703</u>	<u>232,726</u>	<u>164,725</u>
Total primary government	<u>\$ 11,168,233</u>	<u>\$ 10,967,839</u>	<u>\$ 11,514,679</u>	<u>\$ 12,162,941</u>	<u>\$ 14,370,953</u>	<u>15,620,962</u>	<u>14,656,168</u>	<u>14,454,259</u>	<u>15,224,598</u>	<u>17,106,741</u>
Change in Net Assets										
Governmental activities	\$ 456,105	\$ 442,044	\$ 1,111,692	\$ (574,625)	\$ 1,132,784	\$ 4,041,029	\$ 2,674,048	\$ 2,107,058	\$ 1,453,673	\$ 4,379,839
Business-type activities	54,747	4,517,266	450,859	(1,231,939)	1,224,985	3,037,942	1,681,452	1,199,188	2,381,053	4,497,955
Total primary government	<u>\$ 510,852</u>	<u>\$ 4,959,310</u>	<u>\$ 1,562,551</u>	<u>\$ (1,806,564)</u>	<u>\$ 2,357,769</u>	<u>\$ 7,078,971</u>	<u>\$ 4,355,500</u>	<u>\$ 3,306,246</u>	<u>\$ 3,834,726</u>	<u>\$ 8,877,794</u>

¹ Information is presented for years ended subsequent to the implementation of GASB Statement No. 34.

CITY OF TROUTDALE , OREGON
FUND BALANCE OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years Ending June 30th
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Reserved (pre GASB #54)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved (pre GASB #54)	-	-	-	-	-	-	-	-	-	-
<i>GASB No. 54 Categories:</i>										
Nonspendable	4,234	4,763	4,684	2,135	13,286	8,683	4,142	2,038	2,447	2,302
Restricted	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	3,728,007	3,700,166	4,073,773	4,543,953	5,475,619	10,780,053	11,528,375	11,455,510	12,841,986	14,533,160
Total general fund	<u>\$ 3,732,241</u>	<u>\$ 3,704,929</u>	<u>\$ 4,078,457</u>	<u>\$ 4,546,088</u>	<u>\$ 5,488,905</u>	<u>\$ 10,788,736</u>	<u>\$ 11,532,517</u>	<u>\$ 11,457,548</u>	<u>\$ 12,844,433</u>	<u>\$ 14,535,462</u>
 All other governmental funds										
Reserved (pre GASB #54)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds (pre GASB #54)	-	-	-	-	-	-	-	-	-	-
Capital project funds (pre GASB #54)	-	-	-	-	-	-	-	-	-	-
Permanent funds (pre GASB #54)										
<i>GASB No. 54 Categories:</i>										
Nonspendable	11,607	13,079	12,134	12,259	9,818	13,758	10,763	25,255	40,565	29,446
Restricted	6,825,730	5,338,679	5,478,484	5,893,683	5,886,401	11,091,412	12,116,925	14,817,802	16,072,989	18,561,612
Assigned	(37,723)	-	-	-	-	-	-	-	-	-
Unassigned	(222,158)	(247,179)	(481,797)	(623,605)	(686,170)	(3,348,853)	(5,859,048)	(7,930,020)	(8,304,030)	(8,408,590)
Total all other governmental funds	<u>\$ 6,577,456</u>	<u>\$ 5,104,579</u>	<u>\$ 5,008,821</u>	<u>\$ 5,282,337</u>	<u>\$ 5,210,049</u>	<u>\$ 7,756,317</u>	<u>\$ 6,268,640</u>	<u>\$ 6,913,037</u>	<u>\$ 7,809,524</u>	<u>\$ 10,182,468</u>

¹ Information is presented for years ended subsequent to the implementation of GASB Statement No. 34.

CITY OF TROUTDALE , OREGON
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years Ending June 30th
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 5,978,748	\$ 6,186,703	\$ 6,798,659	\$ 7,212,141	\$ 7,861,407	\$ 1,742,901	\$ 8,866,752	\$ 9,175,973	\$ 9,388,239	\$ 9,976,342
Licenses and permits	246,595	356,378	401,936	269,583	1,054,239	235,011	681,822	826,231	531,677	882,100
Intergovernmental	2,794,696	2,237,890	2,498,274	2,617,629	2,570,534	258,228	3,197,483	2,918,014	4,027,831	5,416,518
Charges for services	409,348	344,131	313,894	60,110	67,403	2,000,742	203,495	1,665,445	887,203	1,684,177
Fines	362,591	339,269	295,888	222,053	381,928	874,578	265,867	258,240	235,317	281,446
Investment earnings	54,752	45,229	47,516	61,068	114,463	2,867,310	424,820	386,982	144,931	(282,057)
Miscellaneous	1,087,082	1,144,248	964,757	1,380,450	1,997,216	8,505,039	1,844,217	1,945,404	1,890,256	1,932,385
Total revenues	10,933,812	10,653,848	11,320,924	11,823,034	14,047,190	16,483,809	15,484,456	17,176,289	17,105,454	19,890,911
Expenditures										
General government	2,088,156	2,067,329	2,182,269	2,101,025	2,281,365	2,542,226	2,495,214	2,776,919	3,447,499	3,399,564
Public safety	5,240,764	5,462,943	5,677,030	5,572,587	5,391,943	5,552,528	5,920,806	6,300,868	6,634,570	6,792,222
Highways and streets	786,038	929,899	732,538	977,486	731,374	1,001,291	1,319,170	1,916,831	1,730,287	1,745,399
Solid waste/recycling	13,517	17,225	15,114	14,832	9,257	14,297	11,997	15,411	24,824	18,438
Community development	1,295,030	1,581,270	1,617,532	1,649,501	2,000,360	2,374,536	3,293,967	3,044,448	3,024,155	2,780,248
Capital outlay	2,788,459	619,939	307,304	616,417	344,192	3,312,230	2,845,198	2,247,870	734,378	475,352
Debt service										
Principal	115,000	120,000	126,033	132,182	138,264	141,518		315,000	340,000	5,592,310
Interest	24,340	20,286	16,060	11,661	7,090	41,812	167,000	419,655	398,369	390,217
Total expenditures	12,351,304	10,818,891	10,673,880	11,075,691	10,903,845	14,980,438	16,053,352	17,037,002	16,334,082	21,193,750
Excess of revenues over (under) expenditures	(1,417,492)	(165,043)	647,044	747,343	3,143,345	1,503,571	(568,896)	139,287	771,372	(1,302,839)
Other financing sources (uses)										
Transfers in	143,000	141,000	142,000	142,000	142,100	257,876	175,000	1,443,474	1,086,898	1,235,961
Transfers out	(143,000)	(141,000)	(142,000)	(494,000)	(660,100)	(597,876)	(350,000)	(1,443,474)	(1,086,898)	(1,235,961)
Capital leases proceeds	-	-	-	-	-	-	-	-	-	-
Sale of capital asset	-	-	-	-	-	-	-	-	12,000	8,106
Bond proceeds	-	-	-	-	-	5,000,000	-	-	1,500,000	4,570,000
Bonds premium	-	-	-	-	-	-	-	-	-	788,706
Total other financing sources (uses)	-	41,973	-	(352,000)	(518,000)	4,660,000	(175,000)	-	1,512,000	5,366,812
Net change in fund balances	\$ (1,417,492)	\$ (123,070)	\$ 647,044	\$ 395,343	\$ 2,625,345	\$ 6,163,571	\$ (743,896)	\$ 139,287	\$ 2,283,372	\$ 4,063,973
Debt service as a percentage of noncapital expenditures	1.5%	1.4%	1.4%	1.4%	1.4%	1.6%	1.3%	5.0%	4.7%	28.9%

¹ Information is presented for years ended subsequent to the implementation of GASB Statement No. 34.

CITY OF TROUTDALE , OREGON
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY
Last Ten Fiscal Years Ending June 30th

Fiscal Year Ended	Assessed Value ¹										Ratio of Total Assessed Value to Total Real Market Value	Total City Tax Rate
	Real Property					Personal Property	Manufactured Property	Public Utilities Property	Total	Total Real Market Value		
	Residential Property	Commercial Property	Industrial Property	Other Property	Total Real Property							
2013	\$ 735,543,050	\$ 198,583,360	\$ 19,993,540	\$ 68,507,590	\$ 1,022,627,540	\$50,886,853	\$ 9,312,620	\$ 39,162,900	\$ 1,121,989,913	\$ 1,711,308,740	65.56%	5.16
2014	767,084,170	212,904,330	19,566,760	61,056,060	1,060,611,320	53,724,870	9,628,180	40,383,830	1,164,348,200	1,729,071,950	67.34%	5.16
2015	807,457,540	267,671,940	19,354,720	62,446,640	1,156,930,840	79,633,140	9,635,280	43,185,990	1,289,385,250	1,904,289,273	67.71%	5.00
2016	833,060,570	263,739,740	19,145,910	64,346,310	1,180,292,530	82,551,860	11,255,730	46,033,700	1,320,133,820	1,985,287,321	66.50%	4.87
2017	859,236,490	274,626,400	15,759,960	66,272,230	1,215,895,080	89,002,700	12,687,070	77,829,200	1,395,414,050	2,128,241,371	65.57%	4.80
2018	889,103,470	289,950,500	15,562,390	67,726,240	1,262,342,600	80,886,545	13,530,170	101,609,600	1,458,368,915	2,402,175,197	60.71%	4.64
2019	917,663,990	304,550,660	15,826,410	70,482,960	1,308,524,020	80,648,350	14,343,870	68,322,700	1,471,838,940	2,699,209,727	54.53%	4.12
2020	948,168,310	344,786,730	NA ²	72,528,260	1,365,483,300	84,761,640	14,507,480	69,309,000	1,534,061,420	3,058,030,327	50.17%	4.12
2021	978,413,450	368,698,540	NA ²	77,373,450	1,424,485,440	95,056,510	14,958,420	62,612,300	1,597,112,670	3,233,746,253	49.39%	4.09
2022	1,012,416,740	360,263,850	NA ²	92,553,640	1,465,234,230	88,906,320	15,410,170	65,293,600	1,634,844,320	3,434,956,079	47.59%	4.04

Source: Multnomah County Division of Assessment and Taxation.

¹ Properties are assessed annually by the County (residential properties) and the State (major commercial properties). Real market values are based on those assessments. Oregon voters approved Ballot Measure 50 in May of 1997, which established a base for property values (the assessed values shown) and limited future increases to three percent per year, regardless of actual market values. New construction is valued equivalent to existing assessed properties by applying a changed property ratio to real market values of the construction as determined by the assessors. (S&7a)

² Annual reporting of properties categories of commercial and industrial combined by the Multnomah County Assessor's Office

CITY OF TROUTDALE , OREGON
PROPERTY TAX RATES¹
DIRECT AND OVERLAPPING² GOVERNMENTS
Last Ten Fiscal Years Ending June 30th

CITY OF TROUTDALE , OREGON					Overlapping Rates											Total Direct & Overlapping Rates
					Regional & County						School District					
Fiscal Year	Operating	Debt Service	Urban Renewal Agency	Total City	Multnomah County	Port of Portland	Metro Service District	Tri-Met	Soil Conservation District	Total Regional & County	Multnomah County ESD	Reynolds School District	Mt. Hood Community College	Total Schools		
2013	3.74	1.31	0.10	5.16	5.40	0.07	0.40	-	0.10	5.97	0.45	5.95	0.49	6.89		
2014	3.74	1.29	0.13	5.16	5.65	0.07	0.47	-	0.10	6.29	0.45	5.97	0.49	6.92		
2015	3.73	1.12	0.14	5.00	5.63	0.07	0.46	-	0.10	6.25	0.45	5.77	0.49	6.71		
2016	3.74	1.03	0.10	4.87	5.63	0.07	0.39	-	0.09	6.18	0.45	5.94	0.49	6.88		
2017	3.74	0.96	0.09	4.80	5.54	0.07	0.40	-	0.01	6.02	0.46	6.02	0.49	6.96		
2018	3.74	0.80	0.10	4.64	5.54	0.07	0.41	-	0.09	6.11	0.45	6.26	0.49	7.20		
2019	3.74	0.27	0.11	4.12	5.56	0.07	0.47	-	0.10	6.19	0.45	6.23	0.49	7.17		
2020	3.73	0.20	0.17	4.09	5.55	0.07	0.66	-	0.10	6.38	0.45	5.68	0.49	6.62		
2021	3.74	0.19	0.10	4.03	5.58	0.07	0.59	-	0.10	6.33	0.45	5.98	0.49	6.92		
2022	3.74	0.19	0.11	4.04	5.57	0.07	0.57	-	0.10	6.31	0.45	6.04	0.49	6.99		

Source: Multnomah County Division of Assessment and Taxation.

¹ In May of 1997 Oregon voters approved Ballot Measure 50 which established permanent tax rates for local taxing districts. Changes to permanent rates would require a state-wide majority vote to remove the effects of the measure from the Oregon constitution. Special levies, with certain restrictions, can be added to permanent rates by vote within each district.

² Overlapping rates are the tax rates of various local and county governments that apply to property owners within the City of Troutdale, for Levy Code Area 242. Not all overlapping rates apply to all City of Troutdale property owners (e.g., the rates for special districts apply only to the proportion of the City of Troutdale's property owners whose property is located within the geographic boundaries of the special district).

CITY OF TROUTDALE , OREGON
PRINCIPAL PROPERTY TAXPAYERS
June 30, 2022

Taxpayer	2021-2022			2012-2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
FEDEX GROUND PACKAGE SYSTEM, INC	\$ 111,657,820	1	7.0%	\$ 15,069,100	3	1.3%
COMCAST CORPORATION	37,530,000	2	2.3%	14,497,300	4	1.3%
AUSTELL COLUMBIA GORGE EQUITIES LLC	26,584,100	3	1.7%			
TOYO TANSO USA, INC	18,993,830	4	1.2%	19,483,110	2	1.7%
EAGLE RIDGE APARTMENTS LLC	15,068,800	5	0.9%			
MOUNTAIN MEADOWS COMMUNITY, INC	14,283,190	6	0.9%	11,275,330	5	1.0%
BURLINGAME DEVELOPMENT INC	14,212,420	7	0.9%	10,930,170	6	1.0%
PORTLAND GENERAL ELECTRIC	12,985,000	8	0.8%	10,483,000	7	0.9%
MGP X PROPERTIES LLC	12,449,820	9	0.8%	9,812,510	8	
TROUTDALE TERRACE LP	11,597,930	10	0.7%	9,155,600	9	0.8%
CHELSEA FINANCING PARTNERSHIP LP				-		0.0%
MCW-RC OR-CHERRY PARK LLC				-		0.0%
TUBE SPECIALTIES CO LLC				9,103,110	10	0.8%
Totals	<u>\$ 275,362,910</u>		<u>17.2%</u>	<u>\$ 109,809,230</u>		<u>9.7%</u>

Source: Multnomah County Division of Assessment and Taxation.

CITY OF TROUTDALE , OREGON
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years Ending June 30th

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Current Tax Collections	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 5,673,471	\$ 5,466,703	96.4%	\$ 206,135	\$ 5,672,837	99.99%
2014	5,998,948	5,676,214	94.6%	322,248	5,998,462	99.99%
2015	6,444,151	6,111,873	94.8%	331,743	6,443,615	99.99%
2016	6,432,106	6,109,545	95.0%	321,957	6,431,502	99.99%
2017	6,706,161	6,381,733	95.2%	323,052	6,704,785	99.98%
2018	6,837,147	6,502,012	95.1%	332,564	6,834,576	99.96%
2019	6,057,425	5,792,797	95.6%	256,280	6,049,077	99.86%
2020	6,277,564	5,991,215	95.4%	267,007	6,258,222	99.69%
2021	6,444,048	6,168,065	95.7%	244,236	6,412,302	99.51%
2022	6,599,098	6,331,518	95.9%	-	6,331,518	95.95%

Source: Multnomah County Division of Assessment and Taxation
Annual Property Tax Distribution Summary
Annual Property Tax Receivable Summary

CITY OF TROUTDALE , OREGON
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years Ending June 30th

Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Net G.O. Bond (Premium) / Discount	Leases Payable	Financed Purchases	Finance Agreements	General Obligation Bonds	Net G.O. Bond (Premium) / Discount	Leases Payable	Financed Purchases				
2013	\$ 7,315,000	\$ 59,096	\$ -	\$ 81,194	\$ 648,000	\$ 5,685,000	\$ (70,735)	\$ -	\$ -	\$ 13,717,555	0.04%	857	
2014	7,130,000	55,813	-	88,645	528,000	4,645,000	(56,588)	-	-	12,390,870	0.03%	774	
2015	6,915,000	52,530	-	61,144	403,000	3,555,000	(42,441)	-	-	10,944,233	0.03%	683	
2016	6,685,000	49,247	-	26,148	273,000	2,420,000	(28,294)	-	-	9,425,101	0.02%	588	
2017	6,440,000	45,964	-	15,952	138,000	1,235,000	(14,147)	-	-	7,860,769	0.02%	490	
2018	6,175,000	25,581	-	5,758	5,000,000	-	-	-	-	11,206,339	0.03%	697	
2019	5,885,000	24,008	-	-	5,000,000	-	-	-	-	10,909,008	0.02%	679	
2020	5,570,000	22,435	-	-	5,000,000	-	-	-	-	10,592,435	0.02%	654	
2021	5,230,000	20,862	-	-	6,500,000	-	-	-	-	11,750,862	N/A	726	
2022	4,230,000	700,362	132,993	-	6,500,000	-	-	16,374	-	11,579,729	N/A	710	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See the Schedule of Demographic and Economic Statistics for population data used in this calculation.

N/A - data not available.

CITY OF TROUTDALE , OREGON
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years Ending June 30th

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Value of Taxable Property ¹	Per Capita ²
2013	\$ 12,988,361	\$ 326,086	\$ 12,662,275	0.67%	715
2014	11,774,225	473,658	11,300,567	0.58%	625
2015	10,480,089	652,205	9,827,884	0.44%	528
2016	9,125,953	789,600	8,336,353	0.35%	430
2017	7,706,817	496,076	7,210,741	0.34%	450
2018	6,200,581	364,876	5,835,705	0.24%	363
2019	5,909,008	430,141	5,478,867	0.20%	339
2020	5,592,435	357,847	5,234,588	0.16%	324
2021	5,250,862	268,702	4,982,160	0.15%	305
2022	4,930,362	240,020	4,690,342	0.14%	279

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data used in this calculation.

² See the Schedule of Demographic and Economic Statistics for population data used in this calculation.

CITY OF TROUTDALE , OREGON
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Multnomah County	\$ 627,742,035	1.87%	\$ 11,755,004
Metro	897,955,000	0.83%	7,426,423
Port of Portland	45,725,000	0.75%	341,514
Reynolds School District No. 7	172,514,640	21.39%	36,904,401
Gresham-Barlow School District No. 10	309,023,557	21.64%	66,865,874
Mt. Hood Community College	105,667,863	5.24%	5,541,368
Multnomah Education Service District	81,533,416	1.84%	1,501,366
Other:			
Multnomah County	329,986,000	1.87%	6,179,269
Port of Portland	1,831,747,273	0.75%	13,681,077
Subtotal, overlapping debt			150,196,297
City of Troutdale, Oregon direct debt ²			11,563,355
Total direct and overlapping debt			<u>\$ 161,759,652</u>

Source: The State of Oregon Office of the Treasurer, acting on behalf of the Municipal Debt Advisory Commission (MDAC)
& Multnomah County Division of Assessment and Taxation

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Troutdale. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

¹ The percentage of overlapping debt applicable is estimated using taxable assessed property values.

² Excludes estimated costs needed to perform landfill postclosure care.

CITY OF TROUTDALE , OREGON
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years Ending June 30th

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt Limit	\$ 51,339,262	\$ 51,872,159	\$ 57,128,678	\$ 59,558,620	\$ 63,847,241	\$ 72,065,256	\$ 80,976,292	\$ 91,740,910	\$ 97,012,388	\$ 103,048,682
Total net debt application to limit	-	-	-	-	-	5,000,000	5,000,000	5,000,000	6,500,000	6,500,000
Legal debt margin	<u>\$ 51,339,262</u>	<u>\$ 51,872,159</u>	<u>\$ 57,128,678</u>	<u>\$ 59,558,620</u>	<u>\$ 63,847,241</u>	<u>\$ 67,065,256</u>	<u>\$ 75,976,292</u>	<u>\$ 86,740,910</u>	<u>\$ 90,512,388</u>	<u>\$ 96,548,682</u>
Total net debt applicable to the limit as a percentage of debt limit	-	-	-	-	-	6.94%	6.17%	5.45%	6.70%	6.31%

Legal Debt Margin Calculation for Fiscal Year 2021-2022

Real market value (2021-2022) ¹	\$ 3,434,956,079
Debt limit (3% of total real market value)	103,048,682
Debt subject to limit:	<u>6,500,000</u>
Legal debt margin	<u>\$ 96,548,682</u>

1 Note: Oregon Revised Statute 287A.050 provides a debt limit of 3% of the taxable real market value within the City's boundaries for general obligation bonds. Utility revenue bonds and assessment bonds are excluded from the limitation. The general obligation bonds outstanding for the City are for the new police station, which is excluded from debt subject to the limit. The Full Faith and Credit Obligations issued in 2018 are subject to the debt limit.

CITY OF TROUTDALE , OREGON
PROPERTY VALUE AND NEW CONSTRUCTION VALUE
Last Ten Fiscal Years Ending June 30th

Fiscal Year	New Commercial Construction ¹		New Residential Construction ¹		Property Value	
	Number of Units	Value	Number of Units	Value	Assessed Value ²	Tax Rate
2013	42	\$ 3,061,104	19	\$ 937,644	\$ 1,115,008,909	5.09
2014	53	18,894,063	19	1,205,558	1,278,870,040	5.06
2015	86	8,443,560	36	1,093,255	1,289,385,250	4.86
2016	79	3,666,027	40	1,466,695	1,320,133,820	4.77
2017	46	21,609,088	56	6,298,576	1,387,498,970	4.73
2018	72	178,558,311	54	3,612,348	1,458,368,915	4.64
2019	55	25,983,709	29	1,411,408	1,471,838,940	4.01
2020	63	48,010,824	38	1,799,864	1,534,061,420	3.93
2021	12	3,516,624	66	10,007,815	1,597,112,670	3.93
2022	12	9,059,962	150	21,074,157	1,634,844,320	3.93

1 City of Troutdale Building Department.

2 Multnomah County Division of Assessment and Taxation.

CITY OF TROUTDALE , OREGON
SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
Last Ten Fiscal Years Ending June 30th

Fiscal Year	Special Assessment Billings	Special Assessment Collections ¹
2013	-	-
2014	-	-
2015	-	-
2016	-	-
2017	-	-
2018	-	-
2019	-	-
2020	-	-
2021	-	-
2022	-	-

¹ Includes prepayments.

CITY OF TROUTDALE , OREGON
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years Ending June 30th

Fiscal Year	Population ¹	Personal Income (Multnomah County) ²	Per Capita Personal Income (Portland Metro Area) ²	School Enrollment ³	Unemployment Rate (Portland Metro Area) ⁴
2013	16,000	\$ 33,376,029,000	\$ 43,728	4,128	7.2%
2014	16,005	36,588,018,000	45,794	4,221	6.4%
2015	16,015	38,906,295,000	48,422	4,159	5.8%
2016	16,020	41,194,678,000	50,489	4,156	5.6%
2017	16,035	43,873,915,000	54,329	4,064	4.1%
2018	16,070	46,966,887,000	56,991	4,101	3.9%
2019	16,185	49,399,774,000	59,921	3,914	3.8%
2020	16,180	52,080,033,000	62,603	3,958	11.4%
2021	16,319	56,502,646,000	68,374	3,882	5.7%
2022	16,819	N/A	N/A	3,758	3.6%

Data Sources:

¹ Portland State University, Population Research and Census center.

² U.S. Department of Commerce, Bureau of Economic Analysis. Calendar year info

³ Reynolds School District: Four schools located within corporate limits.

⁴ U.S. Department of Labor, Bureau of Labor Statistics

N/A - data not available.

**CITY OF TROUTDALE , OREGON
PRINCIPAL EMPLOYERS**

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Amazon.com	3,889	1	37.77%			
FedEx Ground Package System, Inc.	1,750	2	17.00%	740	1	14.93%
Walsh Trucking Co., LTD	416	3	4.04%	220	2	4.44%
Wolcott Plumbing	152	4	1.48%			
Tube Specialties	140	5	1.36%	191	3	
Brand Safway Services	137	6	1.33%			
Edgefield McMenamins	120	7	1.17%	120	7	2.42%
Travel Centers of America	110	8	1.07%	125	6	2.52%
Home Depot USA, Inc.	104	9	1.01%	162	5	3.27%
Toyo Tanso USA, Inc.	102	10	0.99%	165	4	3.33%
Fujii Farms, Inc				102	9	2.06%
Albertson's, Inc.				100	10	2.02%
Postal Express				113	8	2.28%
Totals	6,920		67.20%	2,038		41.12%

Source: City of Troutdale business license applications self reported.
Combined full time and part time positions reported

CITY OF TROUTDALE , OREGON
FULL-TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION
Last Ten Fiscal Years Ending June 30th

Function	Full-time Equivalent Employees for Fiscal Year Ended									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	15.8	13.4	12.4	14.1	15.1	16.0	16.0	16.0	16.0	16.1
Police										
Officers	24	25	25	0.0	0.0	0.0	0.0	0.0	0.0	0.1
Civilians	3.5	3.5	3.5	0.5	0.5	0.5	0.5	1.0	1.0	1.0
Building Safety	1.7	1.5	1.8	3.3	3.0	3.0	3.0	3.5	3.5	4.7
Community Development	2.0	1.0	1.5	2.5	3.0	3.0	3.5	3.5	3.5	3.1
Parks & Facilities	4.4	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Streets	1.5	1.9	1.9	1.8	1.8	2.1	2.1	2.3	3.8	3.8
Water	5.0	4.8	5.0	5.1	4.1	4.1	4.1	4.1	4.1	4.1
Sewer	8.0	8.0	6.0	5.9	5.9	5.5	5.5	5.5	6.4	6.4
Storm			2.1	2.2	2.2	2.6	2.6	2.6	2.6	2.6
Public Works Services										
Equipment Maintenance	2.1	1.7	1.7	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Management	6.0	5.9	6.2	6.2	10.0	9.0	9.0	9.0	8.0	8.0
Total	<u>74.0</u>	<u>72.8</u>	<u>72.8</u>	<u>49.5</u>	<u>53.6</u>	<u>53.8</u>	<u>54.3</u>	<u>55.50</u>	<u>57.00</u>	<u>58.00</u>

Source: City financial records.

CITY OF TROUTDALE , OREGON
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years Ending June 30th

Function	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Calls for service ¹	11,798	10,505	10,592	10,484	10,943	11,879	12,587	12,188	11,681	N/A
Traffic Calls ¹	3,060	2,508	1,571	2,440	2,644	2,897	3,855	2,521	2,951	N/A
Part I crimes ²	550	558	493	613	615	646	640	569	632	N/A
Part II crimes ²	727	608	727	238	329	242	358	340	302	N/A
Water										
Number of users	4,644	4,648	4,655	4,662	4,539	4,555	4,570	4,705	4600	4610
Average daily production (in thousands of gallons)	1,617	1,547	1,592	1,641	1,560	1,620	1,616	1,596	1,530	1,504
Sewer System										
Number of users	4,373	4,491	4,498	4,419	4,452	4,462	4,475	4,532	4503	4509
Average daily use (in thousands of gallons)	1,390	1,337	1,303	1,170	1,500	1,600	1,650	1,273	1324	1507
Storm Water System										
Number of users	4,466	4,584	4,591	4,609	4,686	4,705	4,698	4,617	4725	4757

Sources: Various City departments.

N/A - data not available.

¹ Calls for Service compiled on a calendar year basis from Bureau of Emergency Communications (BOEC) dispatch reports. Traffic calls compiled on a calendar year basis from BOEC dispatch reports but are officer initiated.

² Police Part I and II crime statistics compiled on a calendar year basis. Part I crimes include homicide, forcible rape, robbery, aggravated assault, burglary, larceny, motor vehicle theft, and arson. Part II crimes include simple assault, forgery/counterfeit, fraud, embezzlement, stolen property, vandalism, weapons laws, prostitution, other sex offenses, drug abuse, gambling, offenses against family, DUI, liquor laws, disorderly conduct, negligent homicide, and curfew/runaway.

Note: Indicators are not available for highways and streets and general government.

CITY OF TROUTDALE , OREGON
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years Ending June 30th

Function	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	20	20	20	0	0	0	0	0	0	0
Highways and streets										
Streets (miles)	42.8	43.2	43.2	43.8	43.6	43.73	43.84	43.89	43.24	43.36
Culture and recreation										
Parks acreage	86.45	86.45	83.47	83.47	83.47	83.47	86.45	87.76	87.77	86.45
Greenways acreage	163.91	152.30	154.03	154.03	154.03	154.03	154.03	154.03	154.03	154.03
Parks, Greenways & Natural Areas	30	30	29	29	29	29	32	32	32	32
Water system										
Water main lines (miles)	65.5	66.9	66.7	66.7	67.6	67.9	67.3	67.3	67.5	67.5
Daily storage capacity (in millions of gallons)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Daily production capacity (in millions of gallons)	5.15	5.80	5.80	5.80	6.99	6.99	6.99	6.99	6.99	6.99
Sewer system										
Sanitary sewer lines (miles)	55.91	55.87	55.92	55.98	55.98	56.07	56.45	56.38	56.27	56.27
Daily plant capacity (in millions of gallons)	3	3	3	3	3	3	3	3	3	3
Storm water system										
Miles of service lines	34.32	34.32	34.42	34.42	34.42	34.42	34.82	48.91	36.10	36.10

Sources: Various City departments.

**CITY OF TROUTDALE
MULTNOMAH COUNTY, OREGON**

**INDEPENDENT AUDITORS' REPORT
REQUIRED BY OREGON STATE REGULATIONS**



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December 19, 2022

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the City of Troutdale as of and for the year ended June 30, 2022, and have issued our report thereon dated December 17, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether the City of Troutdale'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 162-10-000 through 162-10-320 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.**
- **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).**
- **Schedule of Accountability of Elected Officials**
- **Programs funded with outside sources**

In connection with our testing nothing came to our attention that caused us to believe the City of Troutdale 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 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

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

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

A handwritten signature in black ink that reads "Tara M. Kamp, CPA". The signature is written in a cursive, flowing style.

Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

**CITY OF TROUTDALE
MULTNOMAH COUNTY, OREGON**

GRANT COMPLIANCE REVIEW

CITY OF TROUTDALE, OREGON

SCHEDULE OF FEDERAL EXPENDITURES
For the Year Ended June 30, 2022

<u>Federal Grantor / Pass Through Program Title</u>	<u>Assistance Listing</u>	<u>Pass Through Number</u>	<u>Expenditures</u>	<u>Pass Through to Subrecipients</u>
U.S. Department of Treasury				
Coronavirus State and Local Fiscal Recovery Funds - COVID-19	21.027		\$ 1,797,243	\$ -
Total U.S. Department of Treasury			1,797,243	-
Total Federal Awards			\$ 1,797,243	\$ -



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December 19, 2022

To the City Council
City of Troutdale
Multnomah County, Oregon

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Troutdale as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 19, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Tara M. Kamp, CPA". The signature is written in a cursive, flowing style.

Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.



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December 19, 2022

To the City Council
City of Troutdale
Multnomah County, Oregon

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Troutdale's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2022. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Troutdale complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Troutdale and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to its federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the

aggregate, it would influence the judgment made by a reasonable user of the report on compliance about compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

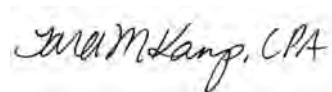
Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

City of Troutdale
Troutdale, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2022

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

☐ yes ☒ no

Significant deficiency(s) identified that are not considered
to be material weaknesses?

☐ yes ☒ none reported

Noncompliance material to financial statements noted?

☐ yes ☒ no

Any GAGAS audit findings disclosed that are required to be reported
reported in accordance with section 515(d)(2) of the Uniform Guidance?

☐ yes ☒ no

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified?

☐ yes ☒ no

Significant deficiency(s) identified that are not considered
to be material weaknesses?

☐ yes ☒ none reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in
accordance with section 200.516(a) of the Uniform Guidance?

☐ yes ☒ no

IDENTIFICATION OF MAJOR PROGRAMS

AL NUMBER

NAME OF FEDERAL PROGRAM CLUSTER

21.027	Coronavirus State and Local Fiscal Recovery Funds								
--------	---	--	--	--	--	--	--	--	--

Dollar threshold used to distinguish between type A and B programs

\$750,000

Auditee qualified as low-risk auditee?

☐ yes ☒ no

City of Troutdale
Troutdale, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL EXPENDITURES

1. **BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes federal grant activity under programs of the federal government. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the entity.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The entity has elected to use the ten percent de minimus indirect cost rate as allowed under Uniform Guidance.