

ADAIR VILLAGE CITY COUNCIL-Final
City Hall - 6030 Wm. R Carr Av.
******Tuesday, August 6, 2024 - 6:00pm******

1. ROLL CALL – Flag Salute

2. CONSENT CALENDAR: - *The following items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which case the item will be discussed before the Consent Calendar is considered. If any item involves a potential conflict of interest, Council members should so note before adoption of the Consent Calendar.*

- a. Minutes – City Council Meeting – July 2, 2024 (Attachment A)
- b. Bills List through – July 31, 2024 (Attachment B)

3. PUBLIC COMMENT (Please limit comments to 3 minutes)

4. STAFF REPORTS:

- a) Sheriff's Report (Attachment C) Pat Hare
- b) CSO Report (Attachment D) Kris Schendel
- c) City Administrator (Attachment E) Pat Hare
- d) Public Works Report (Attachment F) Pat Hare
- e) Financial Report (Attachment G) Pat Hare

5. OLD BUSINESS:

- a) Parks Grant (Attachment H, H1) Pat Hare
Action: Discussion/Decision

6. NEW BUSINESS:

- a) Audit Review (Attachment I, I1) Pat Hare/Sarah Johnson
Pat Hare
Action: Discussion

7. ORDINANCES, RESOLUTIONS, AND PROCLAMATIONS:

- a) Resolution 2024-9 Updating Backyard Chicken Fee (Attachment J) Pat Hare
Action: Decision
- b) Ordinance 2024-1 Updating Nuisance Ordinance (Attachment K) Pat Hare
Action: Decision
- c) Ordinance 2024-2 Updating Animal Code Section (Attachment L) Pat Hare
Action: Decision
- d) Ordinance 2024-3 Amending Chapter 7 Backflow (Attachment M) Pat Hare

8. EXECUTIVE SESSION

- a) N/A
Action: n/a

9. COUNCIL and MAYOR COMMENTS:

10. ADJOURNMENT:

Next meetings -

City Council –Tuesday, September 3, 2024, 6:00 PM
Planning Commission – August 20, 2024, 6:00pm

The Community Center is accessible to person with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting by calling City Offices at 541-745-5507 or e-mail "kathy.edmaiston@adairvillage.org", or Oregon Relay Services by dialing 7-1-1. The City of Adair Village is an Equal Opportunity Employer.

The order in which items on the Agenda are addressed by the City Council may vary from the order shown on the Agenda.

S:\Admin\City Council\Meetings\2024 Meetings\240806\Agenda 240806.docx

**ADAIR VILLAGE
CITY COUNCIL MINUTES
6030 William R. Carr Avenue
****Tuesday, July 2, 2024 – 6:00 PM******

Agenda Item	Action
1. Roll Call: City Council Members present: Councilors Ray, Officer, and Mayor Currier were present. City Administrator Hare was present. The minutes were taken by CA Hare.	Mayor Currier called the meeting to order at 6:00 PM. and led the flag salute.
2. Consent Calendar Attachment A Minutes of the June 4, 2024, City Council Meeting Attachment B Bills List through June 30, 2024 (\$155,881.11).	Councilor Officer moved to approve the Consent Calendar. Councilor Ray seconded. Unanimous Approval (3-0).
3. Public Comment	None.
4. Staff Reports 4a. Attachment C – Sheriff’s Report - CA Hare presented the report.	Council received the report.
4b. Attachment D– CSO Report - CA Hare presented the report.	Council received the report.
4c. Attachment E– City Administrator’s Report Administration <ul style="list-style-type: none"> • Finances – We have hired Mckenna Ziegler to be our finance clerk. Mckenna will start July 1st and staff are excited for her to come. This will also provide the separation of duties recommended by our auditors. • Tangent – City staff will be working on a few additional projects helping Tangent get some areas throughout town cleaned up. • City Planner –I worked with Chris Workman the City Manager for Philomath on hiring a new planner and we made an offer. • Backflow Devices- The City Attorney Sean Kid and I were working on the language and ordinance to update the city water code. • Nuisance Ordinance Update – The City Community Officer and I are working on the updates and will have them ready for the August Meeting. • Downtown Design – I had a good meeting with the engineers MIG and they’re working on refining some of the designs to address our concerns. Property/Businesses <ul style="list-style-type: none"> • Voss Hill – The cell tower company has executed the lease. The city received a copy of the contract and the first payment. They are working on surveys and compaction tests now. • Good Grounds – The coffee shop is doing well Susan said 	Council received the report.

<p>that they're having their best year. They will be going to summer hours starting this week so they will close at 2:00pm.</p> <ul style="list-style-type: none"> • Restaurant – Paul Johal the owner just said that they are working on getting open. I will let everyone know when I have more information. <p>Major Projects/Engineering</p> <ul style="list-style-type: none"> • Water Plant – Staff is working with Civil West on getting quotes for a new back wash pump. • Calloway Creek – The review and approvals are all in place, North Core has already started grading and infrastructure work. • Wastewater Plant – The work is complete, and the city signed off on completion. The system seems to be working great and staff will be working on funding for the next phase. • Water Lines – The application is submitted, and we continue to work on different sections of the mainlines. • Wastewater Line – Wildish received the letter of approval from the railroad, now were just waiting on scheduling the driller for the project. 	
<p>4d. Attachment F – Public Works Report CA Hare presented the report.</p>	<p>Council received the report.</p>
<p>4e. Attachment G – Financial Report CA Hare presented the report. The balance in the Local Government Investment Pool is approximately \$4,328,290.23. Last year in July, the balance was \$3,814,419.72.</p>	<p>Council received the report.</p>
<p>5. Old Business – 5a. (Attachment H) Downtown Concepts</p>	
<p>6. New Business</p>	
<p>7. Ordinance, Resolutions, and Proclamations 7a. (Attachment J) Resolution 2024-8 Updating Emergency Operations Plan</p>	<p>Councilor Ray moved to approve the Resolution 2024-8. Councilor Officer seconded. Unanimous Approval (3-0).</p>
<p>8. Executive Session</p>	
<p>9. Council and Mayor Comments</p>	
<p>10. Adjournment: City Council –Tuesday, August 6, 2024, 6:00 PM Planning Commission – Tuesday, July 16, 2024, 6:00pm</p>	<p>Mayor Currier adjourned the meeting at 7:23 p.m.</p>

July 2024 Bills	Date	Amount
	7/2/2024	\$33,276.20
	7/11/2024	\$42,782.88
	7/23/2024	\$92,270.51

Total \$168,329.59

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
150 A & B Septic									
63827	1	Work for Tangent	Invoice	06/11/2024	07/11/2024	640.00		640.00	100-900-52115
		Total 63827:				640.00	.00	640.00	
63828	1	Work for Tangent	Invoice	06/11/2024	07/11/2024	369.00		369.00	100-900-52115
		Total 63828:				369.00	.00	369.00	
63829	1	Work for Tangent	Invoice	06/11/2024	07/11/2024	1,450.00		1,450.00	100-900-52115
		Total 63829:				1,450.00	.00	1,450.00	
63832	1	Work for Tangent	Invoice	06/11/2024	07/11/2024	1,660.00		1,660.00	100-900-52115
		Total 63832:				1,660.00	.00	1,660.00	
63835	1	Work for Tangent	Invoice	06/11/2024	07/11/2024	1,835.00		1,835.00	100-900-52115
		Total 63835:				1,835.00	.00	1,835.00	
63853	1	Work for Tangent	Invoice	06/12/2024	07/12/2024	250.00		250.00	100-900-52115
		Total 63853:				250.00	.00	250.00	
63854	1	Work for Tangent	Invoice	06/12/2024	07/12/2024	250.00		250.00	100-900-52115
		Total 63854:				250.00	.00	250.00	
63928	1	Work for Tangent	Invoice	06/19/2024	07/19/2024	375.00		375.00	100-900-52115
		Total 63928:				375.00	.00	375.00	
63957	1	Work for Tangent	Invoice	06/20/2024	07/20/2024	1,770.00		1,770.00	100-900-52115
		Total 63957:				1,770.00	.00	1,770.00	
63970	1	Work for Tangent	Invoice	06/20/2024	07/20/2024	250.00		250.00	100-900-52115
		Total 63970:				250.00	.00	250.00	
63974	1	Work for Tangent	Invoice	06/21/2024	07/21/2024	575.00		575.00	100-900-52115
		Total 63974:				575.00	.00	575.00	
64080	1	Work for Tangent	Invoice	06/28/2024	07/28/2024	1,595.00		1,595.00	100-900-52115
		Total 64080:				1,595.00	.00	1,595.00	
		Total 150 A & B Septic:				11,019.00	.00	11,019.00	
690 Bank of America									
06232024	1	Credit Card Charges	Invoice	06/23/2024	07/23/2024	5,769.01		5,769.01	100-000-28000
		Total 06232024:				5,769.01	.00	5,769.01	

26272

26273

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
Total 690 Bank of America:						5,769.01	.00	5,769.01	
1550 City of Corvallis									
4515337	1	Fuel	Invoice	06/15/2024	07/15/2024	927.48		927.48	500-420-52014
Total 4515337:						927.48	.00	927.48	
Total 1550 City of Corvallis:						927.48	.00	927.48	#26274
1800 Consumers Power Inc.									
1152400-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	1,176.00		1,176.00	200-410-52109
Total 1152400-61924:						1,176.00	.00	1,176.00	
1152401-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	37.61		37.61	100-300-52109
Total 1152401-61924:						37.61	.00	37.61	
1152406-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	140.47		140.47	100-900-52109
Total 1152406-61924:						140.47	.00	140.47	
1152409-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	37.61		37.61	100-900-52109
Total 1152409-61924:						37.61	.00	37.61	
1152410-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	72.93		72.93	510-430-52109
Total 1152410-61924:						72.93	.00	72.93	
1152411-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	74.79		74.79	500-420-52109
Total 1152411-61924:						74.79	.00	74.79	
1152413-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	141.86		141.86	510-430-52109
Total 1152413-61924:						141.86	.00	141.86	
1152414-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	37.16		37.16	500-420-52109
Total 1152414-61924:						37.16	.00	37.16	
1152415-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	37.05		37.05	100-900-52109
Total 1152415-61924:						37.05	.00	37.05	
1152419-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	37.16		37.16	500-420-53502
Total 1152419-61924:						37.16	.00	37.16	
1152420-61924	1	Utilities	Invoice	06/19/2024	07/19/2024	470.42		470.42	510-430-52109
Total 1152420-61924:						470.42	.00	470.42	
Total 1800 Consumers Power Inc.:						2,263.06	.00	2,263.06	26275

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
2300	2039	1 General City matters	Invoice	06/30/2024	07/30/2024	875.00		875.00	100-900-52017
Total 2039:						875.00	.00	875.00	
Total 2300 Delapoer Kidd Attorneys at Law:						875.00	.00	✓ 875.00	26277
2520	24-16256	1 DBPs	Invoice	06/25/2024	07/25/2024	364.00		364.00	500-420-52104
Total 24-16256:						364.00	.00	✓ 364.00	
Total 2520 Edge Analytical, Inc:						364.00	.00	✓ 364.00	
24-18687		1 Monthly Coliform	Invoice	06/28/2024	07/28/2024	42.00		42.00	500-420-52104
Total 24-18687:						42.00	.00	✓ 42.00	
Total 2520 Edge Analytical, Inc:						406.00	.00	✓ 406.00	26278
2670	1267554	1 materials	Invoice	06/18/2024	07/18/2024	40.16		40.16	500-420-52011
Total 1267554:						40.16	.00	40.16	
Total 2670 Ferguson Enterprises Inc:						40.16	.00	✓ 40.16	26279
7510	2406	1 code compliance	Invoice	06/30/2024	07/30/2024	2,500.00		2,500.00	100-100-52019
Total 2406:						2,500.00	.00	2,500.00	
Total 7510 Kristopher Schendel:						2,500.00	.00	✓ 2,500.00	26280
3860	2024200174	1 membership dues	Invoice	06/30/2024	07/30/2024	1,525.92		1,525.92	100-900-52102
Total 2024200174:						1,525.92	.00	1,525.92	
Total 3860 League of Oregon Cities:						1,525.92	.00	✓ 1,525.92	26281
7508	00013	1 cleaning	Invoice	06/30/2024	07/30/2024	350.00		350.00	100-900-52019
Total 00013:						350.00	.00	350.00	
Total 7508 McKenna Ziegler:						350.00	.00	✓ 350.00	26282
4670	06262024	1 1407224-3	Invoice	06/26/2024	07/17/2024	20.48		20.48	100-900-52109
Total 06262024:						20.48	.00	20.48	
Total 4670 NW Natural:						20.48	.00	✓ 20.48	26283
4800	4060313	1 OR Utility Notification Center	Invoice	06/30/2024	07/30/2024	26.60		26.60	500-420-52109
4800	4060313	2 OR Utility Notification Center	Invoice	06/30/2024	07/30/2024	26.60		26.60	510-430-52109

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
Total 4060313:						53.20	.00	53.20	
Total 4800 One Call Concepts Inc:						53.20	.00	✓ 53.20	26284
5810 RG Smith Electric & Plumbing Inc									
29503	1	replaced lights in water plant	Invoice	06/24/2024	07/24/2024	5,980.41		5,980.41	500-420-52011
Total 29503:						5,980.41	.00	5,980.41	
Total 5810 RG Smith Electric & Plumbing Inc:						5,980.41	.00	✓ 5,980.41	26285
6020 Schaefers Recreation Equipment Co									
147679-1	1	Chemicals	Invoice	06/20/2024	07/20/2024	495.28		495.28	510-430-52001
Total 147679-1:						495.28	.00	495.28	
Total 6020 Schaefers Recreation Equipment Co:						495.28	.00	✓ 495.28	26286
6320 Spaeth Lumber & Home Center									
2405-208018	1	Water softener crystals	Invoice	05/27/2024	07/05/2024	607.61		607.61	500-420-52002
Total 2405-208018:						607.61	.00	607.61	
Total 6320 Spaeth Lumber & Home Center:						607.61	.00	✓ 607.61	26287
6150 The Sherwin-Williams Co.									
6068-5	1	Supplies for Tangent	Invoice	06/13/2024	07/13/2024	442.52		442.52	100-900-52115
Total 6068-5:						442.52	.00	442.52	
Total 6150 The Sherwin-Williams Co.:						442.52	.00	✓ 442.52	26288
999 Utility Refund									
3964.01	1	Water	Invoice	06/20/2024	07/20/2024	.64		.64	500-420-52105
3964.01	2	Wastewater	Invoice	06/20/2024	07/20/2024	.43		.43	510-430-52105
Total 3964.01:						1.07	.00	1.07	
Total 999 Utility Refund:						1.07	.00	✓ 1.07	26276
Total :						33,276.20	.00	33,276.20	
Grand Totals:						33,276.20	.00	33,276.20	

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
100-000-28000	5,769.01	.00	5,769.01
100-100-52019	2,500.00	.00	2,500.00
100-300-52109	37.61	.00	37.61
100-900-52017	875.00	.00	875.00
100-900-52019	350.00	.00	350.00

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
100-900-52102	1,525.92	.00	1,525.92
100-900-52109	235.61	.00	235.61
100-900-52115	11,461.52	.00	11,461.52
200-410-52109	1,176.00	.00	1,176.00
500-420-52002	607.61	.00	607.61
500-420-52011	6,020.57	.00	6,020.57
500-420-52014	927.48	.00	927.48
500-420-52104	406.00	.00	406.00
500-420-52105	.64	.00	.64
500-420-52109	138.55	.00	138.55
500-420-53502	37.16	.00	37.16
510-430-52001	495.28	.00	495.28
510-430-52105	.43	.00	.43
510-430-52109	711.81	.00	711.81
Grand Totals:	33,276.20	.00	33,276.20

Summary by General Ledger Posting Period

GL Posting Period	Debit	Credit	Net
05/24	607.61	.00	607.61
06/24	32,668.59	.00	32,668.59
Grand Totals:	33,276.20	.00	33,276.20

[Handwritten Signature]
7/2/24

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
640 Auto Zone									
2217830418	1	core charge	Invoice	07/01/2024	07/30/2024	18.00		18.00	500-420-52014
Total 2217830418:						18.00	.00	18.00	
Total 640 Auto Zone:						18.00	.00	18.00	26289
690 Bank of America									
06232024.	1	Credit Card Charges	Invoice	07/01/2024	07/10/2024	49.00		49.00	100-900-52101
06232024.	2	Credit Card Charges	Invoice	07/01/2024	07/10/2024	88.75		88.75	100-900-52101
06232024.	3	Credit Card Charges	Invoice	07/01/2024	07/10/2024	73.56		73.56	100-900-52002
06232024.	4	Credit Card Charges	Invoice	07/01/2024	07/10/2024	230.33		230.33	100-900-52110
06232024.	5	Credit Card Charges	Invoice	07/01/2024	07/10/2024	22.09		22.09	100-900-52115
06232024.	6	Credit Card Charges	Invoice	07/01/2024	07/10/2024	22.10		22.10	100-300-52002
06232024.	7	Credit Card Charges	Invoice	07/01/2024	07/10/2024	77.04		77.04	100-900-52002
06232024.	8	Credit Card Charges	Invoice	07/01/2024	07/10/2024	9.99		9.99	100-900-52002
06232024.	9	Credit Card Charges	Invoice	07/01/2024	07/10/2024	17.41		17.41	100-300-52014
06232024.	10	Credit Card Charges	Invoice	07/01/2024	07/10/2024	82.97		82.97	500-420-52014
06232024.	11	Credit Card Charges	Invoice	07/01/2024	07/10/2024	29.35		29.35	510-430-52002
06232024.	12	Credit Card Charges	Invoice	07/01/2024	07/10/2024	3.98		3.98	500-420-52002
06232024.	13	Credit Card Charges	Invoice	07/01/2024	07/10/2024	48.90		48.90	100-900-52115
06232024.	14	Credit Card Charges	Invoice	07/01/2024	07/10/2024	68.97		68.97	510-430-52002
06232024.	15	Credit Card Charges	Invoice	07/01/2024	07/10/2024	30.92		30.92	100-900-52115
06232024.	16	Credit Card Charges	Invoice	07/01/2024	07/10/2024	179.99		179.99	510-430-52002
06232024.	17	Credit Card Charges	Invoice	07/01/2024	07/10/2024	300.00		300.00	100-900-52002
06232024.	18	Credit Card Charges	Invoice	07/01/2024	07/10/2024	29.46		29.46	500-420-52002
Total 06232024.:						1,364.81	.00	1,364.81	
Total 690 Bank of America:						1,364.81	.00	1,364.81	26290
890 Best Pots Inc									
1541944	1	Standard Rented Unit	Invoice	07/03/2024	07/13/2024	106.64		106.64	500-420-52019
Total 1541944:						106.64	.00	106.64	
Total 890 Best Pots Inc:						106.64	.00	106.64	26291
1340 Caselle Inc.									
134270	1	Monthly Software Hosting Fees	Invoice	07/01/2024	07/30/2024	804.15		804.15	500-420-52114
134270	2	Monthly Software Hosting Fee	Invoice	07/01/2024	07/30/2024	536.10		536.10	100-900-52114
134270	3	Monthly Software Hosting Fee	Invoice	07/01/2024	07/30/2024	268.05		268.05	510-430-52114
134270	4	Monthly Software Hosting Fee	Invoice	07/01/2024	07/30/2024	89.35		89.35	200-410-52114
134270	5	Monthly Software Hosting Fee	Invoice	07/01/2024	07/30/2024	89.35		89.35	520-440-52114
Total 134270:						1,787.00	.00	1,787.00	
Total 1340 Caselle Inc.:						1,787.00	.00	1,787.00	26292
1610 Civil West Engineering Services Inc									
1001.001C.006	1	general services	Invoice	07/01/2024	08/01/2024	2,185.50		2,185.50	500-420-52020
1001.001C.006	2	general services	Invoice	07/01/2024	08/01/2024	6,629.50		6,629.50	510-430-52020
1001.001C.006	3	general services	Invoice	07/01/2024	08/01/2024	1,426.00		1,426.00	520-440-52020
1001.001C.006	4	general services	Invoice	07/01/2024	08/01/2024	1,773.00		1,773.00	100-900-52020
1001.001C.006	5	general services	Invoice	07/01/2024	08/01/2024	240.28		240.28	100-900-52020

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
Total 1001.001C.006:						12,254.28	.00	✓ 12,254.28	
1001.028.043	1	WWTP improvements	Invoice	07/01/2024	08/01/2024	3,051.00		3,051.00	510-430-52020
Total 1001.028.043:						3,051.00	.00	✓ 3,051.00	
1001.032.035	1	HMGP waterline replacement	Invoice	07/01/2024	08/01/2024	324.00		324.00	500-420-53503
Total 1001.032.035:						324.00	.00	✓ 324.00	
Total 1610 Civil West Engineering Services Inc:						15,629.28	.00	✓ 15,629.28	26293
1910 Corvallis Power Equipment									
57875	1	Equipment maintenance	Invoice	07/01/2024	07/30/2024	98.97		98.97	100-300-52022
Total 57875:						98.97	.00	98.97	
Total 1910 Corvallis Power Equipment:						98.97	.00	✓ 98.97	26294
2670 Ferguson Enterprises LLC #3325									
0265525	1	materials	Invoice	07/01/2024	08/01/2024	1,721.05		1,721.05	500-420-52011
Total 0265525:						1,721.05	.00	1,721.05	
Total 2670 Ferguson Enterprises LLC #3325:						1,721.05	.00	✓ 1,721.05	26295
7531 Friends of Adair Village									
07112024	1	Youth Program	Invoice	07/11/2024	08/11/2024	5,000.00		5,000.00	100-300-52112
Total 07112024:						5,000.00	.00	5,000.00	
Total 7531 Friends of Adair Village:						5,000.00	.00	✓ 5,000.00	26296
7518 Net Assets Corporation									
111-202406	1	software hosting fees	Invoice	07/01/2024	07/15/2024	46.00		46.00	100-900-52114
Total 111-202406:						46.00	.00	46.00	
Total 7518 Net Assets Corporation:						46.00	.00	✓ 46.00	26298
4870 Oregon Cascades West COG									
AR2500001	1	Dues	Invoice	07/01/2024	08/01/2024	2,359.82		2,359.82	100-900-52102
Total AR2500001:						2,359.82	.00	2,359.82	
Total 4870 Oregon Cascades West COG:						2,359.82	.00	✓ 2,359.82	26299
4980 Oregon DEQ									
08012024	1	loan	Invoice	07/03/2024	08/01/2024	11,358.00		11,358.00	510-430-52102
Total 08012024:						11,358.00	.00	11,358.00	
Total 4980 Oregon DEQ:						11,358.00	.00	✓ 11,358.00	26300
5240 Pace Heating & Air									
S-65169	1	AC fix for AV market	Invoice	07/01/2024	07/01/2024	149.00		149.00	100-900-52012

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
Total S-65169:						149.00	.00	149.00	
Total 5240 Pace Heating & Air:						149.00	.00	✓ 149.00	26301
5780 Republic Services #452									
0452-00528135	1	3-0452-0023479	Invoice	07/01/2024	08/01/2024	42.47		42.47	100-900-52109
Total 0452-005281354:						42.47	.00	✓ 42.47	
510-430-52109									
0452-00529350	1	3-0452-0340655	Invoice	07/01/2024	08/01/2024	160.55		160.55	510-430-52109
Total 0452-005293507:						160.55	.00	✓ 160.55	
Total 5780 Republic Services #452:						203.02	.00	✓ 203.02	26302
7492 Rickreal Farm Supply									
65264	1	tractor repair	Invoice	07/01/2024	08/01/2024	506.29		506.29	100-300-52022
Total 65264:						506.29	.00	506.29	
Total 7492 Rickreal Farm Supply:						506.29	.00	✓ 506.29	26303
7530 TextMyGov									
502395	1	TextMyGov Set up	Invoice	07/01/2024	08/01/2024	2,000.00		2,000.00	100-900-52114
Total 502395:						2,000.00	.00	2,000.00	
Total 7530 TextMyGov:						2,000.00	.00	✓ 2,000.00	26304
999 Utility Refund									
1449.02.A	1	Water	Invoice	07/02/2024	08/02/2024	75.00		75.00	500-420-52105
1449.02.A	2	Wastewater	Invoice	07/02/2024	08/02/2024	50.00		50.00	510-430-52105
Total 1449.02.A:						125.00	.00	125.00	
Total 999 Utility Refund:						125.00	.00	✓ 125.00	26297
7250 Willamette Criminal Justice Council									
202401	1	Dues	Invoice	07/01/2024	08/01/2024	310.00		310.00	100-900-52102
Total 202401:						310.00	.00	310.00	
Total 7250 Willamette Criminal Justice Council:						310.00	.00	✓ 310.00	26305
Total :						42,782.88	.00	42,782.88	
Grand Totals:						42,782.88	.00	42,782.88	

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
100-300-52002	22.10	.00	22.10
100-300-52014	17.41	.00	17.41
100-300-52022	605.26	.00	605.26
100-300-52112	5,000.00	.00	5,000.00
100-900-52002	460.59	.00	460.59
100-900-52012	149.00	.00	149.00
100-900-52020	2,013.28	.00	2,013.28
100-900-52101	137.75	.00	137.75
100-900-52102	2,669.82	.00	2,669.82
100-900-52109	42.47	.00	42.47
100-900-52110	230.33	.00	230.33
100-900-52114	2,582.10	.00	2,582.10
100-900-52115	101.91	.00	101.91
200-410-52114	89.35	.00	89.35
500-420-52002	33.44	.00	33.44
500-420-52011	1,721.05	.00	1,721.05
500-420-52014	100.97	.00	100.97
500-420-52019	106.64	.00	106.64
500-420-52020	2,185.50	.00	2,185.50
500-420-52105	75.00	.00	75.00
500-420-52114	804.15	.00	804.15
500-420-53503	324.00	.00	324.00
510-430-52002	278.31	.00	278.31
510-430-52020	9,680.50	.00	9,680.50
510-430-52102	11,358.00	.00	11,358.00
510-430-52105	50.00	.00	50.00
510-430-52109	160.55	.00	160.55
510-430-52114	268.05	.00	268.05
520-440-52020	1,426.00	.00	1,426.00
520-440-52114	89.35	.00	89.35
Grand Totals:	42,782.88	.00	42,782.88

Summary by General Ledger Posting Period

GL Posting Period	Debit	Credit	Net
07/24	42,782.88	.00	42,782.88
Grand Totals:	42,782.88	.00	42,782.88

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7/11/24

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
830 Benton County Sheriff									
122497	1	Law Enforcement Services	Invoice	07/01/2024	08/01/2024	9,570.00		9,570.00	100-200-52019
Total 122497:						9,570.00	.00	9,570.00	
Total 830 Benton County Sheriff:						9,570.00	.00	9,570.00	26307
890 Best Pots Inc									
1542910	1	rental unit	Invoice	07/01/2024	07/25/2024	155.76		155.76	500-420-52019
Total 1542910:						155.76	.00	155.76	
Total 890 Best Pots Inc:						155.76	.00	155.76	26308
1520 CIS TRUST									
AUGUST 2024	1	Employee Health Ins	Invoice	07/15/2024	08/01/2024	1,001.49		1,001.49	100-100-51010
AUGUST 2024	2	Employee Health Ins	Invoice	07/15/2024	08/01/2024	133.53		133.53	100-200-51010
AUGUST 2024	3	Employee Health Ins	Invoice	07/15/2024	08/01/2024	534.13		534.13	100-300-51010
AUGUST 2024	4	Employee Health Ins	Invoice	07/15/2024	08/01/2024	333.83		333.83	200-410-51010
AUGUST 2024	5	Employee Health Ins	Invoice	07/15/2024	08/01/2024	3,137.99		3,137.99	500-420-51010
AUGUST 2024	6	Employee Health Ins	Invoice	07/15/2024	08/01/2024	1,268.55		1,268.55	510-430-51010
AUGUST 2024	7	Employee Health Insurance	Invoice	07/15/2024	08/01/2024	267.05		267.05	520-440-51010
Total AUGUST 2024 FINAL INVOICE:						6,676.57	.00	6,676.57	26309
PO-ADR-I2024-	1	Employee Health Ins	Invoice	07/19/2024	09/02/2024	7,754.06		7,754.06	100-100-51010
PO-ADR-I2024-	2	Employee Health Ins	Invoice	07/19/2024	09/02/2024	1,033.87		1,033.87	100-200-51010
PO-ADR-I2024-	3	Employee Health Ins	Invoice	07/19/2024	09/02/2024	4,135.50		4,135.50	100-300-51010
PO-ADR-I2024-	4	Employee Health Ins	Invoice	07/19/2024	09/02/2024	2,584.69		2,584.69	200-410-51010
PO-ADR-I2024-	5	Employee Health Ins	Invoice	07/19/2024	09/02/2024	24,296.04		24,296.04	500-420-51010
PO-ADR-I2024-	6	Employee Health Ins	Invoice	07/19/2024	09/02/2024	9,821.80		9,821.80	510-430-51010
PO-ADR-I2024-	7	Employee Health Insurance	Invoice	07/19/2024	09/02/2024	2,067.74		2,067.74	520-440-51010
Total PO-ADR-I2024-00:						51,693.70	.00	51,693.70	26321
Total 1520 CIS TRUST:						58,370.27	.00	58,370.27	
1800 Consumers Power Inc.									
1152401.07182	1	utilities	Invoice	07/18/2024	08/17/2024	38.68		38.68	100-300-52019
Total 1152401.07182024:						38.68	.00	38.68	
1152418.08012	1	Utilities	Invoice	07/08/2024	08/01/2024	145.47		145.47	510-430-52109
Total 1152418.08012024:						145.47	.00	145.47	
Total 1800 Consumers Power Inc.:						184.15	.00	184.15	26310
7532 Jesus Moreno Rangel									
07162024	1	Founders Day Music	Invoice	07/16/2024	08/10/2024	150.00		150.00	100-300-52111
Total 07162024:						150.00	.00	150.00	
Total 7532 Jesus Moreno Rangel:						150.00	.00	150.00	26311

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
7522 Moore Iacofano Goltsman, Inc 0087173	1	Downtown Planning	Invoice	07/16/2024	08/16/2024	657.50		657.50	100-900-52019
Total 0087173:						657.50	.00	657.50	
Total 7522 Moore Iacofano Goltsman, Inc:						657.50	.00	657.50	26312
7524 My Bridge Team, Inc. INV-000033	1	accounting services	Invoice	07/16/2024	07/16/2024	6,318.90		6,318.90	100-900-52019
Total INV-000033:						6,318.90	.00	6,318.90	
Total 7524 My Bridge Team, Inc.:						6,318.90	.00	6,318.90	26313
7478 Northcore USA LLC 2424N	1	Pavement Patch on Laurel	Invoice	07/17/2024	08/17/2024	6,812.00		6,812.00	200-410-52011
Total 2424N:						6,812.00	.00	6,812.00	
2425N	1	Water repair Barberrry	Invoice	07/17/2024	08/17/2024	5,000.00		5,000.00	500-420-52011
Total 2425N:						5,000.00	.00	5,000.00	
Total 7478 Northcore USA LLC:						11,812.00	.00	11,812.00	26314
5300 Pacific Power/PacificCorp 07102024	1	Utilittes	Invoice	07/10/2024	07/29/2024	2,799.10		2,799.10	500-420-52109
Total 07102024:						2,799.10	.00	2,799.10	
Total 5300 Pacific Power/PacificCorp:						2,799.10	.00	2,799.10	26315
5330 Pape Machinery 5133575	1	equipment maintenance	Invoice	07/17/2024	08/17/2024	948.78		948.78	100-300-52022
Total 5133575:						948.78	.00	948.78	
Total 5330 Pape Machinery:						948.78	.00	948.78	26316
7274 US Bank Equipment Finance 070124	1	equipment finance	Invoice	07/01/2024	07/31/2024	131.00		131.00	100-900-52023
Total 070124:						131.00	.00	131.00	
Total 7274 US Bank Equipment Finance:						131.00	.00	131.00	26318
999 Utility Refund 1109.12	1	Water	Invoice	07/09/2024	07/30/2024	46.48		46.48	500-420-52105
1109.12	2	Wastewater	Invoice	07/09/2024	07/30/2024	30.98		30.98	510-430-52105
Total 1109.12: <i>Quinn Wright</i>						77.46	.00	77.46	26317
1470.02	1	Water	Invoice	07/22/2024	08/22/2024	18.52		18.52	500-420-52105
1470.02	2	Wastewater	Invoice	07/22/2024	08/22/2024	12.35		12.35	510-430-52105
Total 1470.02: <i>Amanda Abernathy</i>						30.87	.00	30.87	26306

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
Total 999 Utility Refund:						108.33	.00	108.33	
7130 Verizon									
9968361285	1	Phone	Invoice	07/01/2024	07/29/2024	65.43		65.43	100-900-52110
9968361285	2	Phone	Invoice	07/01/2024	07/29/2024	99.65		99.65	500-420-52110
9968361285	3	Phone	Invoice	07/01/2024	07/29/2024	99.64		99.64	510-430-52110
Total 9968361285:						264.72	.00	264.72	
Total 7130 Verizon:						264.72	.00	264.72	26319
7290 Willamette Valley Processors									
1935	1	Emergency Management	Invoice	07/15/2024	07/30/2024	800.00		800.00	100-900-52019
Total 1935:						800.00	.00	800.00	
Total 7290 Willamette Valley Processors:						800.00	.00	800.00	26320
Total :						92,270.51	.00	92,270.51	
Grand Totals:						92,270.51	.00	92,270.51	

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
100-100-51010	8,755.55	.00	8,755.55
100-200-51010	1,167.40	.00	1,167.40
100-200-52019	9,570.00	.00	9,570.00
100-300-51010	4,669.63	.00	4,669.63
100-300-52019	38.68	.00	38.68
100-300-52022	948.78	.00	948.78
100-300-52111	150.00	.00	150.00
100-900-52019	7,776.40	.00	7,776.40
100-900-52023	131.00	.00	131.00
100-900-52110	65.43	.00	65.43
200-410-51010	2,918.52	.00	2,918.52
200-410-52011	6,812.00	.00	6,812.00
500-420-51010	27,434.03	.00	27,434.03
500-420-52011	5,000.00	.00	5,000.00
500-420-52019	155.76	.00	155.76
500-420-52105	65.00	.00	65.00
500-420-52109	2,799.10	.00	2,799.10
500-420-52110	99.65	.00	99.65
510-430-51010	11,090.35	.00	11,090.35
510-430-52105	43.33	.00	43.33
510-430-52109	145.47	.00	145.47
510-430-52110	99.64	.00	99.64
520-440-51010	2,334.79	.00	2,334.79
Grand Totals:	92,270.51	.00	92,270.51

Summary by General Ledger Posting Period

GL Posting Period	Debit	Credit	Net
07/24	92,270.51	.00	92,270.51
Grand Totals:	92,270.51	.00	92,270.51

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07/23/24

ADAIR VILLAGE PATROL

June 25, 2024 - July 24, 2024

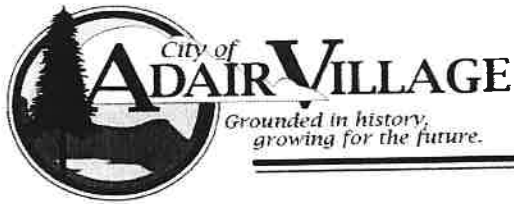
Benton County Sheriff's Office - Adair Patrol Activity Log

Date/Time	Call #	Total Time	Deputy	Con- tacts	Traffic		Arrests		Notes
					Warn	Cite	Cite	Cust	
Patrol									
062524 22:42:21	2024124858	3:08:04	Hardison						PATROLLED CITY STREETS/HIGHWAY 99W/SCHOOL/ODFW/PARKS/BUSINESSES. ALSO CHECKED CITY HALL AND OUTBUILDINGS.
062624 11:26:09	2024125163	1:19:12	Lochner						no activity
062624 22:55:13	2024125646	3:07:53	Hardison		1				PATROLLED CITY STREETS/HIGHWAY 99W/SCHOOL/BOTH PARKS/BUSINESSES/ODFW/CALLOWAY CREEK. CHECKED ON ONE VEHICLE PARKED AT ODFW (UNOCCUPIED) AND CONDUCTED ONE TRAFFIC STOP (ONE CITATION ISSUED FOR SPEEDING 87/55).
062824 04:06:27	2024126538	1:59:58	Hardison	3					PATROLLED CITY STREETS/HIGHWAY 99W/SCHOOL/PARKS/BUSINESSES/CALLOWAY CREEK. TWO TRAFFIC STOPS/THREE WARNINGS GIVEN FOR TRAFFIC VIOLATIONS.
062824 23:28:17	2024127222	2:47:05	Hardison	2					PATROLLED CITY STREETS/HIGHWAY 99W/SCHOOL/BUSINESSES/ODFW. CHECKED ON TWO SUSPICIOUS VEHICLES IN AREA/ONE WAS UNOCCUPIED/TWO CITIZEN CONTACTS IN THE OTHER VEHICLE. ALSO CHECKED CITY HALL AREA FOR SECURITY.
062924 09:52:33	2024127445	1:05:19	Blaser						no activity
070224 17:08:36	2024129968	2:16:10	Hardison	1					PATROLLED CITY STREETS/HIGHWAY 99W. ATTENDED ADAIR VILLAGE CITY COUNCIL MEETING. ALSO FOOT PATROL AT ADAIR VILLAGE KIDDIE PARK DUE TO RECENT VANDALISMS. ADDITIONALLY, CONDUCTED ONE TRAFFIC STOP/ONE WARNING GIVEN FOR SPEEDING.
070324 03:57:40	2024130267	2:00:39	Hardison	1					PATROLLED CITY STREETS/BUSINESSES/ODFW/CALLOWAY CREEK. FOOT PATROL AT ADAIR VILLAGE KIDDIE PARK (FOUND UNSECURE STORAGE BUILDING AND SECURED IT). ONE TRAFFIC STOP/ONE WARNING GIVEN FOR TRAFFIC VIOLATION.
070324 22:45:20	2024130932	3:04:51	Hardison	2					PATROLLED HIGHWAY 99W/CITY STREETS/PARKS/SCHOOL/ODFW/BUSINESSES/CHECKED CITY HALL ON FOOT. ALSO GAVE A COURTESY TRANSPORT TO A MALE FROM 99W/TAMPICO ROAD TO CORVALLIS AFTER A PEDESTRIAN STOP ALONG THE HIGHWAY. ALSO, ONE TRAFFIC STOP/TWO WARNINGS GIVEN FOR TRAFFIC VIOLATIONS.
070524 04:44:12	2024132058	1:30:31	Hardison						PATROLLED CITY STREETS/HIGHWAY 99W/SCHOOL/BUSINESSES/ODFW.
070524 08:51:03	2024132120	1:19:40	Blaser		1				1 stop-citation for driving uninsured
070924 03:30:45	2024135021	0:29:43	Davison						Patrolled local streets and parks. No activity, no stops.
071024 03:47:18	2024135963	2:00:41	Hardison						PATROLLED CITY STREETS/SCHOOL/ODFW/BUSINESSES/CALLOWAY CREEK.
071124 08:45:52	2024136799	0:42:36	Blaser						no activity
071224 05:16:55	2024137484	1:08:13	Drongesen						Patrolled neighborhoods, highway, and parks
071424 09:58:27	2024139351	0:59:06	Sinclair						no activity
071824 00:02:33	2024141970	1:59:36	Hardison						PATROLLED CITY STREETS/HIGHWAY 99W/SCHOOL/ODFW/BUSINESSES/CALLOWAY CREEK.
071824 04:09:36	2024142035	1:15:31	Drongesen						no activity
071824 22:58:33	2024142696	2:59:37	Hardison						PATROLLED HIGHWAY 99W/CITY STREETS/SCHOOL/BUSINESSES/COUNTY PARK/KIDDIE PARK/AERODROME PARK/CALLOWAY CREEK/ODFW.
071924 10:43:17	2024142974	1:05:14	Blaser						no activity

CSO Report June 2024

Attachn

Location	Violaton	Case #	Follow Up	Compliance
5164 Willamette Ave NE	Ivy growing over the sidewalk off chainlink needs to be cut back	24-701	7/19/2024	Y
4318 Holly Ln NE	Tree handing over Willamette Ave needs to be cut back (I will address	24-702	8/2/2024	N
4140 Willamette Ave NE	Car parked on grass and evergreen bush growing over sidewalk on corner.	24-703	7/19/2024	Y
3136 Willamette Ave NE	Vegetation growing over sidewalk near mail box.	24-704	7/19/2024	Y
3131 Willamette Ave NE	Tree over hanging street.	24-705	7/19/2024	Y
3111 Willamette Ave NE	Car with flat tire in street. (Discussed Tire needs to be repaired with owner)	24-706	7/19/2024	Y
165 Azalea Dr NE	Tree overhanging sidewalk	24-707	7/19/2024	Y
5232 Laurel Dr NE	Tree over Laurel and over William Car street	24-708	7/19/2024	Y
328 Carmen Pl NE	Basketball Hoop on sidewalk	24-709	7/19/2024	Y



CITY ADMINISTRATOR'S REPORT August 6, 2024, Council Meeting

Administration

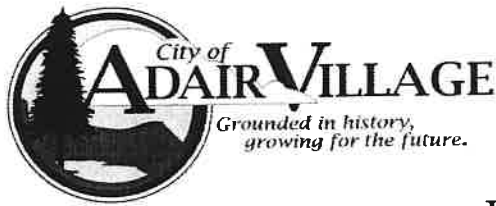
- **Finances** – Sarah is getting the monthly reconciliations all caught up and we will be moving into the 2023 audit in September.
- **Tangent** – City staff will be working on a few additional projects helping Tangent get some areas throughout town cleaned up.
- **City Planner** – Michael Bidwell started for us this last week and he is focusing on the zip code and land use development code right now.
- **Downtown Design** – After the work session that we did two weeks ago, I'm working with MIG to get the next phase of the designs done.

Property/Businesses

- **Voss Hill** – Public Safety Towers are working on the tower foundation designs currently.
- **Good Grounds** – Susan said that they are doing well and that they're going to do some more advertising. There are a few trees on the property that need to be removed.
- **Restaurant** – Paul Johal the owner just said that they are working on getting open. I will let everyone know when I have more information.

Major Projects/Engineering

- **Water Plant** – The plant is running well and were just waiting on some quotes for a new backwash pump and installation.
- **Calloway Creek** – North Core the excavation company on the project has got most of the sewer lines in and they are working on laterals and site grading.
- **Wastewater Plant** – The new headworks seem to be working good right now with low flows. Civil West and I are developing a plan to address some of the Inflow and Infiltration (INI) issues in the system. This will help reduce flows in the winter.
- **Water Lines** – Public Works staff has dealt with over five leaks this month due to the dryer ground.
- **Wastewater Line** – Wildish received the letter of approval from the railroad, now were just waiting on scheduling the driller for the project.



PUBLIC WORKS
OPERATIONS AND MAINTENANCE REPORT

PERIOD: 6/20/2024 to 7/20/2024

WATER USE / DISTRIBUTION REPORT

WATER USE REPORT

Water Produced: 9,434,579

Average Usage per 314k

WATER DISTRIBUTION REPORT

Maintenance Activity: Staff installed another new meter on Early blue. Three leaks were discovered in the last month. All leaks were repaired in a timely manner. We did have one pipe hit on Mulberry Drive where Alyrica hit a service line while directional drilling. Alyrica with the assistance of city staff were able to repair the service line in just a few hours.

Collected quarterly: 3rd quarter samples will be taken in July.

WASTEWATER TREATMENT REPORT

Flows into the WWTP are at low summer flows. Staff discharged from the Imhoff cone to the drying beds. Staff adjusted the recirculation pump on the trickling filter.

Total Monthly Influent: 2.9 million Gallons

STORM WATER COLLECTION SYSTEM REPORT

Maintenance Activity: Storm drains are clear. Staff check and clean all drains daily.

STREETS MAINTENANCE REPORT

Maintenance Activity: Streets are in decent shape. Staff have sprayed the cracks in the streets. Some spot spraying will continue through the summer.

CITY HALL / PARKS AND WETLANDS

Maintenance Activity: Staff continue to mow spray and week whack daily on all city properties.

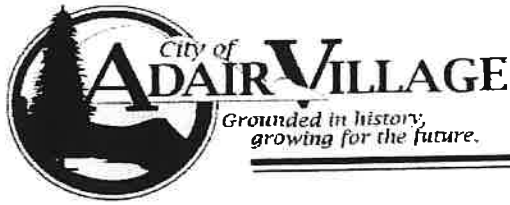
WATER TREATMENT PLANT

Maintenance Activity: We are running the plant 60 hours a week using a split shift. Staff have done an excellent job keeping up with high water usage and the leaks that I mentioned earlier.

WASTEWATER TREATMENT PLANT

Maintenance Activity: The wastewater treatment has had no major issues. Flows are low. Staff does daily maintenance on all components of the plant.

Completed by Matt Lydon, Public Works Supervisor



STAFF REPORT
Attachment G – Financial Report
 August 6, 2024 Council Meeting

Totals - Income shown for Fiscal Year 2024-2025 is \$2,477,499.78 and Expenses are \$1,973,298.04 which shows a Net Income of \$504,201.74 for all funds.

Totals by Fund – Income and Expenses for each Fund are shown below.

Fund	Income	Expenses	% of Budget	Difference
General	1,212,560.23	741,545.75		471,014.48
Streets	93,412.29	59,102.55		34,309.74
Water	807,458.73	850,257.99		-42,799.26
Wastewater	330,899.58	290,914.98		39,984.60
Storm Drain	33,032.30	31,476.77		1,555.53
SDC Fund	136.65	0.00		136.65
Reserve	0.00	0.00		0.00
TOTAL	\$2,477,499.78	\$1,973,298.04		504,201.74

We have approximately \$4,361,681.89 in the Local Government Investment Pool (LGIP). In July we had \$4,328,290.23. Last year at this time we had \$3,828,908.92. We have approximately \$238,288.79 in Citizens Bank.

Report Criteria:

- Includes all accounts
- Includes grand totals

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
General Fund					
Revenues					
100-000-40000	Beginning Fund Balance	800,000.00	.00	800,000.00	0.0%
100-000-40001	Property Taxes - Current	264,000.00	264,603.66	603.66-	100.2%
100-000-40002	Property Taxes - Prior Year	500.00	.00	500.00	0.0%
100-000-41010	Revenue Sharing	14,000.00	13,344.40	655.60	95.3%
100-000-41020	Cigarette Taxes	1,000.00	782.03	217.97	78.2%
100-000-41030	Liquor Taxes	29,000.00	23,396.97	5,603.03	80.7%
100-000-41100	Tangent Contract	259,000.00	451,668.06	192,668.06-	174.4%
100-000-41200	Transient Lodging Tax	5,000.00	5,000.00	.00	100.0%
100-000-42001	Planning Fees	10,000.00	28,955.00	18,955.00-	289.6%
100-000-42050	Fees - Other	.00	5,564.00	5,564.00-	0.0%
100-000-42060	SDC Administrative Fees	10,000.00	.00	10,000.00	0.0%
100-000-43001	Utility Franchise Fees	70,000.00	175,517.54	105,517.54-	250.7%
100-000-46020	Residential Rent Revenue	30,000.00	33,854.97	3,854.97-	112.8%
100-000-46021	Property Lease or Rent	78,000.00	38,163.70	39,836.30	48.9%
100-000-46023	Building Lease	32,000.00	1,200.00	30,800.00	3.8%
100-000-46024	Property Tax-Property Lease	4,900.00	.00	4,900.00	0.0%
100-000-46027	Utilities-Property Lease	19,000.00	.00	19,000.00	0.0%
100-000-46028	Room Rental	120.00	1,510.00	1,390.00-	1258.3%
100-000-46031	Court Fees and Fines	.00	.00	.00	0.0%
100-000-46032	Ordinance Violation Fines	.00	.00	.00	0.0%
100-000-46055	Refunds	200.00	.00	200.00	0.0%
100-000-46057	Miscellaneous	1,000.00	855.56	144.44	85.6%
100-000-47300	Parks Grant	.00	1,675.00	1,675.00-	0.0%
100-000-47900	COVID-19 Reimbursements	.00	.00	.00	0.0%
100-000-48000	Interest	20,000.00	166,469.34	146,469.34-	832.3%
100-000-49500	Transfer from Water Fund	.00	.00	.00	0.0%
100-000-49530	Transfer from SDC Fund	.00	.00	.00	0.0%
100-000-49600	Transfer from Reserve Fund	.00	.00	.00	0.0%
Total Revenues:		1,647,720.00	1,212,560.23	435,159.77	73.6%
City Administration					
100-100-50010	City Administrator	76,715.00	81,563.18	4,848.18-	106.3%
100-100-50015	Utility/Court Clerk	3,099.00	.00	3,099.00	0.0%
100-100-50018	Finance Clerk	7,748.00	11,362.22	3,614.22-	146.6%
100-100-51010	Employee Health Ins Benefits	17,608.00	22,414.20	4,806.20-	127.3%
100-100-51020	Retirement Benefits	23,782.00	18,829.01	4,952.99	79.2%
100-100-51030	Employment Taxes	12,101.00	6,425.04	5,675.96	53.1%
100-100-52002	Materials & Supplies	250.00	578.29-	828.29	-231.3%
100-100-52010	Miscellaneous	500.00	.00	500.00	0.0%
100-100-52013	Travel and Training	2,000.00	.00	2,000.00	0.0%
100-100-52014	Vehicle Fuel & Maintenance	.00	.00	.00	0.0%
100-100-52016	Audit	.00	.00	.00	0.0%
100-100-52017	City Attorney	15,000.00	.00	15,000.00	0.0%
100-100-52018	Planning Consultant	30,000.00	.00	30,000.00	0.0%
100-100-52019	Contract Service	27,000.00	2,500.00	24,500.00	9.3%
100-100-52020	Development Engineering	70,000.00	.00	70,000.00	0.0%
100-100-52030	Miscellaneous	.00	.00	.00	0.0%
100-100-52031	Urban Renewal Development	100,000.00	.00	100,000.00	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
100-100-52101	Banking Charges	.00	193.85	193.85-	0.0%
100-100-52102	Dues	.00	.00	.00	0.0%
100-100-52103	Insurance	.00	1,828.22	1,828.22-	0.0%
100-100-52106	Mileage	250.00	.00	250.00	0.0%
100-100-52107	Permits	.00	.00	.00	0.0%
100-100-52108	Postage	.00	.00	.00	0.0%
100-100-53002	Equipment Purchase	.00	.00	.00	0.0%
Total City Administration:		386,053.00	144,537.43	241,515.57	37.4%
Public Safety					
100-200-50010	City Administrator	6,974.00	6,374.98	599.02	91.4%
100-200-51010	Employee Health Ins Benefits	1,294.00	10,197.68	8,903.68-	788.1%
100-200-51020	Retirement Benefits	1,894.00	3,395.75	1,501.75-	179.3%
100-200-51030	Employment Taxes	964.00	427.06	536.94	44.3%
100-200-52019	Contract Service	40,000.00	38,280.00	1,720.00	95.7%
100-200-52103	Insurance	50.00	551.58	501.58-	1103.2%
Total Public Safety:		51,176.00	59,227.05	8,051.05-	115.7%
Parks and Recreation					
100-300-50025	Summer Program Coordinator	.00	.00	.00	0.0%
100-300-50054	Utility Worker II	19,776.00	9,449.86	10,326.14	47.8%
100-300-50058	Utility Worker I	3,803.00	10,291.15	6,488.15-	270.6%
100-300-51010	Employee Health Ins Benefits	8,991.00	6,763.54	2,227.46	75.2%
100-300-51020	Retirement Benefits	6,308.00	9,091.91	2,783.91-	144.1%
100-300-51030	Employment Taxes	3,210.00	1,557.30	1,652.70	48.5%
100-300-52002	Materials & Supplies	750.00	2,904.26	2,154.26-	387.2%
100-300-52011	System Maintenance & Repair	.00	215.61	215.61-	0.0%
100-300-52012	Maintenance - Bldg & Parks	1,000.00	.00	1,000.00	0.0%
100-300-52013	Travel and Training	500.00	.00	500.00	0.0%
100-300-52014	Vehicle Fuel & Maintenance	2,500.00	666.80	1,813.20	27.5%
100-300-52019	Contract Service	800.00	.00	800.00	0.0%
100-300-52022	Equipment Maintenance	5,000.00	3,425.10	1,574.90	68.5%
100-300-52023	Equipment Rental/Lease	100.00	.00	100.00	0.0%
100-300-52025	Small Equipment Purchase	4,200.00	.00	4,200.00	0.0%
100-300-52026	Non-capital Improvements	.00	.00	.00	0.0%
100-300-52030	Miscellaneous	100.00	.00	100.00	0.0%
100-300-52103	Insurance	1,650.00	4,452.67	2,802.67-	269.9%
100-300-52106	Mileage	100.00	.00	100.00	0.0%
100-300-52108	Postage	75.00	.00	75.00	0.0%
100-300-52109	Utilities	750.00	431.22	318.78	57.5%
100-300-52111	Parks-Events	3,100.00	7,044.86	3,944.86-	227.3%
100-300-52112	Parks - Youth Activities	5,000.00	2,045.76	2,954.24	40.9%
100-300-53001	Improvements - Bldg & Parks	1,500.00	2,745.00	1,245.00-	183.0%
100-300-53002	Equipment Purchase	5,000.00	.00	5,000.00	0.0%
100-300-55600	Transfer to Reserve Fund	5,000.00	.00	5,000.00	0.0%
Total Parks and Recreation:		79,213.00	61,105.04	18,107.96	77.1%
Non-departmental					
100-900-51030	Employment Taxes	.00	.00	.00	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
100-900-52002	Materials & Supplies	10,000.00	5,067.08	4,932.92	50.7%
100-900-52010	Legal Notices	3,000.00	.00	3,000.00	0.0%
100-900-52012	Maintenance - Bldg & Parks	24,000.00	18,458.49	5,541.51	76.9%
100-900-52013	Travel and Training	.00	.00	.00	0.0%
100-900-52014	Vehicle Fuel & Maintenance	1,500.00	.00	1,500.00	0.0%
100-900-52015	Security Alarm	.00	.00	.00	0.0%
100-900-52016	Audit	10,800.00	3,600.00	7,200.00	33.3%
100-900-52017	City Attorney	10,000.00	7,131.25	2,868.75	71.3%
100-900-52019	Contract Service	20,000.00	130,104.03	110,104.03	650.5%
100-900-52020	Engineering Consultant	7,500.00	24,456.50	16,956.50	326.1%
100-900-52021	Transit	.00	.00	.00	0.0%
100-900-52022	Equipment Maintenance	1,500.00	691.12	808.88	46.1%
100-900-52023	Equipment Rental/Lease	2,000.00	1,774.14	225.86	88.7%
100-900-52024	Security Alarm	1,500.00	682.93	817.07	45.5%
100-900-52025	Small Equipment Purchase	1,200.00	109.00	1,091.00	9.1%
100-900-52026	Non-capital Improvements	.00	.00	.00	0.0%
100-900-52030	Miscellaneous	1,000.00	5,312.00	4,312.00	531.2%
100-900-52031	CERT Expenditures	5,000.00	300.15	4,699.85	6.0%
100-900-52101	Banking Charges	750.00	.00	750.00	0.0%
100-900-52102	Dues	7,500.00	6,003.33	1,496.67	80.0%
100-900-52103	Insurance	9,000.00	6,400.66	2,599.34	71.1%
100-900-52108	Postage	5,750.00	3,120.50	2,629.50	54.3%
100-900-52109	Utilities	4,200.00	4,293.82	93.82	102.2%
100-900-52110	Telephones	4,600.00	2,676.21	1,923.79	58.2%
100-900-52111	Mayor & Council Expenses	1,000.00	129.16	870.84	12.9%
100-900-52113	Election Fees	1,000.00	.00	1,000.00	0.0%
100-900-52114	Software Hosting Fees	4,500.00	9,861.39	5,361.39	219.1%
100-900-52115	Tangent Expenditures	125,000.00	229,287.93	104,287.93	183.4%
100-900-52197	Utilities - Rentals	.00	.00	.00	0.0%
100-900-52199	Property Taxes	8,700.00	17,216.54	8,516.54	197.9%
100-900-52220	Residential Rental-related Exp	.00	.00	.00	0.0%
100-900-52800	COVID-19 Expenses	.00	.00	.00	0.0%
100-900-52900	Insurance Reimbursed Expense	.00	.00	.00	0.0%
100-900-53001	Improvements - Bldg & Parks	45,000.00	.00	45,000.00	0.0%
100-900-53002	Equipment Purchase	15,000.00	.00	15,000.00	0.0%
100-900-53003	Barracks Improvements	.00	.00	.00	0.0%
100-900-53004	Land Purchase	.00	.00	.00	0.0%
100-900-54006	Barracks Loan Payment	15,000.00	.00	15,000.00	0.0%
100-900-55500	Transfer to Water Fund	9,577.00	.00	9,577.00	0.0%
100-900-55510	Transfer to Wastewater Fund	.00	.00	.00	0.0%
100-900-55530	Transfer to SDC Fund	41,807.00	.00	41,807.00	0.0%
100-900-55600	Transfer to Reserve Fund	.00	.00	.00	0.0%
Total Non-departmental:		397,384.00	476,676.23	79,292.23	120.0%
Contingency					
100-998-58000	Contingency	250,000.00	.00	250,000.00	0.0%
Total Contingency:		250,000.00	.00	250,000.00	0.0%
Ending Fund Balance					
100-999-59000	Reserve for Future Expenditure	483,894.00	.00	483,894.00	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
	Total Ending Fund Balance:	483,894.00	.00	483,894.00	0.0%
	General Fund Revenue Total:	1,647,720.00	1,212,560.23	435,159.77	73.6%
	General Fund Expenditure Total:	1,647,720.00	741,545.75	906,174.25	45.0%
	Total General Fund:	.00	471,014.48	471,014.48-	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
Street Fund					
Revenues					
200-000-40000	Beginning Fund Balance	.00	.00	.00	0.0%
200-000-41040	Highway Apportionment	.00	93,412.29	93,412.29-	0.0%
200-000-41070	Small Cities Allotment	.00	.00	.00	0.0%
200-000-46057	Miscellaneous	.00	.00	.00	0.0%
200-000-47900	COVID-19 Federal Funds	.00	.00	.00	0.0%
200-000-48000	Interest	.00	.00	.00	0.0%
Total Revenues:		.00	93,412.29	93,412.29-	0.0%
Public Works - Streets					
200-410-50010	City Administrator	.00	3,186.25	3,186.25-	0.0%
200-410-50018	Finance Clerk	.00	2,427.99	2,427.99-	0.0%
200-410-50050	Public Works Supervisor	.00	7,861.76	7,861.76-	0.0%
200-410-50052	Utility Worker III	.00	.00	.00	0.0%
200-410-50054	Utility Worker II	.00	2,363.83	2,363.83-	0.0%
200-410-50058	Utility Worker I	.00	2,572.79	2,572.79-	0.0%
200-410-51010	Employee Health Ins Benefits	.00	4,639.87	4,639.87-	0.0%
200-410-51020	Retirement Benefits	.00	4,598.51	4,598.51-	0.0%
200-410-51030	Employment Taxes	.00	1,351.77	1,351.77-	0.0%
200-410-52002	Materials & Supplies	.00	2,007.97	2,007.97-	0.0%
200-410-52011	System Maintenance & Repair	.00	1,140.00	1,140.00-	0.0%
200-410-52016	Audit	.00	1,500.00	1,500.00-	0.0%
200-410-52017	City Attorney	.00	.00	.00	0.0%
200-410-52019	Contract Service	.00	.00	.00	0.0%
200-410-52020	Engineering Consultant	.00	.00	.00	0.0%
200-410-52022	Equipment Maintenance	.00	.00	.00	0.0%
200-410-52023	Equipment Rental/Lease	.00	.00	.00	0.0%
200-410-52024	Street Sweeping	.00	6,000.00	6,000.00-	0.0%
200-410-52027	Street Signs	.00	.00	.00	0.0%
200-410-52030	Miscellaneous	.00	.00	.00	0.0%
200-410-52102	Dues	.00	.00	.00	0.0%
200-410-52103	Insurance	.00	2,760.60	2,760.60-	0.0%
200-410-52109	Utilities	.00	15,483.61	15,483.61-	0.0%
200-410-52114	Software Hosting Fees	.00	1,207.60	1,207.60-	0.0%
200-410-53001	Street Improvements	.00	.00	.00	0.0%
200-410-53002	Equipment Purchase	.00	.00	.00	0.0%
200-410-55600	Transfer to Reserve Fund	.00	.00	.00	0.0%
Total Public Works - Streets:		.00	59,102.55	59,102.55-	0.0%
Contingency					
200-998-58000	Contingency	.00	.00	.00	0.0%
Total Contingency:		.00	.00	.00	0.0%
Ending Fund Balance					
200-999-59000	Reserve for Future Expenditure	.00	.00	.00	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
	Total Ending Fund Balance:	.00	.00	.00	0.0%
	Street Fund Revenue Total:	.00	93,412.29	93,412.29-	0.0%
	Street Fund Expenditure Total:	.00	59,102.55	59,102.55-	0.0%
	Total Street Fund:	.00	34,309.74	34,309.74-	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
Water Fund					
500-000-20007	Utility Security Deposits	.00	.00	.00	0.0%
Revenues					
500-000-40000	Beginning Fund Balance	.00	.00	.00	0.0%
500-000-42010	New Accounts	.00	.00	.00	0.0%
500-000-42020	New Connections	.00	.00	.00	0.0%
500-000-42032	Water Metered Fees	.00	509,678.05	509,678.05-	0.0%
500-000-42035	Reconnect Fees	.00	.00	.00	0.0%
500-000-42036	Water Outside Assessments	.00	55,131.21	55,131.21-	0.0%
500-000-42041	2016 IFA Water Loan	.00	.00	.00	0.0%
500-000-42045	Utility Deposit	.00	4,653.71	4,653.71-	0.0%
500-000-46030	Fees - Other	.00	13,505.96	13,505.96-	0.0%
500-000-46055	Refunds	.00	.00	.00	0.0%
500-000-46057	Miscellaneous	.00	2,486.04	2,486.04-	0.0%
500-000-47100	FEMA Grant	.00	.00	.00	0.0%
500-000-47420	FEMA Water Grant	.00	161,288.76	161,288.76-	0.0%
500-000-48000	Interest	.00	.00	.00	0.0%
500-000-49010	2022 IFA Water Loan	.00	60,715.00	60,715.00-	0.0%
500-000-49100	Transfer in from General Fund	.00	.00	.00	0.0%
500-000-49600	Transfer from Reserve	.00	.00	.00	0.0%
Total Revenues:		.00	807,458.73	807,458.73-	0.0%
Public Works - Water					
500-420-50001	Prior Period Adjustment	.00	.00	.00	0.0%
500-420-50010	City Administrator	.00	25,499.90	25,499.90-	0.0%
500-420-50016	Utility/Court Clerk	.00	.00	.00	0.0%
500-420-50018	Finance Clerk	.00	24,273.22	24,273.22-	0.0%
500-420-50050	Public Works Supervisor	.00	58,836.69	58,836.69-	0.0%
500-420-50052	Utility Worker III	.00	.00	.00	0.0%
500-420-50054	Utility Worker II	.00	25,986.73	25,986.73-	0.0%
500-420-50058	Utility Worker I	.00	28,300.73	28,300.73-	0.0%
500-420-51010	Employee Health Ins Benefits	.00	39,414.44	39,414.44-	0.0%
500-420-51020	Retirement Benefits	.00	42,428.98	42,428.98-	0.0%
500-420-51030	Employment Taxes	.00	12,110.48	12,110.48-	0.0%
500-420-52001	Chemicals	.00	24,855.47	24,855.47-	0.0%
500-420-52002	Materials & Supplies	.00	4,453.39	4,453.39-	0.0%
500-420-52010	Publications-Legal Notices	.00	.00	.00	0.0%
500-420-52011	System Maintenance & Repair	.00	135,655.03	135,655.03-	0.0%
500-420-52013	Travel and Training	.00	359.00	359.00-	0.0%
500-420-52014	Vehicle Fuel & Maintenance	.00	12,775.17	12,775.17-	0.0%
500-420-52016	Audit	.00	3,450.00	3,450.00-	0.0%
500-420-52017	City Attorney	.00	.00	.00	0.0%
500-420-52019	Contract Service	.00	3,911.68	3,911.68-	0.0%
500-420-52020	Engineering Consultant	.00	12,734.25	12,734.25-	0.0%
500-420-52022	Equipment Maintenance	.00	5,562.00	5,562.00-	0.0%
500-420-52023	Equipment Rental/Lease	.00	.00	.00	0.0%
500-420-52025	Small Equipment Purchase	.00	.00	.00	0.0%
500-420-52030	Miscellaneous	.00	185.00	185.00-	0.0%
500-420-52101	Banking Charges	.00	4,007.17	4,007.17-	0.0%
500-420-52102	Dues	.00	484.56	484.56-	0.0%
500-420-52103	Insurance	.00	24,562.12	24,562.12-	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
500-420-52104	Lab Analysis	.00	3,223.10	3,223.10-	0.0%
500-420-52105	Refunds-Utility Deposit	.00	5,866.93	5,866.93-	0.0%
500-420-52106	Mileage	.00	.00	.00	0.0%
500-420-52107	Permits	.00	416.50	416.50-	0.0%
500-420-52108	Postage	.00	.00	.00	0.0%
500-420-52109	Utilities	.00	30,393.16	30,393.16-	0.0%
500-420-52110	Telephones	.00	1,885.88	1,885.88-	0.0%
500-420-52114	Software Hosting Fees	.00	10,868.40	10,868.40-	0.0%
500-420-53001	Equipment Purchase	.00	.00	.00	0.0%
500-420-53002	Equipment Purchase	.00	.00	.00	0.0%
500-420-53003	Capital Outlay	.00	.00	.00	0.0%
500-420-53500	Water System Improvements	.00	33,371.33	33,371.33-	0.0%
500-420-53501	New Pump Station	.00	.00	.00	0.0%
500-420-53502	Hospital Hill Line Replace	.00	461.96	461.96-	0.0%
500-420-53503	Transmission Line Upgrade	.00	114,671.74	114,671.74-	0.0%
500-420-54001	1980 Water P & I	.00	.00	.00	0.0%
500-420-54002	97 Water P & I	.00	.00	.00	0.0%
500-420-54005	IFA Loan Payment	.00	159,252.98	159,252.98-	0.0%
500-420-55100	Transfer to General Fund	.00	.00	.00	0.0%
500-420-55600	Transfer to Reserve Fund	.00	.00	.00	0.0%
Total Public Works - Water:		.00	850,257.99	850,257.99-	0.0%
Contingency					
500-998-58000	Contingency	.00	.00	.00	0.0%
Total Contingency:		.00	.00	.00	0.0%
Ending Fund Balance					
500-999-59000	Reserve for Future Expenditure	.00	.00	.00	0.0%
Total Ending Fund Balance:		.00	.00	.00	0.0%
Water Fund Revenue Total:		.00	807,458.73	807,458.73-	0.0%
Water Fund Expenditure Total:		.00	850,257.99	850,257.99-	0.0%
Total Water Fund:		.00	42,799.26-	42,799.26	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
Wastewater Fund					
Revenues					
510-000-40000	Beginning Fund Balance	.00	.00	.00	0.0%
510-000-41100	Tangent Contract	.00	.00	.00	0.0%
510-000-42039	Wastewater Fees	.00	330,665.58	330,665.58-	0.0%
510-000-42041	OR DEQ Loan for WWFP	.00	640.00	640.00-	0.0%
510-000-42045	Utility Deposit	.00	.00	.00	0.0%
510-000-46030	Fees - Other	.00	406.00-	406.00	0.0%
510-000-46055	Refunds	.00	.00	.00	0.0%
510-000-46057	Miscellaneous	.00	.00	.00	0.0%
510-000-49011	OR DEQ Loan for WWFP	.00	.00	.00	0.0%
510-000-49012	2020 Wastewater Loan	.00	.00	.00	0.0%
510-000-49600	Transfer from Reserve Fund	.00	.00	.00	0.0%
Total Revenues:		.00	330,899.58	330,899.58-	0.0%
Public Works - Wastewater					
510-430-50010	City Administrator	.00	19,124.94	19,124.94-	0.0%
510-430-50016	Utility/Court Clerk	.00	673.75	673.75-	0.0%
510-430-50018	Finance Clerk	.00	12,677.97	12,677.97-	0.0%
510-430-50050	Public Works Supervisor	.00	23,742.11	23,742.11-	0.0%
510-430-50052	Utility Worker III	.00	11,664.88	11,664.88-	0.0%
510-430-50054	Utility Worker II	.00	7,087.53	7,087.53-	0.0%
510-430-50058	Utility Worker I	.00	7,718.34	7,718.34-	0.0%
510-430-51010	Employee Health Ins Benefits	.00	15,888.40	15,888.40-	0.0%
510-430-51020	Retirement Benefits	.00	18,183.91	18,183.91-	0.0%
510-430-51030	Employment Taxes	.00	6,089.91	6,089.91-	0.0%
510-430-52001	Chemicals	.00	10,126.50	10,126.50-	0.0%
510-430-52002	Materials & Supplies	.00	1,651.02	1,651.02-	0.0%
510-430-52003	Janitorial Supplies	.00	.00	.00	0.0%
510-430-52009	Uniforms	.00	.00	.00	0.0%
510-430-52010	Publications-Legal Notices	.00	.00	.00	0.0%
510-430-52011	System Maintenance & Repair	.00	11,549.21	11,549.21-	0.0%
510-430-52013	Travel and Training	.00	400.00	400.00-	0.0%
510-430-52014	Vehicle Fuel & Maintenance	.00	1,717.00	1,717.00-	0.0%
510-430-52016	Audit	.00	.00	.00	0.0%
510-430-52017	City Attorney	.00	.00	.00	0.0%
510-430-52019	Contract Service	.00	.00	.00	0.0%
510-430-52020	Engineering Consultant	.00	63,322.04	63,322.04-	0.0%
510-430-52022	Equipment Maintenance	.00	.00	.00	0.0%
510-430-52023	Equipment Rental/Lease	.00	.00	.00	0.0%
510-430-52030	Miscellaneous	.00	.00	.00	0.0%
510-430-52101	Banking Charges	.00	2,634.81	2,634.81-	0.0%
510-430-52102	Dues	.00	22,818.00	22,818.00-	0.0%
510-430-52103	Insurance	.00	11,759.45	11,759.45-	0.0%
510-430-52104	Lab Analysis	.00	.00	.00	0.0%
510-430-52105	Refunds-Utility Deposit	.00	3,911.34	3,911.34-	0.0%
510-430-52106	Mileage	.00	.00	.00	0.0%
510-430-52107	Permits	.00	4,118.00	4,118.00-	0.0%
510-430-52108	Postage	.00	.00	.00	0.0%
510-430-52109	Utilities	.00	18,589.54	18,589.54-	0.0%
510-430-52110	Telephones	.00	1,776.01	1,776.01-	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
510-430-52114	Software Hosting Fees	.00	3,622.80	3,622.80-	0.0%
510-430-53002	Equipment Purchase	.00	.00	.00	0.0%
510-430-53005	Wastewater System Improvements	.00	10,067.52	10,067.52-	0.0%
510-430-54003	97 Wastewater P & I	.00	.00	.00	0.0%
510-430-54004	OR DEQ Loan Repayment	.00	.00	.00	0.0%
510-430-55600	Transfer to Reserve Fund	.00	.00	.00	0.0%
Total Public Works - Wastewater:		.00	290,914.98	290,914.98-	0.0%
Contingency					
510-998-58000	Contingency	.00	.00	.00	0.0%
Total Contingency:		.00	.00	.00	0.0%
Ending Fund Balance					
510-999-59000	Reserve for Future Expenditure	.00	.00	.00	0.0%
Total Ending Fund Balance:		.00	.00	.00	0.0%
Wastewater Fund Revenue Total:		.00	330,899.58	330,899.58-	0.0%
Wastewater Fund Expenditure Total:		.00	290,914.98	290,914.98-	0.0%
Total Wastewater Fund:		.00	39,984.60	39,984.60-	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
Storm Drain Fund					
Revenues					
520-000-40000	Beginning Fund Balance	.00	.00	.00	0.0%
520-000-42040	Storm Drain Fees	.00	33,032.30	33,032.30-	0.0%
520-000-46057	Miscellaneous	.00	.00	.00	0.0%
Total Revenues:		.00	33,032.30	33,032.30-	0.0%
Public Works - Storm Drain					
520-440-50010	City Administrator	.00	3,187.48	3,187.48-	0.0%
520-440-50016	Utility/Court Clerk	.00	154.94	154.94-	0.0%
520-440-50018	Finance Clerk	.00	1,059.05	1,059.05-	0.0%
520-440-50050	Public Works Supervisor	.00	3,930.90	3,930.90-	0.0%
520-440-50052	Utility Worker III	.00	.00	.00	0.0%
520-440-50054	Utility Worker II	.00	2,362.58	2,362.58-	0.0%
520-440-50058	Utility Worker I	.00	4,096.45	4,096.45-	0.0%
520-440-51010	Employee Health Ins Benefits	.00	3,363.36	3,363.36-	0.0%
520-440-51020	Retirement Benefits	.00	4,040.87	4,040.87-	0.0%
520-440-51030	Employment Taxes	.00	1,094.59	1,094.59-	0.0%
520-440-52002	Materials & Supplies	.00	110.58	110.58-	0.0%
520-440-52010	Publications-Legal Notices	.00	.00	.00	0.0%
520-440-52011	System Maintenance & Repair	.00	.00	.00	0.0%
520-440-52013	Travel and Training	.00	.00	.00	0.0%
520-440-52014	Vehicle Fuel & Maintenance	.00	.00	.00	0.0%
520-440-52016	Audit	.00	1,500.00	1,500.00-	0.0%
520-440-52017	City Attorney	.00	.00	.00	0.0%
520-440-52019	Contract Service	.00	.00	.00	0.0%
520-440-52020	Engineering Consultant	.00	2,171.00	2,171.00-	0.0%
520-440-52022	Equipment Maintenance	.00	.00	.00	0.0%
520-440-52023	Equipment Rental/Lease	.00	.00	.00	0.0%
520-440-52101	Banking Charges	.00	352.74	352.74-	0.0%
520-440-52102	Dues	.00	.00	.00	0.0%
520-440-52103	Insurance	.00	2,844.63	2,844.63-	0.0%
520-440-52105	Refunds-Utility Deposit	.00	.00	.00	0.0%
520-440-52106	Mileage	.00	.00	.00	0.0%
520-440-52107	Permits	.00	.00	.00	0.0%
520-440-52108	Postage	.00	.00	.00	0.0%
520-440-52109	Utilities	.00	.00	.00	0.0%
520-440-52110	Telephones	.00	.00	.00	0.0%
520-440-52114	Software Hosting Fees	.00	1,207.60	1,207.60-	0.0%
520-440-53002	Equipment Purchase	.00	.00	.00	0.0%
520-440-55600	Transfer to Reserve Fund	.00	.00	.00	0.0%
Total Public Works - Storm Drain:		.00	31,476.77	31,476.77-	0.0%
Contingency					
520-998-58000	Contingency	.00	.00	.00	0.0%
Total Contingency:		.00	.00	.00	0.0%
Ending Fund Balance					
520-999-59000	Reserve for Future Expenditure	.00	.00	.00	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
	Total Ending Fund Balance:	.00	.00	.00	0.0%
	Storm Drain Fund Revenue Total:	.00	33,032.30	33,032.30-	0.0%
	Storm Drain Fund Expenditure Total:	.00	31,476.77	31,476.77-	0.0%
	Total Storm Drain Fund:	.00	1,555.53	1,555.53-	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
System Development Fund					
Revenues					
530-000-40000	Beginning Fund Balance	.00	.00	.00	0.0%
530-000-42140	SDC Fees	.00	.00	.00	0.0%
530-000-42141	Park	.00	.00	.00	0.0%
530-000-42142	Street Imp.	.00	.00	.00	0.0%
530-000-42143	Water Imp	.00	.00	.00	0.0%
530-000-42144	WW Imp.	.00	.00	.00	0.0%
530-000-42145	Storm Drain Fees	.00	.00	.00	0.0%
530-000-42243	Water Reimbursement	.00	.00	.00	0.0%
530-000-42244	WW Reimbursement	.00	.00	.00	0.0%
530-000-46030	Fees - Other	.00	136.65-	136.65	0.0%
530-000-49100	Transfer in from General Fund	.00	.00	.00	0.0%
Total Revenues:		.00	136.65	136.65-	0.0%
Revenues					
530-100-55100	Transfer to General Fund	.00	.00	.00	0.0%
Total :		.00	.00	.00	0.0%
Parks					
530-300-53003	Capital Outlay	.00	.00	.00	0.0%
Total Parks:		.00	.00	.00	0.0%
Streets					
530-410-53003	Capital Outlay	.00	.00	.00	0.0%
Total Streets:		.00	.00	.00	0.0%
Water					
530-420-52020	Engineering Consultant	.00	.00	.00	0.0%
530-420-53003	Capital Outlay	.00	.00	.00	0.0%
Total Water:		.00	.00	.00	0.0%
Wastewater					
530-430-53003	Capital Outlay	.00	.00	.00	0.0%
Total Wastewater:		.00	.00	.00	0.0%
Storm Drain					
530-440-53003	Capital Outlay	.00	.00	.00	0.0%
Total Storm Drain:		.00	.00	.00	0.0%
Contingency					
530-998-58000	Contingency	.00	.00	.00	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
	Total Contingency:	.00	.00	.00	0.0%
Ending Fund Balance					
530-999-59000	Reserve for Future Expenditure	.00	.00	.00	0.0%
	Total Ending Fund Balance:	.00	.00	.00	0.0%
	System Development Fund Revenue Total:	.00	136.65	136.65-	0.0%
	System Development Fund Expenditure Total:	.00	.00	.00	0.0%
	Total System Development Fund:	.00	136.65	136.65-	0.0%

Account Number	Account Title	2023-24 Current year Budget	2023-24 Current year Actual	2023-23 Budget Remaining	2023-23 Budget Used %
Reserve Fund					
Revenues					
600-000-40000	Beginning Fund Balance	.00	.00	.00	0.0%
600-000-49100	Transfer from General Fund	.00	.00	.00	0.0%
600-000-49200	Transfer from Street Fund	.00	.00	.00	0.0%
600-000-49500	Transfer from Water Fund	.00	.00	.00	0.0%
600-000-49510	Transfer from Wastewater	.00	.00	.00	0.0%
600-000-49520	Transfer from Storm Drain Fund	.00	.00	.00	0.0%
Total Revenues:		.00	.00	.00	0.0%
Non-departmental					
600-900-55100	Transfer to General Fund	.00	.00	.00	0.0%
600-900-55200	Transfer to Street Fund	.00	.00	.00	0.0%
600-900-55500	Transfer to Water Fund	.00	.00	.00	0.0%
600-900-55510	Transfer to Wastewater Fund	.00	.00	.00	0.0%
600-900-55520	Transfer to Storm Drain Fund	.00	.00	.00	0.0%
Total Non-departmental:		.00	.00	.00	0.0%
Contingency					
600-998-58000	Contingency	.00	.00	.00	0.0%
Total Contingency:		.00	.00	.00	0.0%
Ending Fund Balance					
600-999-59000	Reserve for Future Expenditure	.00	.00	.00	0.0%
Total Ending Fund Balance:		.00	.00	.00	0.0%
Reserve Fund Revenue Total:		.00	.00	.00	0.0%
Reserve Fund Expenditure Total:		.00	.00	.00	0.0%
Total Reserve Fund:		.00	.00	.00	0.0%
Grand Totals:		.00	503,928.44	503,928.44-	0.0%

Report Criteria:
 Includes all accounts
 Includes grand totals

2024 Local Government Grant Program - Large Grant Award Recommendations

The following *Large* grant applications have been recommended for Local Government Grant Program (LGGP) funding by the LGGP Advisory Committee. These grant requests will be forwarded to the OPRD Commission for final review and approval at the Commission's September 18, 2024 meeting. LGGP awards are not official until approved by the OPRD Commission. The following awards are listed in alphabetical order by agency.

Applicant	Project Name	County	Total Project Cost	Grant Funds Requested
Ashland Parks and Recreation	Ashland Bicycle Pump Track Park	Jackson	\$ 2,150,000	\$ 1,000,000
Ashland Parks and Recreation	Hunter Park Tennis Courts Rehabilitation	Jackson	\$ 1,200,000	\$ 720,000
Bend Park & Rec Dist	Miller's Landing Access and Restoration	Deschutes	\$ 1,321,473	\$ 660,737
Benton County	Hubert K. McBee Campground	Benton	\$ 1,176,000	\$ 645,000
Blue River Park Dist	Blue River Community Park Rebuild	Lane	\$ 1,100,941	\$ 749,406
Chehalem Park & Rec Dist	Renne Park Project	Yamhill	\$ 2,081,500	\$ 1,000,000
City of Adair Village	Community Park Improvements	Benton	\$ 601,500	\$ 421,050
City of Albany	Deerfield Park	Linn	\$ 1,233,688	\$ 485,000
City of Arlington	Alkali Park Improvements	Gilliam	\$ 1,000,000	\$ 800,000
City of Aumsville	Highberger Park Improvements	Marion	\$ 483,655	\$ 386,874
City of Baker City	Court Plaza Construction	Baker	\$ 1,234,000	\$ 740,400
City of Central Point	Robert Pfaff Park Playground	Jackson	\$ 205,973	\$ 123,584
City of Coos Bay	The Mingus Park Restroom Revitalization	Coos	\$ 572,441	\$ 343,465
City of Coquille	Sturdivant Park Playground	Coos	\$ 300,000	\$ 240,000
City of Creswell	South 2nd Street Park Restroom Facility	Lane	\$ 282,000	\$ 168,200
City of Drain	Anna Drain Park Upgrade	Douglas	\$ 1,245,519	\$ 996,415
City of Fossil	Arthur Glover Park	Wheeler	\$ 700,000	\$ 560,000
City of Gresham	Southwest Community Park Development	Multnomah	\$ 2,331,220	\$ 982,646
City of Happy Valley	Happy Valley Veterans Memorial Park	Clackamas	\$ 574,784	\$ 268,242
City of Hermiston	Cimmaron Park Playground and Site	Umatilla	\$ 461,414	\$ 276,590
City of Hines	Hines Park Rehabilitation Grant	Harney	\$ 750,000	\$ 600,000
City of Hubbard	2024 Rivenes Playground Equipment	Marion	\$ 434,757	\$ 347,587
City of Irrigon	Irrigon Splash Pad Construction	Morrow	\$ 1,300,000	\$ 1,000,000
City of Keizer	Keizer Rapids Park Bathroom, Trail	Marion	\$ 1,299,417	\$ 649,709
City of La Grande	Riverside Park Playground Replacement	Union	\$ 687,764	\$ 408,184
City of Lake Oswego	Rassekh Park Phase 2 Development	Clackamas	\$ 2,088,110	\$ 846,443
City of Lebanon	Cheadle Lake ADA Restroom and Access	Linn	\$ 1,000,000	\$ 1,000,000
City of Lincoln City	New Community Park in Lincoln City Phase	Lincoln	\$ 3,529,000	\$ 1,000,000
City of Mill City	Mill City Falls Park Improvements	Marion	\$ 1,325,000	\$ 1,000,000
City of Nyssa	South Park Nyssa Parks Rehabilitation	Malheur	\$ 500,000	\$ 400,000
City of Philomath	Skirvin Park Accessibility Improvements &	Benton	\$ 3,275,994	\$ 800,000
City of Roseburg	Brown Park Expansion Project	Douglas	\$ 1,111,750	\$ 667,050
City of Salem	Riverfront Park Playground and Pathway	Marion	\$ 1,832,354	\$ 770,000
City of Silverton	Silverton Pickleball	Marion	\$ 1,250,000	\$ 750,000
City of Stayton	Mill Creek Park Development Project	Marion	\$ 1,750,000	\$ 1,000,000
City of Sublimity	Early Settlers Park Playground	Marion	\$ 430,000	\$ 344,000
City of Sublimity	Sunrise Park Restroom and ADA sidewalks	Marion	\$ 250,000	\$ 200,000
City of Talent	Old Town Skate Park Rehabilitation	Jackson	\$ 526,370	\$ 315,822
City of Wilsonville	Memorial Park Playground Rehabilitation	Clackamas	\$ 1,100,000	\$ 550,000
City of Woodburn	Development of Boones Crossing Park	Marion	\$ 1,466,745	\$ 731,433
Douglas County Parks Dept	Umpqua Dunes RV Park Phase III	Douglas	\$ 1,793,980	\$ 896,990
Hillsboro Parks and Rec	Dairy Creek Park Futsal Courts	Washington	\$ 800,000	\$ 400,000

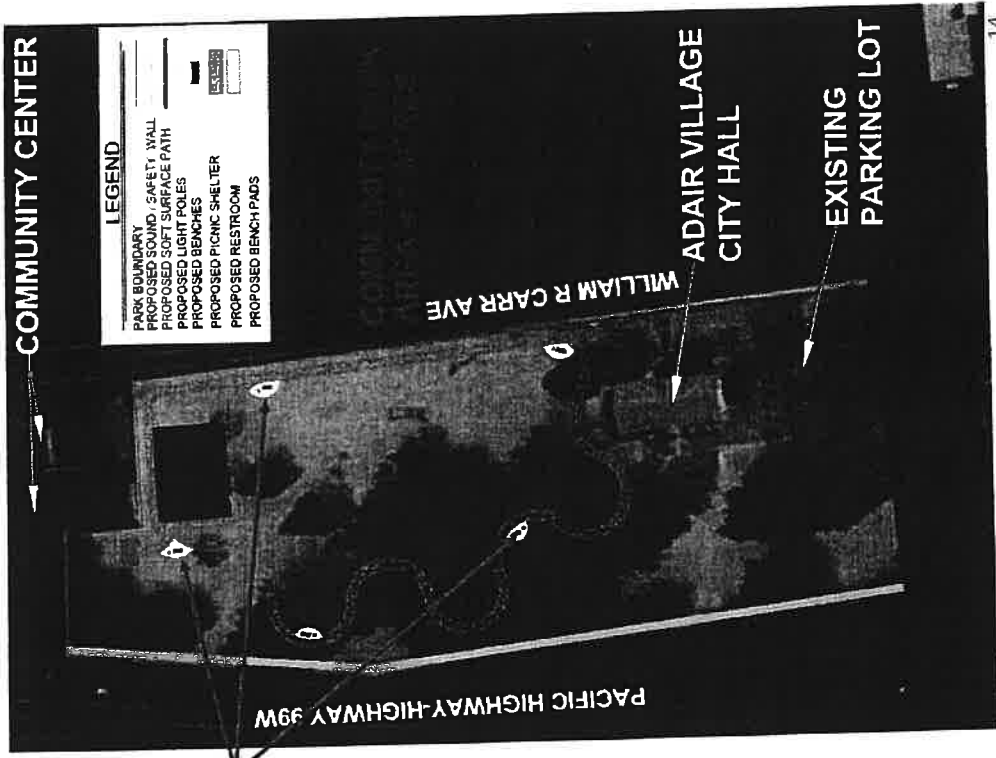
Linn County	John Neal Rehabilitation	Linn	\$ 1,042,000	\$ 521,000
Marion County Parks	Parkdale Park Development Project	Marion	\$ 711,646	\$ 355,823
Sisters Park & Rec Dist	Sisters Community Rec Center Park	Deschutes	\$ 1,324,628	\$ 756,628
Town of Bonanza	Bowne Park Rehabilitation and	Klamath	\$ 805,350	\$ 402,675
Tualatin Hills Park & Rec Dist	Future Park & Community Trail	Washington	\$ 2,757,850	\$ 1,000,000
Wasco County	Oak Ranch RV Park Revitalization	Wasco	\$ 1,824,900	\$ 1,000,000
Washington County	Scoggins Valley Park (Hagg Lake)	Washington	\$ 5,000,000	\$ 1,000,000
Willamalane Park and Rec Dist	Tyson Park Rehabilitation	Lane	\$ 690,000	\$ 345,000
Totals			\$ 62,913,724	\$ 31,625,952

Project Overview

- Improve Community Park to create a safe and accessible space in the downtown area.
- Restrooms
- Walking Path
- Picnic Pavilion
- Benches and Lights

Park is currently unlit, limiting events and park usage to daylight hours. The benches will provide rest for those enjoying the history plaques.

Benches & Lights



CITY OF ADAIR VILLAGE, OREGON

FINANCIAL REPORT

for the year ended June 30, 2022



CITY OF ADAIR VILLAGE, OREGON

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CITY OF ADAIR VILLAGE, OREGON

CITY COUNCIL

Bill Currier, Mayor

Dawson Officer

Bret Ray

Aaron Fuller

Vacant

TERM EXPIRES

December 31, 2026

December 31, 2026

December 31, 2026

December 31, 2024

To be determined

All council members receive mail at the address listed below.

ADMINISTRATIVE

Pat Hare, City Administrator

City of Adair Village
6030 William R. Carr Road
Adair Village, Oregon 97330

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Adair Village
Adair Village, Oregon

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 Adair Village (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

In performing an audit in accordance with generally accepted 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's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, schedule of the proportionate share of the net pension liability, schedule of contributions, schedule of the changes in the total OPEB liability and related ratios – CIS plan, schedule of proportionate share of the net OPEB liability – RHIA, and schedule of contributions – RHIA be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis, budgetary comparison schedules, schedule of the proportionate share of the net pension liability, schedule of contributions, schedule of the changes in the total OPEB liability and related ratios – CIS plan, schedule of proportionate share of the net OPEB liability – RHIA, and schedule of contributions – RHIA in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Supplementary Information

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

Report on Other Legal and Regulatory Requirements

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated July 12, 2024, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Aldrich CPAs + Advisors LLP

By:



Andrew Maffia, CPA, Partner
Salem, Oregon
July 12, 2024

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MANAGEMENT'S DISCUSSION AND ANALYSIS



6030 William R. Carr Ave.

Adair Village, OR 97330

541-745-5507

CITY OF ADAIR VILLAGE

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended June 30, 2022

Our discussion and analysis of the City of Adair Village's financial position provides an overview of the City's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the City's basic financial statements.

FINANCIAL HIGHLIGHTS

The City's net position increased \$505,792, or 4.35 percent, details follow:

- Net position of our governmental activities increased by \$299,600, or 8.67 percent.
- Net position of our business-type activities increased by \$206,192 or 2.52 percent.
- The total cost of all the City's programs in 2022 was \$1,538,273; in 2021 this cost was \$1,586,268.

The city added \$1.995 million in business type capital assets during the fiscal year which are currently categorized as construction in progress. Additionally, \$134,716 was completed in waste, water, and storm drain system improvements this year. In government type assets, the City completed \$135,897 of street infrastructure improvements and has an additional \$140,000 as construction in progress.

CITY'S ACTIVITIES HIGHLIGHTS

General Fund

In the General Fund, during fiscal year 2021, developers built out lots were permitted in fiscal year 2020. In fiscal year 2022, the resulting additional population and value of real estate is added to the state and county rolls. The state shared revenues increased ratably, such as liquor taxes and property taxes. The City benefited from revenue increases year over year of 21.95 percent in property taxes and 28.58 percent in intergovernmental revenues, largely from increased Tangent Contract administrative

fees of 33.49 percent. These increases were offset by decreased revenues from permits/fees, SDC administration, and Covid-19 reimbursements. As the new section of homes was completed in fiscal year 2021, revenue from permits/fees and SDC administration dropped to close to zero. Similarly, with the Covid-19 crisis behind the City, reimbursements related to the pandemic dropped from \$50,000 to \$27,064, or -45.87 percent, in fiscal year 2022.

In fiscal year 2020, the City purchased a piece of property in the City's downtown area. The residential rental property brings additional rental revenue to the City. Long-term plans involve redeveloping that property as part of the City's downtown improvement plan. The General Fund borrowed the money from the Water and SDC Funds to purchase the property. Because of internal financing, the General Fund has recorded the liability as due to the other funds, but, as a governmental fund, does not record the corresponding capital asset. This resulted in the General Fund reporting a negative fund balance of \$(61,375), which is up from \$(169,979) in fiscal year 2021. Repayment of the debt in future years will continue to liquidate this negative balance.

Street Fund

Highway tax revenue in the Street Fund was up more than 22.7 percent from the prior year due to population growth in the City. This occurred because highway taxes are distributed based on population and the City's population increased faster than the rest of the State of Oregon.

Street maintenance and operations expenditures remained stable, and the Street Fund also completed \$135,897 in street improvements in fiscal year 2022.

Water and Wastewater Utilities

Overall, revenues increased by 8.45 percent, or \$87,753 in fiscal year 2021-22. In fiscal year 2021-2022, wastewater revenue grew by 17.17 percent, while water revenue remained relatively flat. As water revenue is dependent on usage, and there are also a fixed number of customers outside of the City that pay for water services, that revenue does not reflect population growth as directly as wastewater does.

The Water Fund spent \$990,496 on the acquisition and building of major improvements to assets, while the Wastewater Fund spent \$725,063. As part of the financing of these assets, the Water Fund again spent \$139,013 on debt principal and interest payments, and the Wastewater Fund spent \$22,714.

CITY COUNCIL GOALS

Preparing for the fiscal year ending in 2022, the City Council focused on funding for major water and waste water capital improvement projects and identifying immediate needs. Many of the Council goals are on-going. Through the budgetary process the council and staff focused on the year ending June 30, 2022 with these objectives:

Administration: Develop policies that will increase efficiencies and protect the City

- Objective: Adopt policies to enhance fiscal responsibility
- Objective: Completing audits in a timely manner
- Objective: Gain experience in Caselle

Public Works: Upgrade City's Utilities and Prepare for Growth

- Objective: Replace old water infrastructure
- Objective: Monitor/Track water loss
- Objective: System maintenance plans
- Objective: Upgrade streets and sidewalks
- Objective: Stay within DEQ compliance
- Objective: Funding for water plant
- Objective: Complete new wastewater facility

Industrial Site: Redevelop Industrial Site to Expand Local Employment Opportunities

- Objective: Industrial site economic planning
- Objective: Engage DEQ for mitigation
- Objective: Start cleanup process

Downtown Development: Develop a Downtown with Commercial/Retail Opportunities

- Objective: Restoration of barracks interior
- Objective: Public use of barracks
- Objective: Downtown district planning
- Objective: Complete parks and perpetuity application

Public Safety: Provide Stable and Consistent Services

- Objective: Update emergency plan
- Objective: Renew Contract with Benton County

Community Development

- Improve City's Amenities and Appearance and Outside Perception
- Objective: Facilitate residential growth
- Objective: Trails and connectivity
- Objective: Correct economic demographics
- Objective: Better event coordination
- Objective: Zip code specific to Adair Village
- Objective: Frontage road closure
- Objective: Improve city appearance

USING THIS ANNUAL REPORT

This annual report consists of a set of financial statements. The Statement of Net Position and the Statement of Activities provide information concerning the activities of the City as a whole and present a view of the monetary standing of the City for the fiscal year end date of June 30, 2022. Fund financial statements provide information on both governmental and proprietary, or business-type funds (Storm Drain, Wastewater, Water, System Development Charges and Reserve). A review of these statements will provide information on the City's revenues, expenditures, capital assets and liabilities and ultimately compare where we were financially when the year started and where we are at the end of the fiscal year.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities provide the background information to determine how the City's financial situation has changed since the previous year. These statements use "accrual-based accounting," which is similar to accounting procedures used in the private sector. Accrual-based accounting records the City's assets and liabilities according to when they were due, not when they were actually paid or received.

These statements report the City's "net position" and how it changed. This allows one to determine the City's fiscal health, or financial position. Net position represents the difference between what the City owes and what the City owns. Increase or decrease in net position, taken in conjunction with the actual activities undertaken by the City, determine whether the City's financial health is increasing or decreasing. Actual "activities" include any changes to the City's property tax base through an increase in population and any additions, improvements, or deterioration to the City's capital assets (buildings, land, and equipment).

The financial statements divide the City's activities into two areas:

- **Governmental Activities** - The General Fund and the Street Fund are the primary areas here. Governmental activities include revenues from other governments, property taxes, leases, franchise fees, and grants. It includes a wide variety of expenses, including contracts for service, utilities, supplies, and general administrative costs. These funds are reported using modified accrual accounting and breaks expenses into basic services-streets, public safety, parks, and general government and planning.
- **Business-type (proprietary) Activities** - Water, Wastewater, Systems Development, Storm Drain, and Reserve Funds are included here. Most revenues come as fee charges for services that the City delivers to our citizens and customers. Expenses include everything needed to provide those services - personal services, materials and services, and capital outlay.

THE CITY AT THE END OF THE FISCAL YEAR

Table 1 below shows the City's net position by Governmental and Business-type Activities and provides a comparison to last year's net position. Overall, the City's net position increased from \$11,635,548 to \$12,140,843 this year, an increase of \$505,792.

Table 1

Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 1,518,826	\$ 731,733	\$ 3,268,733	\$ 3,731,674	\$ 4,787,559	\$ 4,463,407
Capital and long-term assets	3,850,786	3,676,838	9,169,372	7,247,125	13,020,158	10,925,963
	5,369,612	4,410,571	12,438,105	10,978,799	17,807,717	15,389,370
Deferred outflows						
Related to pensions	82,818	72,784	152,164	135,886	234,982	208,670
Related to OPEB	747	1,064	1,892	2,894	2,639	3,958
	83,565	73,848	154,056	138,780	237,621	212,628
Current liabilities	140,036	792,892	737,831	208,321	877,867	1,001,213
Non-current liabilities	133,239	222,150	3,302,598	2,700,232	3,435,837	2,922,382
	273,275	1,015,042	4,040,429	2,908,553	4,313,704	3,923,595
Deferred inflows						
Related to lease resources	1,336,327	-	-	-	1,336,327	-
Related to pensions	89,124	14,491	163,753	27,056	252,877	41,547
Related to OPEB	318	353	772	955	1,090	1,308
	1,425,769	14,844	164,525	28,011	1,590,294	42,855
Net position:						
Net investment in capital assets	2,420,896	2,904,414	5,963,926	4,784,513	8,384,822	7,688,927
Restricted for:						
Streets	128,020	130,879	-	-	128,020	130,879
System development	-	-	2,601,467	2,695,645	2,601,467	2,695,645
Unrestricted	1,205,217	419,240	(178,186)	700,857	1,027,031	1,120,097
Total net position	\$ 3,754,133	\$ 3,454,533	\$ 8,387,207	\$ 8,181,015	\$ 12,141,340	\$ 11,635,548

Net position increased 4.35 percent. Unrestricted net position, the portion of that area used to finance day-to-day operation without outside restraints, such as debt covenants, legislation, or other legal requirements decreased (8.31) percent overall.

Table 2 below shows the Change in Revenues and Expenses by Governmental and Business-type Activities and provides a comparison to last year's net position.

Table 2

Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 455	\$ 7,659	\$1,120,731	\$1,063,710	\$ 1,121,186	\$ 1,071,369
Grants and contributions	27,064	802,822	-	1,730,181	27,064	2,533,003
General Revenues:						
Property taxes	224,761	183,111	-	-	224,761	183,111
Highway fund allocation	105,801	86,229	-	-	105,801	86,229
Intergovernmental	320,471	172,477	-	-	320,471	172,477
Franchise fees	61,975	76,825	-	-	61,975	76,825
Earnings on investments	18,974	19,223	17,653	18,375	36,627	37,598
Rents and leases	187,673	157,376	-	-	187,673	157,376
Miscellaneous	1,130	10,121	5,132	10,234	6,262	20,355
TOTAL REVENUES	948,304	1,515,843	1,143,516	2,822,500	2,091,820	4,338,343
Program expenses:						
Governmental activities:						
General government	409,680	505,609	-	-	409,680	505,609
Public safety	43,727	43,477	-	-	43,727	43,477
Street maintenance	134,934	118,791	-	-	134,934	118,791
Culture & recreation	35,970	41,591	-	-	35,970	41,591
Interest on long-term debt	19,193	20,718	-	-	19,193	20,718
Proprietary activities:						
Water	-	-	591,391	588,886	591,391	588,886
Wastewater	-	-	271,615	239,807	271,615	239,807
Other business-type activities	-	-	31,763	27,389	31,763	27,389
TOTAL EXPENSES	643,504	730,186	894,769	856,082	1,538,273	1,586,268
Excess (deficiency) before transfers	304,800	785,657	248,747	1,966,418	553,547	2,752,075
Transfers	(5,200)	9,796	5,200	(9,796)	-	-
Increase (decrease) in net position	299,601	795,453	253,946	1,956,622	553,547	2,752,075
Net position - beginning	3,454,533	2,659,080	8,181,015	6,224,393	11,635,548	8,883,473
Prior period adjustment	-	-	(47,755)	-	(47,755)	-
Net position - ending	\$3,754,134	\$ 3,454,533	\$8,387,206	\$8,181,015	\$12,141,340	\$ 11,635,548

The City's total revenues decreased by more than \$2 million primarily due to a lack of system development charges in fiscal year 2022 while in fiscal year 2021 charges were more than \$1.7 million, classified as operating grants and contributions. Additionally, capital grant and contribution revenue in fiscal year 2021 included street assets built by property developers totaling \$700,000, and there was not any capital grant and contribution revenue from property developers in the fiscal year ended on June 30, 2022. Other charge for service revenue increased modestly by 4.6%, and general revenues from property tax, highway fund allocations, and rents/leases increased about 20 percent, mostly due to population growth. Total expenses decreased by \$(47,995), or 3.0%, and net position increased by \$505,792. More details can be found under "City's Activity Highlights" above.

GENERAL BUDGETARY HIGHLIGHTS

- The City Council adopted a conservative fiscal year 2021-2022 budget. The original adopted budget changed with a budget adjustment increasing Tangent Contract revenue by \$55,000, and by an increase adjustment to the Tangent contract revenue. In the current fiscal year, the General Fund received \$700,000 in transfers for planned spending on capital projects. However, of the \$700,000 budgeted for capital outlay, only \$140,000 of expense were completed and recorded during the year. In addition, revenues receipted in fiscal year 2021-2022 were almost \$100,000 higher than budgeted. Due to both of these circumstances, the fund balance at year-end was more than \$1 million above budget. As the capital improvement expenses planned for fiscal year 2022 will be recorded in fiscal year 2023, the General Fund ending balance will decrease accordingly in the future.

Areas of legal appropriations are Administration, Parks, Public Safety, Non-departmental, capital outlay, transfers, debt service and contingencies.

CAPITAL ASSETS

At June 30, 2022, the City had \$13,020,158 invested in land, buildings and improvements, streets and equipment. This represents an increase (net of depreciation) of \$2,086,838, from fiscal year 2020-2021 of \$10,933,320, which is the balance as restated by the implementation of GASB 87 in fiscal year 2022. This increase was composed of construction in progress totaling \$2,135,099, waste & wastewater improvements of \$134,716, and street improvements of \$135,897. Additional information on capital assets is available in Note 2.

Table 3**Capital Assets at Year-end****Net of Depreciation**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land & construction in progress	\$ 727,159	\$ 587,159	\$ 2,380,421	\$ 385,322	\$ 3,107,580	\$ 972,481
Building & improvements	1,171,115	1,171,115	838,054	838,054	2,009,169	2,009,169
Water and sewer system	-	-	9,159,740	9,025,024	9,159,740	9,025,024
Streets	2,910,876	2,774,979	-	-	2,910,876	2,774,979
Park Improvements	93,505	93,505	-	-	93,505	93,505
Equipment	23,854	23,854	684,980	684,980	708,834	708,834
Right to use machinery & equipment*	7,357	7,357	-	-	7,357	7,357
Less: accumulated depreciation	(1,083,080)	(971,774)	(3,893,823)	(3,686,255)	(4,976,903)	(4,658,029)
	\$ 3,850,786	\$ 3,686,195	\$ 9,169,372	\$ 7,247,125	\$ 13,020,158	\$ 10,933,320

*Note: this balance was not presented in the financial statements of fiscal year 2020-2021.

DEBT OUTSTANDING

As of year-end June 30, 2022, the City had total debt outstanding of \$3,239,072, an increase of \$722,527 over fiscal year 2021 debt of \$2,516,545; all of the debt are notes payable. Governmental activities debt decreased as no new debt was added and existing debt decreased by debt payments. Business-type activities debt increased as the City continued drawing from the Infrastructure Finance Authority loan for improvements to the wastewater treatment plant and related facilities. Additional information on long-term debt is available in Note 3.

Table 3**Long-term Debt at Year-end**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Notes Payable:						
US Bank	\$ 33,626	\$ 53,933	\$ -	\$ -	\$ 33,626	\$ 53,933
DEQ note	-	-	56,043	78,118	56,043	78,118
IFA Water loan	-	-	2,087,751	2,183,530	2,087,751	2,183,530
IFA Wastewater loan	-	-	1,061,652	200,964	1,061,652	200,964
	\$ 33,626	\$ 53,933	\$ 3,205,446	\$ 2,462,612	\$ 3,239,072	\$ 2,516,545

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Budget Committee (five City Council members and five citizen members) considered a wide range of factors when establishing the budget for the fiscal year ending June 30, 2022. Estimates were made for a range of revenues, including property taxes, shared state revenues, grants, franchise fees, leases, and charges for utility service. No staff changes were anticipated, but cost-of-living and step increases were budgeted for existing staff. This will keep overall personnel costs affordable. The Budget Committee took a conservative approach to the budget given the unknowns surrounding COVID-19.

Utility rates are reviewed on a regular basis. Minor increases were planned for fiscal year 2022-2023.

Requests for Information

This financial report is designed to provide a general overview of the City of Adair Village's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to:

**City of Adair Village
City Administrator
6030 NE William R Carr Avenue
Adair Village, OR 97330**

BASIC FINANCIAL STATEMENTS

CITY OF ADAIR VILLAGE, OREGON
STATEMENT OF NET POSITION
June 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,483,021	\$ 1,711,478	\$ 3,194,499
Receivables:			
Accounts	34,157	166,995	201,152
Taxes	4,064	-	4,064
Leases	1,375,348	-	1,375,348
Internal balances	(1,390,260)	1,390,260	-
Prepaid expenses	12,496	-	12,496
Capital assets:			
Land and construction in progress	727,159	2,380,421	3,107,580
Other capital assets (net of accumulated depreciation)	3,123,627	6,788,951	9,912,578
Total Assets	5,369,612	12,438,105	17,807,717
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	82,818	152,164	234,982
Deferred outflows related to OPEB	747	1,892	2,639
Total Deferred Outflows of Resources	83,565	154,056	237,621
LIABILITIES			
Current liabilities:			
Accounts payable	29,245	504,294	533,539
Payroll liabilities	12,989	20,176	33,165
Accrued compensated absences	4,438	9,226	13,664
Accrued interest	669	36,436	37,105
Utility security deposits	-	47,755	47,755
Unearned Revenue	70,000	-	70,000
Long-term debt due within one year	22,695	119,944	142,639
Noncurrent liabilities			
Net pension liability	113,078	207,765	320,843
Transition liability	1,124	4,207	5,331
Total OPEB liability	2,102	5,124	7,226
Long-term debt due in more than one year	16,935	3,085,502	3,102,437
Total Liabilities	273,275	4,040,429	4,313,704
DEFERRED INFLOWS OF RESOURCES			
Deferred lease resources	1,336,327	-	1,336,327
Deferred inflows related to pensions	89,124	163,753	252,877
Deferred inflows related to OPEB	318	772	1,090
Total Deferred Inflows of Resources	1,425,769	164,525	1,590,294
NET POSITION			
Net investment in capital assets	2,420,896	5,963,926	8,384,822
Restricted for:			
Streets	128,020	-	128,020
Capital projects	560,000	2,601,467	3,161,467
Unrestricted	645,217	(178,186)	467,031
Total Net Position	\$ 3,754,133	\$ 8,387,207	\$ 12,141,340

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

CITY OF ADAIR VILLAGE, OREGON
STATEMENT OF ACTIVITIES
for the year ended June 30, 2022

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
						Total	Total
GOVERNMENTAL ACTIVITIES							
General government	\$ 409,680	\$ 455	\$ 27,064	\$ -	\$ (382,161)	\$ -	\$ (382,161)
Public safety	43,727	-	-	-	(43,727)	-	(43,727)
Street maintenance and construction	134,934	-	-	-	(134,934)	-	(134,934)
Culture and recreation	35,970	-	-	-	(35,970)	-	(35,970)
Interest on long-term debt	19,193	-	-	-	(19,193)	-	(19,193)
Total governmental activities	643,504	455	27,064	-	(615,985)	-	(615,985)
BUSINESS-TYPE ACTIVITIES							
Water	591,391	663,207	-	-	-	71,816	71,816
Wastewater	271,615	418,430	-	-	-	146,815	146,815
Storm Drain	31,763	39,094	-	-	-	7,331	7,331
Total business-type activities	894,769	1,120,731	-	-	-	225,962	225,962
Total Primary Government	\$ 1,538,273	\$ 1,121,186	\$ 27,064	\$ -	(615,985)	225,962	(390,023)
General revenues:							
Property taxes, levied for general purposes					224,761	-	224,761
Highway taxes					105,801	-	105,801
Intergovernmental revenues					320,471	-	320,471
Franchise fees					61,975	-	61,975
Interest earnings					18,974	17,653	36,627
Rents and leases					187,673	-	187,673
Miscellaneous					1,130	5,132	6,262
Total general revenues					920,785	22,785	943,570
Transfers between Governmental and Business-type Activities					(5,200)	5,200	-
Change in net position					299,600	253,947	553,547
Net position--beginning					3,454,533	8,181,015	11,635,548
Prior period adjustment					-	(47,755)	(47,755)
Net position--ending					\$ 3,754,133	\$ 8,387,207	\$ 12,141,340

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

CITY OF ADAIR VILLAGE, OREGON
 GOVERNMENTAL FUNDS - BALANCE SHEET
 June 30, 2022

	General Fund	Street Fund	Total Gov. Funds
ASSETS			
Cash and cash equivalents	\$ 1,293,065	\$ 189,956	\$ 1,483,021
Receivables			
Accounts	25,088	9,069	34,157
Taxes	4,064	-	4,064
Leases	1,375,348	-	1,375,348
Prepaid expenditures	12,496	-	12,496
Total Assets	\$ 2,710,061	\$ 199,025	\$ 2,909,086
LIABILITIES			
Accounts payable	\$ 29,245	\$ -	\$ 29,245
Payroll liabilities	11,984	1,005	12,989
Due to other funds	1,390,260	-	1,390,260
Unearned revenue	-	70,000	70,000
Total Liabilities	1,431,489	71,005	1,502,494
DEFERRED INFLOWS OF RESOURCES			
Deferred lease resources	1,336,327	-	1,336,327
Unavailable property tax revenue	3,620	-	3,620
Total Deferred Inflows of Resources	1,339,947	-	1,339,947
FUND BALANCES			
Nonspendable: Prepaid items	12,496	-	12,496
Restricted for:			
Capital Projects	560,000	-	560,000
Street maintenance and improvements	-	128,020	128,020
Unassigned:	(633,871)	-	(633,871)
Total Fund Balances	(61,375)	128,020	66,645
Total Liabilities, Deferred Inflows and Fund Balances	\$ 2,710,061	\$ 199,025	\$ 2,909,086
Fund balance			\$ 66,645
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, net of accumulated depreciation of \$1,083,080.			3,850,786
Other long-term assets are not available to pay for current-period expenditures and, therefore are unavailable in the funds:			
Property taxes earned but not available			3,620
Deferred outflows of resources			83,565
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.			(4,438)
Interest accrued on long-term debt			(669)
Long-term liabilities - not reported in the funds:			
Deferred inflows of resources			(89,442)
Long-term debt			(39,630)
OPEB liability			(2,102)
Transition liability			(1,124)
Net pension liability			(113,078)
Net Position of Governmental Activities			\$ 3,754,133

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

**CITY OF ADAIR VILLAGE, OREGON
GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
for the year ended June 30, 2022**

	General Fund	Street Fund	Total Gov. Funds
REVENUES			
Property taxes	\$ 224,167	\$ -	\$ 224,167
Highway taxes	-	105,801	105,801
Franchise fees	61,975	-	61,975
Intergovernmental revenues	221,771	98,700	320,471
Property leases/rents	187,673	-	187,673
Permits and fees	455	-	455
COVID-19 Reimbursements	27,064	-	27,064
Interest earnings	18,974	-	18,974
Miscellaneous	1,130	-	1,130
Total Revenues	743,209	204,501	947,710
EXPENDITURES			
Current operating:			
General government	367,963	-	367,963
Parks	37,737	-	37,737
Public safety	43,998	-	43,998
Street maintenance & operations	-	71,263	71,263
Debt service:			
Principal	20,307	-	20,307
Interest	19,600	-	19,600
Capital outlay	140,000	135,897	275,897
Total Expenditures	629,605	207,160	836,765
Excess (deficiency) of revenues over (under) expenditures	113,604	(2,659)	110,945
OTHER FINANCING SOURCES (USES)			
Transfers out	(5,000)	(200)	(5,200)
Total other financing sources (uses)	(5,000)	(200)	(5,200)
Net change in fund balances	108,604	(2,859)	105,745
Fund Balances - beginning of the year	(169,979)	130,879	(39,100)
Fund Balances - end of year	\$ (61,375)	\$ 128,020	\$ 66,645

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

CITY OF ADAIR VILLAGE, 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	\$ 105,745
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds expense capital assets when purchased,	
governmental activities report depreciation expense:	
Current year depreciation	(111,305)
Purchases reported as expenditures on the fund statements	275,897
Revenues in the Statement of Activities that do not	
provide current financial resources are not reported	
as revenues in the funds.	
Property taxes	594
Long-term debt payments are treated as expenditures in governmental	
funds, but are treated as decreases in long-	
term liabilities on the Statement of Net Position.	
Principal payments	21,662
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	(736)
Interest expense	407
Change in pension transition liability	376
Change in OPEB expense	(725)
Change in pension expense	7,682
Change in Net Position of Governmental Activities	\$ 299,597

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

CITY OF ADAIR VILLAGE, OREGON
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2022

	Water	Wastewater	Systems Development	Nonmajor Proprietary Funds	Totals
ASSETS					
Current assets:					
Cash and cash equivalents	\$ -	\$ 210,062	\$ 1,349,259	\$ 152,157	\$ 1,711,478
Accounts receivable, net	101,388	59,924	-	5,683	166,995
Advance of funds	(245,145)	245,145	-	-	-
Due from other funds	138,052	-	1,252,208	-	1,390,260
Total current assets	(5,705)	515,131	2,601,467	157,840	3,268,733
Noncurrent assets:					
Capital assets:					
Land and construction in process	932,866	1,447,555	-	-	2,380,421
Other capital assets (net of accumulated depreciation)	4,248,998	2,199,283	-	340,670	6,788,951
Total noncurrent assets	5,181,864	3,646,838	-	340,670	9,169,372
Total Assets	5,176,159	4,161,969	2,601,467	498,510	12,438,105
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - pensions	102,818	41,091	-	8,255	152,164
Deferred outflows of resources - OPEB	1,259	528	-	105	1,892
Total Deferred Outflows of Resources	104,077	41,619	-	8,360	154,056
LIABILITIES					
Current liabilities:					
Accounts payable	81,617	422,677	-	-	504,294
Payroll liabilities	13,346	5,783	-	1,047	20,176
Accrued interest payable	24,228	12,208	-	-	36,436
Utility security deposits	47,755	-	-	-	47,755
Accrued compensated absences	6,278	2,465	-	483	9,226
Current portion of long-term debt	97,675	22,269	-	-	119,944
Total current liabilities	270,899	465,402	-	1,530	737,831
Noncurrent liabilities:					
Note payable - long-term portion	1,990,076	1,095,426	-	-	3,085,502
Total OPEB liability	3,421	1,419	-	284	5,124
Net pension liability	140,389	56,104	-	11,272	207,765
Pension transition liability	2,636	1,280	-	291	4,207
Total noncurrent liabilities	2,136,522	1,154,229	-	11,847	3,302,598
Total Liabilities	2,407,421	1,619,631	-	13,377	4,040,429
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to:					
Pension	110,649	44,220	-	8,884	163,753
OPEB	515	214	-	43	772
Total Deferred Inflows of Resources	111,164	44,434	-	8,927	164,525
NET POSITION					
Net investment in capital assets	3,094,113	2,529,143	-	340,670	5,963,926
Restricted for capital projects	-	-	2,601,467	-	2,601,467
Unrestricted	(332,462)	10,380	-	143,896	(178,186)
Total Net Position	\$ 2,761,651	\$ 2,539,523	\$ 2,601,467	\$ 484,566	\$ 8,387,207

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

CITY OF ADAIR VILLAGE, OREGON
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
for the year ended June 30, 2022

	Water	Wastewater	Systems Development	Nonmajor Proprietary Funds	Totals
OPERATING REVENUES					
Charges for services	\$ 663,207	\$ 418,430	\$ -	\$ 39,094	\$ 1,120,731
Other revenue	-	-	-	-	-
Miscellaneous	5,132	-	-	-	5,132
Total operating revenues	668,339	418,430	-	39,094	1,125,863
OPERATING EXPENSES					
Personnel services	244,563	101,832	-	17,366	363,761
Materials and services	167,211	100,550	-	5,201	272,962
Depreciation	137,495	60,877	-	9,196	207,568
Total operating expenses	549,269	263,259	-	31,763	844,291
Operating income (loss)	119,070	155,171	-	7,331	281,572
NON-OPERATING REVENUES (EXPENSES)					
Interest income	3,531	-	14,122	-	17,653
Interest expense	(42,122)	(8,356)	-	-	(50,478)
Total non-operating revenues (expenses)	(38,591)	(8,356)	14,122	-	(32,825)
Net income (loss) before contributions	80,479	146,815	14,122	7,331	248,747
CONTRIBUTIONS AND TRANSFERS					
Transfers in	-	-	-	9,000	9,000
Transfers out	(3,200)	(400)	-	(200)	(3,800)
Total contributions and transfers	(3,200)	(400)	-	8,800	5,200
Change in net position	77,279	146,415	14,122	16,131	253,947
Net position—beginning	2,732,127	2,393,108	2,587,345	468,435	8,181,015
Prior period adjustment	(47,755)	-	-	-	(47,755)
Net position—end of year	\$ 2,761,651	\$ 2,539,523	\$ 2,601,467	\$ 484,566	\$ 8,387,207

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

CITY OF ADAIR VILLAGE, OREGON
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 for the year ended June 30, 2022

	Water	Wastewater	Systems Development	Nonmajor Proprietary Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 675,730	\$ 378,612	\$ -	\$ 38,607	\$ 1,092,949
Payments to suppliers	(109,843)	(98,395)	-	(3,070)	(211,308)
Payments to employees	(256,486)	(106,833)	-	(20,432)	(383,751)
Other receipts	11,178	30,000	-	-	41,178
Net cash provided (used) by operating activities	320,579	203,384	-	15,105	539,068
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers to other funds	(3,200)	(400)	(700,000)	(200)	(703,800)
Advances to other funds	6,046	(245,145)	-	-	(239,099)
Proceeds from other funds	245,145	-	24,185	9,000	278,330
Net cash provided (used) by noncapital financing activities	247,991	(245,545)	(675,815)	8,800	(664,569)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Payment of principal on long-term debt	(95,779)	(22,075)	-	-	(117,854)
Payment of interest on long-term debt	(43,234)	(639)	-	-	(43,873)
Issuance of long-term debt	-	860,688	-	-	860,688
Acquisition of capital assets	(990,496)	(725,053)	-	-	(1,715,559)
Net cash provided (used) by capital and related financing activities	(1,129,509)	112,911	-	-	(1,016,598)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest earnings	3,531	-	14,122	-	17,653
Net cash provided by investing activities	3,531	-	14,122	-	17,653
Net increase (decrease) in cash and cash equivalents	(557,408)	70,750	(661,693)	23,905	(1,124,446)
Cash and cash equivalents--beginning of the year	559,779	139,312	2,010,952	-	2,710,043
Cash and cash equivalents--end of the year	\$ 2,371	\$ 210,062	\$ 1,349,259	\$ 23,905	\$ 1,585,597
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 119,070	\$ 155,171	\$ -	\$ 7,331	\$ 281,572
Adjustments to reconcile operating income to net cash provided by operating activities:					
<i>Cash flows reported in other categories:</i>					
Depreciation expense	137,495	60,877	-	9,196	207,568
<i>Change in assets and liabilities:</i>					
Receivables	12,523	(9,818)	-	(487)	2,218
Accounts payable and accrued liabilities	57,080	2,036	-	4	59,120
Due to/from	6,046	-	-	-	6,046
Accrued compensated absences	(60)	(240)	-	(16)	(316)
OPEB-related expenses	969	372	-	76	1,417
Pension-related expenses	(12,544)	(5,014)	-	(999)	(18,557)
Net cash provided (used) by operating activities	\$ 320,579	\$ 203,384	\$ -	\$ 15,105	\$ 539,068

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

The Financial Reporting Entity

The City of Adair Village (the City) is a municipal corporation, incorporated in 1976 under the authority of Oregon Revised Statutes Section 221, and operates with a five-member elected City Council comprised of the mayor and four council members. The City Council appoints the City Administrator, who is responsible for the day-to-day management of the City. The City operates water and wastewater systems and maintains City streets and parks.

Accounting principles generally accepted in the United States of America require that these basic financial statements present the City (the primary government) and all component units, if any. Component units, as defined by the Governmental Accounting Standards Board (GASB) Statement No. 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. There are no component units.

Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all the non-fiduciary activities. Governmental activities, which normally are 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. The effect of inter-fund activity has been removed from these statements.

The statement of activities reports the activities by function. The major functions are general government, public safety, street maintenance and construction, culture and recreation, water, wastewater, and storm drain services. Direct expenses are those that are clearly identifiable with a specific function. 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 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.

Separate fund financial statements are provided for governmental funds and proprietary funds. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. Remaining proprietary funds are reported in aggregate as non-major funds.

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available (susceptible to accrual). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension costs, and claims and judgments, are recorded only when payment is due. Also, inventory is expensed when purchased, capital outlay is expensed rather than capitalized, and depreciation on capital assets is not recorded.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

There are two *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. The principal revenue sources are property taxes, franchise fees, state shared revenue, charges for services and interest on investments. Primary expenditures are for general government, police protection, and culture and recreation.

Street Fund - This fund accounts for the construction or reconstruction of streets and sidewalks. These costs are paid primarily from money received pursuant to the State of Oregon Gas Tax Apportionment.

There are three *major proprietary* funds:

Water Fund - This fund accounts for the revenues and expenses of the water utility. The primary revenue source is fees for services.

Wastewater Fund - This fund accounts for the revenues and expenses of the wastewater utility. The primary revenue source is fees for services.

Systems Development (SDC) Fund - This fund accounts for the system development charges which are assessed for new construction. SDC fees are the main revenue source.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

There are two *non-major proprietary* funds:

Storm Drain Fund - This fund accounts for revenues and expenses of the storm drain utility. The primary revenue source is fees for services.

Reserve Fund - This fund accounts for capital outlay expenditures. The primary revenue source is transfers from other funds.

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 principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, 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, the policy is to use restricted resources first, then unrestricted resources as they are needed.

Budgets

A budget is prepared for all funds in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon Local Budget Law. Reconciliations for the differences between the budgetary basis of accounting and GAAP are presented on the budgetary schedules when differences exist.

The budget process begins early in each fiscal year with the establishment of the Budget Committee. Recommendations are developed through late winter with the Budget Committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring with a public hearing being held approximately three weeks later. The Council may amend the budget prior to adoption; however budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted, appropriations are made, and the tax levy declared no later than June 30th.

Expenditure budgets are appropriated at the following levels for each fund:

Appropriation Level

Department	Debt Service
Capital Outlay	Operating Contingency

After budget approval, the City Council may approve supplemental budgets if an occurrence, condition, or need exists which had not been ascertained at the time the budget was adopted. Management may not amend budget appropriations without Council approval.

Budget amounts shown in the basic financial statements reflect the original budget amount and final budget amount. Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2022.

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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 results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position

Deposits and Investments

The cash and cash equivalents are considered to be cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and cash and investments in the State Local Government Investment Pool (LGIP). Investments, including equity in pooled cash and investments, are stated at fair value. Investments in the LGIP are stated at share value, which approximates fair value, and is the value at which the shares can be withdrawn.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". In the Statement of Net Position balances between governmental activities and business-type activities are shown on the same line under assets. The activity that is the lender reports a "negative" asset.

Uncollected property taxes are shown in the combined balance sheet. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. Property taxes collected within 60 days of the fiscal year-end are recognized as revenue. The remaining balance of taxes receivable is recorded as unavailable revenue because it is not deemed by management to be available to finance operations of the current period.

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in enterprise funds are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible has been established.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset, are capitalized. The costs of annual maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as construction in-progress during construction.

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

Building and Improvements	30-50 years
Infrastructure	20-50 years
Equipment	7-10 years

Lease Assets

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

Lease Receivables

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

Supply Inventories

Inventories are expensed as purchased. Inventories are not recorded as an asset because they are considered by management to be immaterial at year end.

Compensated Absences

Accumulated vested compensated absences are accrued in the government-wide and enterprise fund financial statements as earned by the employees. Sick pay, which does not vest, is recorded when leave is taken. A liability for vacation pay is not accrued in the governmental funds because it is not expected that vacation pay will be liquidated with expendable available resources.

Unavailable Revenue

On the fund financial statements, unavailable revenue arises when resources do not satisfy both the measurable and available criteria for recognition in the current year, for example, if property taxes are received more than 60 days after year-end. In subsequent periods, when recognition criteria are met, the liability for unavailable revenue is removed and revenue is recognized.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Deferred Outflows /Inflows of Resources

In addition to assets, the statement of net 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 position that applies to future periods and so will not be recognized as an outflow of resources (expenditure) until then.

In addition to liabilities, the statement of net 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 position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Pensions

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

Other Postemployment Benefits (OPEB)

OPERS: For the purposes of measuring the net OPEB liability/asset, deferred outflows of resources and deferred inflows of resources to OPEB, and OPEB expense, information about the fiduciary net position of the OPERS and additions to/deductions from OPERS' fiduciary net position have been determined on the same basis as they are reported by OPERS. For this purpose, OPERS recognizes benefit payments when due and payable in accordance with benefit terms. Investments are reported at fair value.

The City's Health Insurance Continuation Plan (CIS): For the purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources to OPEB, and OPEB expense, the City has relied on actuarial reports. The City allows retired employees to purchase health insurance at the same rates as active employees. The related expense is recognized as the City pays health insurance premiums.

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

Long-term Obligations

In the government-wide financial statements and proprietary fund type fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

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. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Balance/Net Position

In the fund financial statements, the fund balance for governmental funds is reported in a hierarchy of classifications based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. In the fund financial statements, when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions. The City reports fund balances in the following categories:

Nonspendable for amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted for amounts with constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed for amounts with constraints created when the City Council passes an ordinance or council resolution, a formal action made by the entity's highest level of decision-making authority. The City Council can modify or rescind the ordinance or resolution at any time through passage of an additional ordinance or resolution.

Assigned for resources that are constrained by the government's intent to use them for a specific purpose, but are neither restricted nor committed. The City Council has given the City Administrator the power to assign fund balances.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that is not assigned, committed, or restricted. This classification is also used to report any deficit fund balance amounts in other governmental funds. At year end the City's only fund balance deficit was in the General Fund.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

On the government-wide Statement of Net Position and the proprietary funds' Statement of Net Position, net position is segregated into restricted and unrestricted balances. Restrictions are limitations on how the net position may be used. Restrictions may be placed on net position by an external party that provided the resources, by enabling legislation, or by the nature of the asset.

The government-wide statement of net position reports \$2,916,787 of restricted net position of which \$2,601,467 is restricted by enabling legislation.

The Net Investment in Capital Assets component of net position represents total capital assets less accumulated depreciation less debt directly related to capital assets. This amount is reported on the Statement of Net Position and in the financial statements for proprietary fund types.

Cash Flow Statements

For purposes of the statement of cash flows, enterprise funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalent. Accordingly, all investments are considered to be cash equivalents.

Property Tax Calendar

Property taxes attach as an enforceable lien on July 1 for real property and personal property. Taxes are levied as of July 1 and payable in three installments on November 15, February 15, and May 15. Real property taxes unpaid on May 16 are considered delinquent. Uncollected taxes, including delinquent amounts, are deemed by management to be substantially collectible or recoverable through liens. Therefore, no allowance for uncollectible has been established.

2. CASH AND CASH EQUIVALENTS

A cash pool is maintained that is available for use by all funds. Each portion of this pool is reported on the balance sheet as Cash and Cash equivalents.

Cash and Cash equivalents at June 30, 2022 (recorded at cost) consisted of:

Cash on hand	\$	100
Deposits with financial institutions		117,777
LGIP		3,076,622
	\$	<u>3,194,499</u>

Cash and Cash equivalents are reflected in the government-wide Statement of Net Position as follows:

Governmental activities	\$	1,483,021
Business-type activities		1,711,478
	\$	<u>3,194,499</u>

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

Credit Risk - Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the deposits may not be returned. There is no formal deposit policy for custodial credit risk. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited in an approved depository as identified by the Treasury. For the fiscal year ended June 30, 2022, the bank balance was \$306,432. Of this amount, \$250,000 was covered by Federal Depository Insurance and the remaining \$56,432 was collateralized in accordance with ORS 295.

Investments

The investment policy is to follow the State statutes governing cash management. Oregon Revised Statutes authorize investing in obligations of the U.S. Treasury, U.S. government agencies and instrumentalities, bankers' acceptances guaranteed by an Oregon financial institution, repurchase agreements, State of Oregon Treasury Local Government Investment Pool (LGIP), various interest-bearing bonds of Oregon municipalities, certificates of deposit, and certain commercial paper among other investments.

There is participation in the LGIP, an open-ended, no-load diversified portfolio created under ORS 294.805 to 294.895. The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company and is not rated. The State's investment policies are governed by the Oregon Revised Statutes and the Oregon Investment Council. The State Treasurer is the investment officer for the Pool and is responsible for all funds in the Pool. These funds must be invested and managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the Pool are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board (OSTFB), which establishes diversification percentages and specifies the types and maturities of investments. The Oregon Audits Division of the Secretary of State's Office audits the Pool annually. A copy of the State's Annual Comprehensive Financial Report may be obtained at the Oregon State Treasury, 350 Winter St. NE, Salem, Oregon 97310-0840. Value of pool shares approximates fair value. At year end the City's only investment was in the LGIP.

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. The City manages exposure to declines in fair values by limiting the weighted average maturity of the investment portfolio to levels required by State statute.

Credit Risk

The Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from U.S. Government Agencies. The State Pool is unrated. Oregon Revised Statutes require banker's acceptances to be guaranteed by and carried on the books of a qualified financial institution, eligible for discount by Federal Reserve System, and issued by a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations. There are no investments in banker's acceptances.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Concentration of Credit Risk

At June 30, 2022, 100 percent 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.

3. CAPITAL ASSETS

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets, non-depreciable:				
Land	\$ 587,159	\$ 140,000	\$ -	\$ 727,159
Total capital assets, non-depreciable	<u>587,159</u>	<u>140,000</u>	<u>-</u>	<u>727,159</u>
Capital assets, depreciable:				
Buildings and improvements	1,171,115	-	-	1,171,115
Equipment	23,854	-	-	23,854
Streets	2,774,979	135,897	-	2,910,876
Right to use machinery & equipment asset	7,357	-	-	7,357
Park improvements	93,505	-	-	93,505
Total capital assets, depreciable	<u>4,070,810</u>	<u>135,897</u>	<u>-</u>	<u>4,206,707</u>
Total	<u>4,657,969</u>	<u>275,897</u>	<u>-</u>	<u>4,933,866</u>
Less accumulated depreciation for:				
Buildings and improvements	(268,476)	(40,336)	-	(308,812)
Equipment	(1,190)	(1,360)	-	(2,550)
Streets	(640,491)	(64,574)	-	(705,065)
Right to use machinery & equipment asset	-	(1,471)	-	(1,471)
Park improvements	(61,617)	(3,565)	-	(65,182)
Total accumulated depreciation	<u>(971,774)</u>	<u>(111,306)</u>	<u>-</u>	<u>(1,083,080)</u>
Net depreciable capital assets	<u>3,099,036</u>	<u>24,591</u>	<u>-</u>	<u>3,123,627</u>
Net capital assets	<u>\$ 3,686,195</u>	<u>\$ 164,591</u>	<u>\$ -</u>	<u>\$ 3,850,786</u>

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Depreciation expense was allocated as follows:

Governmental activities:	Depreciation
General government	\$ 46,732
Streets	64,574
Total depreciation expense - governmental activities	<u>\$ 111,306</u>

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-type activities totals				
Capital Assets, non-depreciable:				
Land	\$ 77,086	\$ -	\$ -	\$ 77,086
Construction in Progress	308,236	1,995,099	-	2,303,335
Total capital assets, non-depreciable	<u>385,322</u>	<u>1,995,099</u>	<u>-</u>	<u>2,380,421</u>
Capital assets, depreciable:				
Buildings and improvements	838,054	-	-	838,054
Water, Wastewater, and Storm drain systems	9,025,024	134,716	-	9,159,740
Machinery and equipment	684,980	-	-	684,980
Total capital assets, depreciable	<u>10,548,058</u>	<u>134,716</u>	<u>-</u>	<u>10,682,774</u>
Total	<u>10,933,380</u>	<u>2,129,815</u>	<u>-</u>	<u>13,063,194</u>
Less accumulated depreciation for:				
Buildings and improvements	(647,565)	(5,604)	-	(653,169)
Water, Wastewater, and Storm drain systems	(2,486,931)	(176,703)	-	(2,663,634)
Machinery and equipment	(551,759)	(25,261)	-	(577,020)
Total accumulated depreciation	<u>(3,686,255)</u>	<u>(207,568)</u>	<u>-</u>	<u>(3,893,823)</u>
Net depreciable capital assets	<u>6,861,803</u>	<u>(72,852)</u>	<u>-</u>	<u>6,788,951</u>
Net capital assets	<u>\$7,247,125</u>	<u>\$ 1,922,247</u>	<u>\$ -</u>	<u>\$9,169,372</u>

Depreciation expense was allocated as follows:

Business-type activities:	Depreciation
Water	\$ 137,495
Sewer	60,877
Storm drain	9,196
Total depreciation expense - business-type activities	<u>\$ 207,568</u>

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

4. LEASE RECEIVABLES

On January 1, 2021, the City entered into a 120-month lease agreement with Republic Services for real property of 40.18 acres. The lease has one 10-year option to extend. At July 1, 2021, the City recorded a lease receivable and deferred lease resource in the amount of \$1,325,864. The lessee is currently required to make annual payments of \$76,875, with annual increases of 2.5 percent each calendar year. The terms remain the same during the extension period. The lease has a current interest rate of 3.25 percent. At June 30, 2022, the value of the lease receivable was \$1,292,080 and the deferred lease resource was \$1,256,082. The City recognized income related to the lease of \$112,873 during fiscal year 2022.

On January 1, 2020, the City entered into a 60-month lease agreement with Adair Village Food Mart for rental of 2,027 retail square feet zoned for commercial use located at 6002 NE William R. Carr Street. The lease does not include any options to extend. At July 1, 2021, the City recorded a lease receivable and deferred lease resource in the amount of \$64,558. The lessee is required to make monthly payments of \$1,486 during the current period. The lease agreement increases rent to \$1,723 in fiscal year 2023. The lease has a current interest rate of 3.25 percent. At June 30, 2022, the value of the lease receivable was \$48,638 and the deferred lease resource was \$46,113. The City recognized income related to the lease of \$20,308 during fiscal year 2022.

On January 1, 2021, the City entered into a 240-month lease agreement with Corvallis Society of Model Engineers for rental of 2/3 of a building at 6035 William R. Carr Avenue. The lease does not include any options to extend. At July 1, 2021, the City recorded a lease receivable and deferred lease resource in the amount of \$35,882. The lessee is currently required to make annual payments of \$2,400. The lease has a current interest rate of 3.25 percent. At June 30, 2022, the value of the lease receivable was \$34,630 and the deferred lease resource was \$34,132. The City recognized income related to the lease of \$2,898 during fiscal year 2022.

5. LEASE PAYABLES

On August 28, 2020 the City entered into a lease agreement for the use of a copier. The lease term ends August 27, 2025 and includes one 12 month option to extend in which either party can opt out. Base rent payments of \$131 are due monthly and interest is included in the monthly payments at an implicit rate of 3.25 percent.

5. LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2022 were as follows:

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

	Interest Rates	Beginning Balance	Increase	Decrease	Ending Balance	Due within One year
<i>Governmental activities:</i>						
Compensated absences		\$ 3,702	\$ 736	\$ -	\$ 4,438	\$ 4,438
Lease payable		7,357	-	(1,353)	6,004	1,572
Note payable	3.98%	53,933	-	(20,307)	33,626	21,123
Pension-related debt		1,500	-	(376)	1,124	-
Total governmental activities		\$ 66,492	\$ 736	\$ (22,036)	\$ 45,192	\$ 27,133
<i>Business-type activities:</i>						
Compensated absences		\$ 9,542	\$ -	\$ (316)	\$ 9,226	\$ 9,226
Notes payable:						
DEQ Wastewater note	0.88%	78,118	-	(22,075)	56,043	22,269
IFA Water loan 2016	1.98%	2,183,530	-	(95,779)	2,087,751	97,675
IFA Water loan 2022	1.54%	-	-	-	-	-
IFA Wastewater loan	2.47%	200,964	860,688	-	1,061,652	-
Pension-related debt		4,900	-	(693)	4,207	-
Total business-type activities		\$ 2,477,054	\$ 860,688	\$ (118,863)	\$ 3,218,879	\$ 129,170

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Notes Payable

Governmental Activities

In March 2018 the City entered into a loan agreement with US Bank for \$100,000 to be used to fund a remodel of a Camp Adair barracks. The loan will be repaid over five years from general revenues. The interest rate is 3.98 percent with the following debt service schedule:

	<u>Principal</u>
2022-2023	21,123
2023-2024	12,503
Total	<u>\$ 33,626</u>

Business-type Activities

On June 29, 2015, the City entered into a loan agreement with DEQ to continue planning improvements to the wastewater treatment facility. The loan is in the amount of \$100,000, payable at an interest rate of 0.88 percent. The City grants DEQ a security interest in and irrevocably pledges its net operating revenues to secure repayment of the loan. The City drew down the last of the loan by June 30, 2020 and began the five-year repayment schedule in the 2020-2021 fiscal year. The DEQ loan included a debt covenant to hold restricted cash in a segregated Loan Reserve Account in trust for the benefit of DEQ. The City did not comply with this debt covenant, but as the loan was paid in full in fiscal year 2024, this has since been remedied, and the City remains in good standing with the DEQ.

	<u>Principal</u>
2022-2023	\$ 22,269
2023-2024	22,466
2024-2025	11,308
	<u>\$ 56,043</u>

In March 2016, the State of Oregon Infrastructure Finance Authority (IFA) awarded the City a \$2.8 million loan to replace its existing water storage facility at Voss Hill Reservoir and perform some additional water system upgrades. The Voss Hill Reservoir project was completed by June 30, 2018. Approximately \$515,000 of loan was forgivable, and that portion was forgiven during fiscal year 2018. The interest rate on the remaining balance is 1.98 percent per annum. Repayment began in the 2020-2021 fiscal year.

	<u>Principal</u>
2022-2023	97,675
2023-2024	99,609
2024-2025	101,582
2025-2026	103,593
2026-2027	105,644
2027-2032	560,437
2032-2037	618,161
2037-2040	401,050
Total	<u>\$ 2,087,751</u>

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

In June 2021, the IFA awarded the City a \$2.5 million loan to make improvements to its existing wastewater treatment plant and related facilities. The project is expected to be completed in the 2022-2023 fiscal year. The interest rate is 2.47 percent per annum. As of June 30, 2022, the outstanding amount was \$1,061,652. Repayment is expected to begin in the 2023-2024 fiscal year.

The IFA awarded the City a \$264,698 forgivable loan and a \$594,983 loan to replace a waterline commonly known as the Hospital Hill Waterline. The original award was executed February 7, 2022, and the amendment, which updated the loan amounts for additional costs, was executed on September 6, 2022. The project is expected to be completed in the 2022-2023 fiscal year. The interest rate is 1.54 percent per annum. As of June 30, 2022, no amount has been drawn down. Repayment is expected to begin in the 2023-2024 fiscal year.

Pension Related Debt

In 2001 the City became a member of OPERS Local Government Rate Pool (LGRP). Pooling allows separate employers to be part of one group for the purpose of determining employer pension costs and contribution rates. Subsequent to the City joining the LGRP, the Oregon legislature merged the LGRP with the State/Community College Pool, forming the State and Local Government Rate Pool (SLGRP). In 2001, the City elected to become a member of the SLGRP.

Upon joining the LGRP in 2001, a transition liability or surplus was calculated to ensure that each employer entered the pool on a comparable basis. The transition liability is maintained separately from the SLGRP and is reduced by contributions and increased by interest charges at an assumed interest rate, originally 8 percent, which was reduced to 7.75 percent in 2013 and to 7.5 percent in 2015. The transition liability is amortized over twenty-five years, ending in December 2027.

Balance		Balance
June 30, 2021	Decrease	June 30, 2022
\$ 6,400	\$ (1,069)	\$ 5,331

Interfund Receivables and Payables

Interfund loan transactions between funds are recorded as "due to" and "due from" other funds. Interfund loans represent financing from the Water and SDC Funds to the General Fund for purchase of property. Repayment of these transactions occurs in years subsequent to year-end.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

At June 30, 2022, the General Fund owed the Water Fund \$138,052 and the SDC Fund \$552,208. Interest is 2.45 percent per annum. Repayment is expected to occur as follows:

Year Ending June 30,	General Fund Due to	Water Fund Due from	SDC Fund Due from
2023	(30,972)	6,194	24,778
2024	(31,731)	6,346	25,385
2025	(32,508)	6,502	26,006
2026	(33,305)	6,661	26,644
2027	(34,121)	6,824	27,297
2028-2032	(183,559)	36,712	146,847
2033-2037	(207,175)	41,435	165,740
2038-2040	(136,889)	27,378	109,511
	<u>\$ (690,260)</u>	<u>\$ 138,052</u>	<u>\$ 552,208</u>

In April 2022 an additional interfund loan was made from the SDC Fund to the General Fund in the amount of \$700,000. The first three years are interest-only payments, with principal payments beginning in 2026. Interest is 0.50 percent per annum. Repayment is expected to occur as follows:

Year Ending June 30,	General Fund to SDC Fund
2023	-
2024	-
2025	-
2026	39,554
2027	39,752
2028-2032	201,760
2033-2037	206,855
2038-2040	212,079
	<u>700,000</u>

6. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The other postemployment benefit (OPEB) for the City combines two separate plans. The City provides an implicit rate subsidy for a retiree post-employment healthcare plan, which is administered by Citycounty Insurance Services (CIS) Trust, and a contribution to the State of Oregon's PERS cost-sharing multiple-employer defined benefit plan.

1. Post-Employment Healthcare Plan (CIS)

Plan Description & Benefits Provided:

The City has a Post-Employment Healthcare Plan option available for retirees. It is a substantive postemployment benefits plan offered under Oregon Revised Statutes (ORS) 243. ORS 243.303 requires

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

the City provide retirees and their dependents with an opportunity to participate in group health and dental insurance from the date of retirement to age 65, and the rate would be calculated using claims experience from retirees and active employees for health plan rating purposes. Providing the same rate to retirees as provided to current employees constitutes an implicit rate subsidy for OPEB. This single-employer "plan" is not a stand-alone plan and therefore does not issue its own financial statements.

Contributions:

The City funds the plan only to the extent of current year insurance premium requirements on a pay-as-you-go basis. The City did not have eligible employees on the healthcare plan for the fiscal year ending June 30, 2022. If there were eligible employees enrolled, the average monthly premium requirements for the City are as follows:

For retirees	\$541
For spouses of retirees	\$615

OPEB Liability:

Per the actuarial valuation as of December 31, 2019, the City's total Post-Employment Healthcare Plan OPEB liability as of June 30, 2022 is \$7,226.

Actuarial assumptions and other inputs: The total OPEB liability was determined by an actuarial valuation, as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date.

The discount rate was based on a 20-year general obligation bond yield published by The Bond Buyer.

Healthy Mortality rates used were based on the tables as detailed below:

<u>Employee Class</u>	<u>Mortality Tables</u>
All eligible employees	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.

Changes in Total OPEB Liability:

	Total OPEB Liability
BALANCE, June 30, 2021	\$ 6,191
Changes for the year:	
Service Cost	849
Interest on total OPEB liability	156
Effect of assumptions, changes, or inputs	30
Net changes	<u>1,038</u>
BALANCE, June 30, 2022	<u>\$ 7,226</u>

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate of 6.90%:

	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Discount Rate</u>	<u>1%</u> <u>Increase</u>
Total OPEB Liability	\$ 7,871	\$ 7,226	\$ 6,607

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates:

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current health care trend rates:

	<u>1%</u> <u>Decrease</u>	<u>Current Trend</u> <u>Rate</u>	<u>1%</u> <u>Increase</u>
Total OPEB Liability	\$ 6,133	\$ 7,226	\$ 8,523

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

- For the year ended June 30, 2022, the City recognized an OPEB expense of \$1,087. At June 30, 2022, the City reported deferred inflows of resources related to OPEB from the following source:

	<u>Outflows of</u> <u>Resources</u>	<u>Inflows of</u> <u>Resources</u>
Differences between actual and expected experience	\$ 1,498	\$ -
Changes of assumptions or inputs	166	(1,086)
	<u>\$ 1,664</u>	<u>\$ (1,086)</u>

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended June 30:</u>	<u>Annual Recognition:</u>
2023	\$ 82
2024	82
2025	82
2026	82
2027	108
Thereafter	142
	<u>\$ 578</u>

Actuarial Valuation -

The City contributions are based on the accruing benefit costs measured using the individual entry age normal actuarial cost method. The present value of benefits is allocated over the service for each active employee from their date of hire to their expected retirement age, as a level percent of the employee's pay. This level percent times pay is referred to as the service cost and is that portion of the present value of benefits attributable to an employee's service in a current year. The service cost equals \$0 for retired members. The total OPEB liability is the present value of benefits less the actuarial present value of future normal costs and represents the liabilities allocated to service up to the valuation date. For retirees, the total OPEB liability is equal to the present value of benefits.

Actuarial Methods and Assumptions Used in Developing Total OPEB Liability

Valuation date	July 1, 2020
Actuarial cost method	Entry age normal, level percent of pay
Inflation rate	2.5%
Projected salary increases	3.5%
Mortality	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.
Withdrawal	Based on Oregon PERS assumptions. Annual rates are based on employment classification, gender and duration from hire date.
Retirement	Based on Oregon PERS assumptions. Annual rates are based on age, Tier/OPSRP duration of service and employment classification.
Election and Lapse Rates	40% of eligible employees. 60% of male members and 35% of female members will elect spouse coverage. 5% annual lapse rate.

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Discount Rate -

The discount rate used to measure the total OPEB liability was 2.16%. The discount rate is based on the Bond Buyer 20-year General Obligation Bond Index. The discount rate at the prior measurement date was 2.21%.

Healthcare Cost Trend Rate

The assumed healthcare cost trend for medical and vision costs is as follows:

<u>Years</u>	<u>Pre-65 Trend</u>
2020	3.75%
2021	5.75%
2022	5.25%
2023-2025	5.00%
2026-2040	4.75%
2041-2049	5.00%
2050-2064	4.75%
2065-2067	4.50%
2068-2071	4.25%
2072+	4.00%

Dental costs are assumed to decrease 1.25% for 2020 and increase 4% in all future years.

2. Oregon Public Employees' Retirement Systems (OPERS) Retirement Health Insurance Account (RHIA)

Plan Description - The City contributes to the OPERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. ORS 238.420 established this trust fund and authorizes the Oregon Legislature to establish and amend the benefit provisions. PERS issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700, telephone (503) 598-7377, or by URL <http://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

Benefits Provided – RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible employees. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the RHIA established by the City, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. The plan has been closed to new entrants since January 1, 2004.

Contributions – 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

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

amended only by the Oregon Legislature. Participating cities are contractually required to contribute to RHIA at a rate assessed each year by PERS.

The City's contractually required contribution rate for fiscal year 2021-2022, was 0.50 percent of covered payroll for Tier 1 and Tier 2 members and 0.43 percent for OPSRP members of covered payroll. The required contribution is actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year. The City made a payment of \$16 to the RHIA during the fiscal year. Employees are not required to contribute to the OPEB plan.

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

At June 30, 2022, the City reported an asset of \$0 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date as of December 31, 2019. The City's proportionate share of the RHIA net OPEB asset has been determined based on the City's contributions to the RHIA program (as reported by PERS) during the Measurement Period ending on the corresponding Measurement Date. The City's proportionate share at the measurement dates of June 30, 2021 and June 30, 2020 was 0.0 percent for both years.

For the year ended June 30, 2022, the City recognized an OPEB expense of \$1,049. At June 30, 2022, the City reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Outflows of Resources	Inflows of Resources
Changes in proportionate share	\$ 975	\$ (4)

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

	Annual Recognition
Year ended June 30, 2023:	\$ 971

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Actuarial Methods & Assumptions – The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial methods and assumptions:

Valuation Date	December 31, 2019
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Experience Study	2018, published July 24, 2019
Actuarial Assumptions:	
Inflation Rate	2.4% (reduced from 2.5%)
Discount Rate	6.9% (reduced from 7.2%)
Projected Salary Increases	3.4% (reduced from 3.5%)
Mortality	<u>Healthy retirees and beneficiaries:</u> 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. <u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. <u>Disabled retirees:</u> Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

Discount rate – The discount rate used to measure the total OPEB liability at June 30, 2021 was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payment of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Depletion Date Projection – GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability. The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Assumed Asset Allocation:

Asset Class/Strategy	Assumed Asset Allocation		
	Low Range	High Range	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%
Alternative Portfolio	7.5%	17.5%	15.0%
Opportunity Portfolio	0.0%	3.0%	0.0%
Risk Parity	0.0%	2.5%	2.5%
Total			<u>100.0%</u>

Long-Term Expected Rate of Return – To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 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. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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

OPEB plan fiduciary net position:

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

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
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**Aggregate Net OPEB Liability/Asset, Pension Expense, & Net Deferred Outflow/Inflow of Resources
Related to OPEB:**

The tables below present the aggregate balance of the City's net OPEB liability/(asset), OPEB expense, and net deferred inflows and outflows as of June 30, 2022:

	<u>Outflows of Resources</u>	<u>Inflows of Resources</u>	<u>Liability</u>	<u>OPEB Expense</u>
Postemployment Healthcare Plan (CIS)	\$ 1,664	\$ (1,086)	\$ 7,226	\$ 1,035
RHIA	975	(4)	-	\$ 1,042
Total	\$ 2,639	\$ (1,090)	\$ 7,226	\$ 2,077

7. PENSION PLAN

Plan Description

Contributions are made to the State of Oregon Public Employees Retirement system (PERS), a cost-sharing multiple-employer defined benefit pension plan administered by the Oregon Public Employees Retirement System. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Oregon Revised Statutes 238 assigns the authority to establish and amend benefits provisions to the PERS Board of Trustees and the State Legislature.

In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for PERS. The Oregon Public Service Retirement Plan ("OPSRP") is effective for all new employees hired on or after August 29, 2003. Employees hired prior to that date belong to the Tier One/Tier Two Retirement Benefit Program. The new plan consists of a defined benefit program (the "Pension Program") and a defined contribution portion (the Individual Account Program or "IAP"). The Pension Program portion of OPSRP provides a life pension funded by employer contributions.

Beginning January 1, 2004, all PERS member contributions go into the IAP portion of OPSRP. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account. Those employees who had established a PERS membership prior to creation of OPSRP will be members of both the PERS and OPSRP system as long as they remain in covered employment.

PERS is administered under Oregon Revised Statutes Chapter 238 and Chapter 238A by the Public Employees Retirement Board. Participation by most political subdivisions is optional but irrevocable if elected. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report can be obtained by writing to PERS, P.O. Box 23700, Tigard, OR 97281-3700 or by calling 1-503-598-7377.

Members of PERS are required to contribute 6 percent of their salary covered under the plan. The City is required by ORS 238.225 to contribute at an actuarially determined rate. The rate effective July 1, 2021 is 26.23 percent of salary covered under the plan for Tier 1 and Tier 2 (PERS) employees and 21.16 percent

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

for employees covered under the Oregon Public Services Retirement Plan (OPSRP). The City pays the employee 6 percent contribution for the City Administrator. The PERS Board has statutory authority to revise employer contributions as necessary to ensure the promised benefits will be funded on a sound basis. Employer contribution rates for the period were based on the December 31, 2019 actuarial valuation.

Benefits Provided

Tier One/Tier Two Retirement Benefit

The PERS retirement allowance is payable monthly for life. The benefit may be selected from 13 retirement options, including survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 50. Tier one general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of eligible service. Tier two members are eligible for full benefits at age 60.

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions with interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met: (1) member was employed by a OPERS employer at the at the time of death; (2) member died within 120 days after termination of OPERS-covered employment; (3) member died as a result of injury sustained while employed in a OPERS-covered job; or (4) member was on an official leave of absence from a OPERS-covered job at the time of death.

A member with ten 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 for disability benefits regardless of the length of OPERS-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 monthly benefit.

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law the cap on the cost-of-living changes in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefits and 0.15 percent on annual benefits above \$60,000.

ORS 238A OPSRP Defined Benefit Plan Benefits

This portion of the defined benefit pension plan of OPERS provides benefits to members hired on or after August 29, 2003. Benefits under this portion of OPSRP provide a life pension funded by employer

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

contributions. Benefits are calculated with the following formula for members who attain normal retirement age.

For police and fire members, 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 52 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.

For general service members, 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.

Members become 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.

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

A member who has accrued ten 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.

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the cost-of-living changes in fiscal year 2015 and beyond will vary based on the amount of the annual benefit.

Contributions

OPERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the OPERS Defined Benefit Plan and the Other Postemployment Benefit Plans.

Contributions to the plan for the years ending June 30, 2022 and 2021 were \$68,380 and \$58,087, respectively. A nine-year Schedule of Contributions can be found in the Required Supplementary Information, which immediately follows these notes.

Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources

At June 30, 2022 the City reported net pension liability of \$320,843 for its proportionate share of the plan pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
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The proportionate share 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 members of the cost sharing pool, actuarially determined. At June 30, 2022 and 2021, the City's proportion was 0.00268118 and 0.00243503 percent respectively.

For the year ended June 30, 2022, the City recognized pension expense of \$43,019. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 30,033	\$ -
Changes of assumptions	80,317	844
Net difference between projected and actual earnings on investments	-	237,517
Changes in proportion	55,853	6,718
Differences between employer contributions and proportionate share of contributions	398	7,797
Contributions subsequent to the MD	68,380	-
Total	\$ 234,981	\$ 252,876

Deferred outflows of resources related to pensions of \$68,380 resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension (asset)/liability in the year ending June 30, 2023. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense/(income) as follows:

<u>Year ended June 30:</u>	
2023	\$ (10,466)
2024	(11,513)
2025	(25,176)
2026	(49,511)
2027	10,391
	<u>\$ (86,275)</u>

The employer contribution rates effective July 1, 2021 through June 30, 2023 were set using the entry age normal actuarial cost method.

For the ORS 238 Tier One/Tier Two component of the OPERS defined benefit plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), and (2) 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 twenty years.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
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For the ORS 238A OPSRP Pension Program component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an actuarially determined amount for funding a disability benefit component, and (3) 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 sixteen years.

Actuarial Methods and Assumptions

- Valuation Date December 31, 2019
- Measurement Date June 30, 2021
- Experience Study Report 2018, published July 24, 2019
- Actuarial cost method Entry Age Normal
- Actuarial assumptions
 - Inflation rate 2.4%
 - Investment rate of return 6.9%
 - Discount rate 6.9%
 - Projected salary increases 3.4%
 - Cost of living adjustments (COLA) Blend of 2.00% COLA and graded COLA (1.25%/0/15%) in accordance with Moro decision; blended 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 the 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 methods and assumptions shown above are based on the 2018 Experience Study which reviewed experience for the four-year period ending on December 31, 2018.

The discount rate used to measure the total pension liability was 6.9 percent, down from 7.2 percent from the prior fiscal year. The projection of cash flows used to determine the discount rate assumed that

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the defined benefit pension plan was applied to all periods of projected benefit payments to determine the total pension liability.

The following represents the City's proportionate share of the pension asset calculated using the discount rate of 6.9 percent, as well as what the City's share of the net pension asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
City's proportionate share of the net pension liability (asset)	\$ 630,059	\$ 320,843	\$ 62,141

Assumed Asset Allocation:

Asset Class/Strategy	Assumed Asset Allocation		
	Low Range	High Range	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%
Alternative Portfolio	7.5%	17.5%	15.0%
Opportunity Portfolio	0.0%	3.0%	0.0%
Risk Parity	0.0%	2.5%	2.5%
Total			100.0%

The long-term expected rate of return is based on a consistent set of underlying assumptions for each asset class and includes adjustment for the inflation assumption. These assumptions are not based on historical return, but instead are based on a forward-looking capital market economic model. To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 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. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

CITY OF ADAIR VILLAGE

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

At June 30, 2022, the City's payable to OPERS for defined benefit contributions was approximately \$7,135. This amount represents legally required contributions to the plan for services incurred in the current fiscal year.

Based on circumstances, it is our third-party actuary's opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

8. 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.

Money accumulated under the deferred compensation plan has been deposited with Variable Annuity Life Insurance Company (VALIC). Monies held by VALIC are placed in various investments at the discretion of the employee. These investments are uninsured and unregistered securities held by VALIC or their agents, but not in the City's name.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

9. DEFERRED CONTRIBUTION PLAN

Plan Description

Individual account program (IAP) - Participants in OPERS defined benefit pension plan also participate in the defined contribution plan.

Pension Benefits

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

Death Benefits

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

Contributions

Senate Bill 1049 requires a portion of member contributions to their IAP accounts be redirected to the Defined Benefit Fund. If the member earns more than \$2,535 per month, 0.75 percent (if OPSRP member) or 2.5 percent (if Tier 1/Tier 2 member) of the member's contributions that were previously contributed to the member's IAP now fund the new Employee Pension Stability Accounts (EPSA). The EPSA accounts will be used to fund the cost of future pension benefits without changing those benefits which means reduced contributions to the member's IAP account. Members may elect to make voluntary IAP contributions equal to the amount redirected. The City makes the employee contributions of 6% of covered payroll to the plan. Contributions for the year ended June 30, 2022, were \$19,469.

Recordkeeping

PERS contracts with VOYA Financial to maintain IAP participant records.

10. PROPERTY TAX LIMITATIONS

The voters of the State of Oregon set a constitutional limit on property taxes for schools and non-school government operations. The limitation provides that property taxes for non-school operations are limited to \$10.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

An additional limit reduces the amount of operating property tax revenues available. This reduction was accomplished by rolling property values for 1997-98 back to their 1995-96 values less 10 percent and

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2022

limiting future tax value growth of each property to no more than 3 percent per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The Constitution also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues.

11. RISK MANAGEMENT

There is exposure to various risks: loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The League of Oregon Cities joined together with the Association of Oregon Cities to form Citycounty Insurance Services (CIS), a public entity risk pool currently operating as a common risk management and insurance program for approximately 265 municipal corporations and associated entities in the State of Oregon. CIS is self-sustaining through member premiums and reinsures through commercial companies for claims in excess of \$2 million for each insured event. Insurance is carried through CIS to help mitigate these risks, and commercial insurance is carried for other risks of loss, including workers' compensation. Settled claims have not exceeded insurance coverage in any of the last three fiscal years.

12. NEGATIVE FUND BALANCE

In October 2019, the City Council elected to move forward with buying a piece of property in the City's downtown area. The City internally funded the purchase by borrowing from the Water Fund and the SDC Fund. The General Fund has a negative fund balance of \$(67,415) due to reporting the "due to" liability on its balance sheet. This negative fund balance will be liquidated in future years as the liability is paid back.

13. NEW PRONOUNCEMENTS

During the fiscal year ended June 30, 2022, the City implemented the GASB pronouncement of *GASB Statement No. 87, Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The statement affects both presentation of the financial statements on the current financial resource measurement focus and the economic resources measurement focus.

14. COMMITMENTS

Construction Commitments – The City had various active construction projects as of June 30, 2022. As of year-end, the City's commitments with contractors are as follows:

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

Project	Commitment	Expended thru 6/30/22
Wastewater Treatment Plant Replacement (IFA Loan)	2,925,000	1,139,319
Hospital Hill Waterline Replacement (IFA)	620,808	483,341
Transmission Line Upgrade Project (FEMA)*	234,972	234,972
	<u>3,791,560</u>	<u>1,857,632</u>

*Project is entirely funded by FEMA grants, with no cost for the City of Adair Village.

Lease Commitments – The City’s future annual lease commitments as of June 30, 2022 are as follows:

Year Ending June 30,	Principal	Interest
2023	\$ 56,507	\$ 44,417
2024	61,296	42,547
2025	54,909	40,614
2026	48,191	39,065
2027	51,879	37,498
Total	<u>\$ 272,783</u>	<u>\$ 204,140</u>

15. PRIOR PERIOD ADJUSTMENT

During fiscal year 2022, the City agreed that a liability for utility security deposits received from new customers by the City at the point of account setup should be recorded as a liability which will be relieved at the time of account closure. The City therefore classified the existing security deposits as a liability in the amount of \$47,755 and recorded a prior period adjustment of \$(47,755) to adjust for the revenue recognized in prior years.

16. RESTATEMENT DUE TO IMPLEMENTATION OF NEW ACCOUNTING STANDARD

The City implemented GASB 87, Leases, in the fiscal year ended June 30, 2022. Beginning balances for the governmental activities were restated due to implementation as follows:

	As originally reported	As restated	Difference
Lease receivables	\$ -	\$ 1,375,348	\$ 1,375,348
Other capital assets, net of depreciation	10,925,963	10,933,320	7,357
Lease payables	-	(6,004)	(6,004)
Deferred lease resources	-	(1,336,327)	(1,336,327)
	<u>\$ 10,925,963</u>	<u>\$ 10,966,337</u>	<u>\$ 40,374</u>

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2022**

SUBSEQUENT EVENTS

In August of 2022, the City acquired 7.1 acres of land at 7115 NE Vandenberg, without land restrictions, for the purposes of economic development and community growth for \$700,000. The property is adjacent to land purchased in 2019 at 6045 William R. Carr Street in the city of Adair Village.

In March 2024, the City received a grant award from FEMA for an Emergency Power Project. The project cost totals \$245,752 and will be completely covered by the FEMA grant.

In fiscal year 2023, the City drew down \$723,334 on the IFA loan awarded February 7, 2022, and amended September 6, 2022. These funds were distributed from the Oregon Business Development Department for Safe Drinking Water for the work completed to replace the Hospital Hill Waterline.

In fiscal year 2023, the City drew down an additional \$1,001,406 on the IFA loan awarded in June of 2021 for wastewater improvements to the treatment plan and related facilities. Funds were distributed from the Oregon Business Development Department Special Public Works Fund.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ADAIR VILLAGE, OREGON
Schedule of the Proportionate Share of the Net Pension Liability
for the last nine plan years*

Measurement Date	Proportion of the net pension liability/(asset)**	Proportionate share of the net pension liability (asset)**	Covered payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2021	0.00268118%	\$ 320,843	\$ 335,102	95.74%	87.60%
2020	0.00243503%	531,407	269,034	197.52%	75.80%
2019	0.00238418%	412,406	247,755	166.46%	80.20%
2018	0.00220129%	333,466	231,747	143.89%	82.10%
2017	0.00187443%	252,674	210,725	119.91%	83.10%
2016	0.00329581%	494,778	190,519	259.70%	80.50%
2015	0.00270964%	155,573	240,959	64.56%	91.90%
2014	0.00395830%	(89,723)	241,844	-37.10%	103.60%
2013	0.00395830%	201,998	234,073	86.30%	91.97%

CITY OF ADAIR VILLAGE, OREGON
Schedule of Contributions
for the last nine plan years*

Year ended June 30,	Statutorily required contribution**	Contributions in relation to the statutorily required contribution**	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
2022	\$ 68,380	\$ 68,380	\$ -	\$ 352,388	19.40%
2021	58,087	58,087	-	335,102	17.33%
2020	51,577	51,577	-	269,034	19.17%
2019	33,193	33,193	-	247,755	13.40%
2018	21,612	21,612	-	231,747	9.33%
2017	21,225	21,225	-	210,725	10.07%
2016	20,646	20,646	-	190,519	10.84%
2015	30,740	30,740	-	240,959	12.76%
2014	31,402	31,402	-	241,844	12.98%

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

**The actuarial information for each fiscal year was provided by the actuary for Oregon Public Employees Retirement System

CITY OF ADAIR VILLAGE, OREGON
Schedule of the Changes in the Total OPEB Liability and Related Ratios - CIS Plan
for the last five fiscal years*

Year ended June 30,	Beginning Total OPEB Liability	Service Cost	Interest on Total OPEB Liability	Effect of Economic/ Demographic Changes or Inputs	Effect of Assumptions Changes or Inputs	Ending Total OPEB Liability	Covered Payroll	Liability as a percent of covered payroll
2022	\$ 6,191	\$ 849	\$ 156	\$ 30	\$ -	\$ 7,226	\$352,388	2.0506%
2021	4,781	836	197	1,292	(915)	6,191	335,102	1.7569%
2020	3,656	754	171	-	200	4,781	269,034	1.7771%
2019	2,313	845	113	862	(477)	3,656	247,755	1.4757%
2018	1,594	882	71	-	(234)	2,313	231,747	0.9981%

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

**The actuarial information for each fiscal year was provided by Milliman. The City does not currently have any retirees on its health plan.

CITY OF ADAIR VILLAGE, OREGON
Schedule of the Proportionate Share of the Net OPEB Liability - RHIA Plan
for the last six fiscal years*

Measurement Date	Proportion of the net OPEB liability/(asset)**	Proportionate share of the net OPEB liability (asset)**	Covered payroll	Proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2021	0.00000000%	\$ -	\$ -	0.00%	183.90%
2020	0.00000000%	-	-	0.00%	150.10%
2019	0.00201956%	(3,903)	247,755	-1.58%	144.40%
2018	0.00189192%	(2,112)	231,747	-0.91%	124.00%
2017	0.00177983%	(734)	210,725	-0.35%	108.90%
2016	0.00175901%	483	190,519	0.25%	94.20%

CITY OF ADAIR VILLAGE, OREGON
Schedule of Contributions - RHIA Plan
for the last six fiscal years*

Year ended June 30,	Statutorily required contribution**	Contributions in relation to the statutorily required contribution**	Contribution deficiency (excess)	Covered payroll	Contributions as a percent of covered payroll
2022	\$ -	\$ -	\$ -	\$ -	0.00%
2021	-	-	-	-	0.00%
2020	-	-	-	269,034	0.00%
2019	1,001	1,001	-	247,755	0.40%
2018	916	916	-	231,747	0.40%
2017	876	876	-	210,725	0.42%

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

**The actuarial information for each fiscal year was provided by the actuary for Oregon Public Employees Retirement System

**CITY OF ADAIR VILLAGE, OREGON
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL
for the year ended June 30, 2022**

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Property taxes	\$ 185,500	\$ 185,500	\$ 224,167	\$ 38,667
Franchise fees	60,000	60,000	61,975	1,975
Intergovernmental:				
State revenue sharing	10,500	10,500	14,885	4,385
Liquor and marijuana tax	22,400	22,400	26,786	4,386
Cigarette tax	1,000	1,000	1,095	95
Tangent contract	119,100	174,100	174,005	(95)
Transient lodging tax	500	500	5,000	4,500
Building/property lease	129,020	129,020	142,147	13,127
Residential rental income	22,800	22,800	45,526	22,726
Planning fees	10,000	10,000	455	(9,545)
Ordinances and court fines	1,500	1,500	-	(1,500)
SDC Administration	15,000	15,000	-	(15,000)
Refunds	200	200	1,061	861
COVID-19 reimbursements	-	-	27,064	27,064
Interest income	12,000	12,000	18,974	6,974
Miscellaneous	4,000	4,000	69	(3,931)
Total revenues	593,520	648,520	743,209	94,689
EXPENDITURES				
Administration	229,802	229,802	173,962	55,840
Parks	58,152	58,152	37,737	20,415
Public safety	45,403	45,403	43,998	1,405
Non-departmental	148,674	203,674	194,001	9,673
Capital outlay	10,000	710,000	140,000	570,000
Debt service	22,254	22,254	22,254	-
Contingency	150,000	150,000	-	150,000
Total expenditures	664,285	1,419,285	611,952	807,333
Change in fund balance before other financing sources (uses)	(70,765)	(770,765)	131,257	902,022
OTHER FINANCING SOURCES (USES)				
Transfer in	10,000	10,000	-	(10,000)
Interfund loan proceeds	-	700,000	700,000	-
Transfer out	(52,884)	(52,884)	(52,884)	-
Total other financing sources (uses)	(42,884)	657,116	647,116	(10,000)
Change in fund balance	(113,649)	(113,649)	778,373	892,022
Fund balance - beginning of the year	400,000	400,000	550,512	150,512
Fund balance - end of the year	\$ 286,351	\$ 286,351	\$ 1,328,885	\$ 1,042,534

Reconciliation of budgetary fund balance to GAAP basis fund balance:

Lease receivable	\$ 1,375,348
Deferred lease resources	(1,336,327)
Lease and interest revenue due to GASB 87 adoption	(39,021)
Interfund loan	(1,390,260)
Total fund balance, GAAP basis	<u>\$ (61,375)</u>

CITY OF ADAIR VILLAGE, OREGON
STREET FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
for the year ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
State gas tax	\$ 62,000	\$ 62,000	\$ 105,801	\$ 43,801
Small cities allotment	98,700	98,700	98,700	-
Miscellaneous	200	200	-	(200)
Total revenues	160,900	160,900	204,501	43,601
EXPENDITURES				
Street maintenance & operations	63,210	83,210	71,263	11,947
Capital outlay	98,700	168,700	135,897	32,803
Contingency	50,000	30,000	-	30,000
Total expenditures	211,910	281,910	207,160	74,750
Change in fund balance before other financing sources (uses)	(51,010)	(121,010)	(2,659)	118,351
OTHER FINANCING SOURCES (USES)				
Transfer out	(200)	(200)	(200)	-
Total other financing sources (uses)	(200)	(200)	(200)	-
Change in fund balance	(51,210)	(121,210)	(2,859)	118,351
Fund balance - beginning of the year	110,000	110,000	130,879	20,879
Fund balance - end of the year	\$ 58,790	\$ (11,210)	\$ 128,020	\$ 139,230

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SUPPLEMENTARY INFORMATION

CITY OF ADAIR VILLAGE, OREGON
WATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL
for the year ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Charges for services	\$ 616,500	\$ 616,500	\$ 663,206	\$ 46,706
FEMA grant	259,500	259,500	-	(259,500)
Miscellaneous	1,500	1,500	5,132	3,632
Total revenues	877,500	877,500	668,338	(209,162)
EXPENDITURES				
Water operations	496,446	496,446	423,408	73,038
Capital outlay	1,092,000	1,134,000	990,496	143,504
Debt service	140,000	140,000	139,013	987
Contingency	100,000	58,000	-	58,000
Total expenditures	1,828,446	1,828,446	1,552,917	275,529
Change in fund balance before other financing sources (uses)	(950,946)	(950,946)	(884,579)	66,367
OTHER FINANCING SOURCES (USES)				
Long-term financing	646,000	646,000	-	(646,000)
Transfers in	9,577	9,577	9,577	-
Transfers out	(3,200)	(3,200)	(3,200)	-
Total other financing sources (uses)	652,377	652,377	6,377	(646,000)
Change in fund balance	(298,569)	(298,569)	(878,202)	(579,633)
Fund balance - beginning of the year	625,000	625,000	639,482	14,482
Prior period adjustment	-	-	(47,755)	(47,755)
Fund balance - end of the year	\$ 326,431	\$ 326,431	\$ (286,475)	\$ (612,906)

Capital assets, net of depreciation	5,181,864
Interfund loan	138,052
Accrued compensated absences	(6,278)
Net pension liability	(140,389)
Deferred outflows of resources - pension	102,818
Deferred outflows of resources - OPEB	1,259
Accrued interest	(24,228)
Net OPEB liability	(3,421)
Long-term debt	(2,087,751)
Transition liability	(2,636)
Deferred inflows of resources - pension	(110,649)
Deferred inflows of resources - OPEB	(515)
Total net position	\$ 2,761,651

CITY OF ADAIR VILLAGE, OREGON
WASTEWATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL
for the year ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Charges for services	\$ 320,000	\$ 326,000	\$ 388,430	\$ 62,430
Tangent contract	30,000	30,000	30,000	-
Miscellaneous	1,000	1,000	-	(1,000)
Total revenues	351,000	357,000	418,430	61,430
EXPENDITURES				
Wastewater operations	210,229	216,229	207,264	8,965
Capital outlay	2,500,000	2,500,000	1,139,319	1,360,681
Debt service	30,000	30,000	22,714	7,286
Contingency	150,000	150,000	-	150,000
Total expenditures	2,890,229	2,896,229	1,369,297	1,526,932
Change in fund balance before other financing sources (uses)	(2,539,229)	(2,539,229)	(950,867)	1,588,362
OTHER FINANCING SOURCES (USES)				
Long-term financing	2,500,000	2,500,000	860,688	(1,639,312)
Transfer out	(400)	(400)	(400)	-
Total other financing sources (uses)	2,499,600	2,499,600	860,288	(1,639,312)
Change in fund balance	(39,629)	(39,629)	(90,579)	(50,950)
Fund balance - beginning of the year	90,000	90,000	177,250	87,250
Fund balance - end of the year	\$ 50,371	\$ 50,371	\$ 86,671	\$ 36,300

Capital assets, net of depreciation	3,646,838
Accrued compensated absences	(2,465)
Net pension liability	(56,104)
Deferred outflows of resources - pension	41,091
Deferred outflows of resources - OPEB	528
Accrued interest	(12,208)
Long-term debt	(1,117,695)
Net OPEB liability	(1,419)
Transition liability	(1,280)
Deferred inflows of resources - pension	(44,220)
Deferred inflows of resources - OPEB	(214)
Total net position	<u>\$ 2,539,523</u>

CITY OF ADAIR VILLAGE, OREGON
SYSTEMS DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL
for the year ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Charges for services	\$ 59,538	\$ 59,538	\$ -	\$ (59,538)
Other revenue	-	-	24,185	24,185
Interest earnings	-	-	14,122	14,122
Total revenues	59,538	59,538	38,307	(21,231)
OTHER FINANCING SOURCES (USES)				
Transfer in	38,307	38,307	-	(38,307)
Interfund loan	-	(700,000)	(700,000)	-
Total other financing sources (uses)	38,307	(661,693)	(700,000)	(38,307)
Change in fund balance	97,845	(602,155)	(661,693)	(59,538)
Fund balance - beginning of the year	1,601,217	1,601,217	2,010,952	409,735
Fund balance - end of the year	\$ 1,699,062	\$ 999,062	\$ 1,349,259	\$ 350,197

Reconciliation of budgetary fund balance to GAAP basis net position:

Interfund loan	1,252,208
Total net position, GAAP basis	<u>\$ 2,601,467</u>

CITY OF ADAIR VILLAGE, OREGON
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2022

	Storm Drain Fund	Reserve Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 34,857	\$ 117,300	\$ 152,157
Accounts receivable, net	5,683	-	5,683
Total current assets	40,540	117,300	157,840
Noncurrent assets:			
Capital assets, net of accumulated depreciation	340,670	-	340,670
Total noncurrent assets	340,670	-	340,670
Total Assets	381,210	117,300	498,510
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	8,255	-	8,255
Deferred outflows of resources - OPEB	105	-	105
Total Deferred Outflows of Resources	8,360	-	8,360
LIABILITIES			
Current liabilities:			
Payroll liabilities	1,047	-	1,047
Accrued vacation	483	-	483
Total current liabilities	1,530	-	1,530
Noncurrent liabilities:			
Total OPEB liability	284	-	284
Net pension liability	11,272	-	11,272
Transition liability	291	-	291
Total noncurrent liabilities	11,847	-	11,847
Total Liabilities	13,377	-	13,377
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to:			
Pension	8,884	-	8,884
OPEB	43	-	43
Total Deferred Inflows of Resources	8,927	-	8,927
NET POSITION			
Investment in capital assets	340,670	-	340,670
Unrestricted	26,596	117,300	143,896
Total Net Position	\$ 367,266	\$ 117,300	\$ 484,566

CITY OF ADAIR VILLAGE, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
for the year ended June 30, 2022

	Storm Drain Fund	Reserve Fund	Total
REVENUES			
Charges for services	\$ 39,094	\$ -	\$ 39,094
EXPENSES			
Storm drain personnel services	20,436	-	20,436
Materials and services	2,131	-	2,131
Depreciation	9,196	-	9,196
Total expenses	31,763	-	31,763
Operating income	7,331	-	7,331
NON-OPERATING REVENUES (EXPENSES)			
Transfers in	-	9,000	9,000
Transfers out	(200)	-	(200)
Total non-operating revenues (expenses)	(200)	9,000	8,800
Change in net position	7,131	9,000	16,131
Net position--beginning	360,135	108,300	468,435
Net position--end of year	\$ 367,266	\$ 117,300	\$ 484,566

CITY OF ADAIR VILLAGE, OREGON
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR PROPRIETARY FUNDS
for the year ended June 30, 2022

	Storm Drain	Reserve Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 38,607	\$ -	\$ 38,607
Payments to suppliers	(3,070)	-	(3,070)
Payments to employees	(20,432)	-	(20,432)
Net cash provided (used) by operating activities	15,105	-	15,105
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	-	9,000	9,000
Transfers to other funds	(200)	-	(200)
Net cash provided (used) by noncapital financing activities	(200)	9,000	8,800
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
System development revenue	-	-	-
Proceeds from line of credit	-	-	-
Proceeds from long-term debt issuance	-	-	-
Payment of principal on long-term debt	-	-	-
Payment of interest on long-term debt	-	-	-
Disposition of capital assets	-	-	-
Acquisition of capital assets	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest earnings	-	-	-
Net cash provided by investing activities	-	-	-
Net increase (decrease) in cash and cash equivalents	14,905	9,000	23,905
Cash and investments--beginning of the year	19,952	108,300	128,252
Cash and investments--end of the year	\$ 34,857	\$ 117,300	\$ 152,157
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 7,331	\$ -	\$ 7,331
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	9,196	-	9,196
Change in assets and liabilities:			
Receivables	(487)	-	(487)
Accounts payable and accrued liabilities	4	-	4
Accrued compensated absences	(16)	-	(16)
OPEB-related expenses	76	-	76
Pension-related expenses	(999)	-	(999)
Net cash provided (used) by operating activities	\$ 15,105	\$ -	\$ 15,105

CITY OF ADAIR VILLAGE, OREGON
STORM DRAIN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL
for the year ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Charges for services	\$ 35,000	\$ 35,000	\$ 39,094	\$ 4,094
Miscellaneous	200	200	-	(200)
Total revenues	35,200	35,200	39,094	3,894
EXPENDITURES				
Storm drain operations	27,807	27,807	23,506	4,301
Change in fund balance before other financing sources (uses)	7,393	7,393	15,588	8,195
OTHER FINANCING SOURCES (USES)				
Transfers out	(200)	(200)	(200)	-
Change in fund balance	7,193	7,193	15,388	8,195
Fund balance - beginning of the year	17,000	17,000	24,105	7,105
Fund balance - end of the year	\$ 24,193	\$ 24,193	\$ 39,493	\$ 15,300

Capital assets, net of depreciation	340,670
Accrued compensated absences	(483)
Net OPEB liability	(284)
Transition liability	(291)
Net pension liability	(11,272)
Deferred outflows of resources - pension	8,255
Deferred outflows of resources - OPEB	105
Deferred inflows of resources - pension	(8,884)
Deferred inflows of resources - OPEB	(43)
Total net position	<u>\$ 367,266</u>

CITY OF ADAIR VILLAGE, OREGON
RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL
for the year ended June 30, 2022

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
OTHER FINANCING SOURCES (USES)				
Transfer in	\$ 9,000	\$ 9,000	\$ 9,000	\$ -
Transfers out	(10,000)	(10,000)	-	10,000
Total other financing sources (uses)	(1,000)	(1,000)	9,000	10,000
Change in fund balance	(1,000)	(1,000)	9,000	10,000
Fund balance - beginning of the year	108,300	108,300	108,300	-
Fund balance - end of the year	\$ 107,300	\$ 107,300	\$ 117,300	\$ 10,000

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COMPLIANCE SECTION

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

To the Honorable Mayor and City Council
City of Adair Village
Adair Village, Oregon

We have audited the basic financial statements of the City of Adair Village (the City) as of and for the year ended June 30, 2022, and have issued our report thereon dated July 12, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 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.**
- **Programs funded from outside sources.**
- **Highway revenues used for public highways, roads, and streets.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the City was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

- The City did not notify the State Treasurer of use of approved depositories and subsequent changes as required by ORS 295.006.
- The City did not comply with the debt covenant for the Clean Water State Revolving Fund Loan which requires the City to create a segregated Loan Reserve Account to be held in trust for the benefit of the State of Oregon, Department of Environmental Quality.
- Repayment of interfund loans should be budgeted as a debt service requirement in the funds that received the loan. In the 2021-22 and 2022-23 budget, the City budgeted repayment of interfund loans as transfers out.

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

- ORS 294.468(2)(b) states that interfund loans should not exceed 10 years from the date the loan is made. The City has interfund loans with terms of 20 years.
- ORS 294.388 requires the "total amount of expenditures and other requirements in each fund equals the total amount of resources in the fund for the same period." For the 2021-2022 adopted budget, the General Fund had requirements totaling \$1,013,520 while resources totaled \$1,003,520.
- The financial summary attached to the notice of budget hearing showed 2021-2022 adopted budget total requirements of \$8,242,059. The budget document showed 2021-22 adopted budget total requirements of \$8,252,059.

OAR 162-10-0230 Internal Control

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

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 entity's 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 were not identified.

Restriction on Use

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

Aldrich CPAs + Advisors LLP

By:



Andrew Maffia, CPA, Partner
Salem, Oregon
July 12, 2024



Aldrich CPAs + Advisors LLP
680 Hawthorne Avenue SE, #140
Salem, OR 97301

July 12, 2024

To the Honorable Mayor and City Council
City of Adair Village
Adair Village, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Adair Village (the City), for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 2, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. As described in Note 12 to the financial statements, the City changed accounting policies related to leases by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 87, *Leases*, in 2022. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the City's financial statements were:

Management's estimate of the net pension liability and related deferred outflows and deferred inflows related to the City's participation in the Oregon Public Employees Retirement System is based on an actuarial valuation prepared by Milliman as of June 30, 2021. We evaluated the key factors and assumptions used to develop the net pension liability and related deferred outflows and deferred inflows in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net OPEB asset and related deferred outflows and deferred inflows related to the City's participation in the Oregon Public Employees Retirement System is based on an actuarial valuation prepared by Milliman as of June 30, 2021. We evaluated the key factors and assumptions used to develop the net OPEB asset and related deferred outflows and deferred inflows in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the OPEB liability and related deferred outflows and deferred inflows related to the City's implicit rate subsidy plan is based on an actuarial valuation prepared by Milliman as of June 30, 2021. We evaluated the key factors and assumptions used to develop the OPEB liability and related deferred outflows and deferred inflows in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of depreciation expense is based on the City's estimated useful lives of capital assets. We evaluated the key factors and assumptions used to calculate depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Long-Term Obligations in Note 5 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. The attached schedule summarizes the material misstatements detected as a result of audit procedures which were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 12, 2024 and are attached to this letter for your reference.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, schedule of the proportionate share of the net pension liability, schedule of contributions, schedule of proportionate share of the net OPEB liability – RHIA, schedule of contributions – RHIA, schedule of changes in total OPEB liability and related ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We subjected the General and Major Special Revenue Fund budgetary comparison schedules, as listed in the table of contents under required supplementary information, to 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, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We were engaged to report on the combining financial statements and individual fund schedules which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the City Council and management of City of Adair Village and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Aldrich CPAs + Advisors LLP

Salem, Oregon

Account	Description	Debit	Credit
Proposed Journal Entries			
Proposed Journal Entries JE # 9			
To reclassify July loan payment made in June as a debt service expense			
100-900-54006	Barracks Loan Payment	11,257.00	
100-000-15001	Prepaid Expenses		11,257.00
Total		11,257.00	11,257.00
Proposed Journal Entries JE # 12			
To reclassify prepaid rent			
100-000-46021	Property Lease or Rent	1,486.00	
100-000-29001	Other Unearned Revenue		1,486.00
Total		1,486.00	1,486.00
	Total Proposed Journal Entries	12,743.00	12,743.00
	Total All Journal Entries	12,743.00	12,743.00

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
PBC To correct Pacific Power invoice accrual			
500-420-52109	Utilities	1,817.00	
500-000-20000	Accounts Payable		1,817.00
Total		1,817.00	1,817.00
Adjusting Journal Entries JE # 2			
PBC To correct Barracks loan payment for July 2022			
100-000-15001	Prepaid Expenses	11,257.00	
100-900-52023	Equipment Rental/Lease	1.00	
100-900-54006	Barracks Loan Payment		11,258.00
Total		11,258.00	11,258.00
Adjusting Journal Entries JE # 3			
PBC To correct IFA reimbursement request and record IFA receivables			
500-000-13090	Accounts Receivable - Project	433,994.00	
500-000-42041	IFA Water Loan	328,416.00	
510-000-10002	LGIP	328,416.00	
510-000-13090	Accounts Receivable - Project	386,383.00	
500-000-10002	LGIP		328,416.00
500-000-42041	IFA Water Loan		433,994.00
510-000-49012	2020 Wastewater Loan		328,416.00
510-000-49012	2020 Wastewater Loan		386,383.00
Total		1,477,209.00	1,477,209.00
Adjusting Journal Entries JE # 4			
PBC To accrue additional accounts payable			
500-420-52011	System Maintenance & Repair	11,000.00	
510-430-52011	System Maintenance & Repair	5,500.00	
510-430-53005	Wastewater System Improvements	27,873.00	
500-000-20000	Accounts Payable		11,000.00
510-000-20000	Accounts Payable		5,500.00
510-000-20000	Accounts Payable		27,873.00
500-000-10001	Cash		
Total		44,373.00	44,373.00

Adjusting Journal Entries JE # 6

PBC Pooled Cash Correction

100-000-10001	Cash	31,138.00	
200-000-10001	Cash	195,944.00	
500-000-10001	Cash	177,030.00	
510-000-10001	Cash	511,198.00	
520-000-10001	Cash	3,755.00	
530-000-10001	Cash	2,049,259.00	
600-000-10001	Cash	108,300.00	
100-000-10002	LGIP		31,138.00
200-000-10002	LGIP		195,944.00
500-000-10002	LGIP		177,030.00
510-000-10002	LGIP		511,198.00
520-000-10002	LGIP		3,755.00
530-000-10002	LGIP		2,049,259.00
600-000-10002	LGIP		108,300.00
Total		3,076,624.00	3,076,624.00

Adjusting Journal Entries JE # 7

PBC Windmere Rent Revenue Journal Corr

100-900-52019	Contract Service	6,078.00	
100-000-20000	Accounts Payable		1,532.00
100-000-46020	Residential Rent Revenue		4,546.00
Total		6,078.00	6,078.00

Adjusting Journal Entries JE # 8

PBC JE19 Audit Reccd Journal Corr

500-000-42041	IFA Water Loan	433,994.00	
510-000-49012	2020 Wastewater Loan	386,383.00	
500-000-13090	Accounts Receivable - Project		433,994.00
510-000-13090	Accounts Receivable - Project		386,383.00
Total		820,377.00	820,377.00

Adjusting Journal Entries JE # 10

To record utility deposits

500-420-50001	Prior Period Adjustments	47,755.00	
500-000-20007	Utility Security Deposits		47,755.00
Total		47,755.00	47,755.00

Adjusting Journal Entries JE # 11

To move COVID-19 funds as unearned

200-000-47900	COVID-19 Federal Funds	70,000.00	
200-000-29001	Other Unearned Revenue		70,000.00
Total		70,000.00	70,000.00

Adjusting Journal Entries JE # 13

PBC To record lease balances under GASB 87

100-ALD-14090	Lease Receivable	1,375,348.00	
100-000-46021	Property Lease or Rent		39,021.00
100-ALD-29090	Deferred Lease Resources		1,336,327.00
Total		1,375,348.00	1,375,348.00
	Total Adjusting Journal Entries	6,930,839.00	6,930,839.00
	Total All Journal Entries	6,930,839.00	6,930,839.00



6030 William R. Carr Ave.
Adair Village, OR 97330
541-745-5507
Fax: 541-230-5219

July 12, 2024

Aldrich CPAs + Advisors LLP
680 Hawthorne Ave. SE Ste. 140
Salem, OR 97301

This representation letter is provided in connection with your audit(s) of the financial statements of the City of Adair Village (City), which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 1, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

- 10) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:

- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of City or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the City and involves—
- Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the names of the City's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 21) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 22) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 24) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered

for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

- 26) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 27) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 28) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 29) The financial statements include all fiduciary activities required by GASBS No. 84, as amended.
- 30) The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
- 31) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 32) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 33) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 34) Provisions for uncollectible receivables have been properly identified and recorded.
- 35) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 36) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 37) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 38) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- 39) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 40) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 41) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 42) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 43) With respect to the combining statements and individual fund schedules:
 - a) We acknowledge our responsibility for presenting the combining statements and individual fund schedules in accordance with accounting principles generally accepted in the United States of America, and we believe the combining statements and individual fund schedules, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the combining statements and individual fund schedules have not changed from those used in the prior period,

and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

- b) If the combining statements and individual fund schedules is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.



Signature

City Administrator

Title

7/12/24

Date



**BEFORE THE CITY COUNCIL FOR THE
CITY OF ADAIR VILLAGE, OREGON**

A resolution establishing a permit fee for backyard chickens as outlined within Adair Village City Code 40.230 "Livestock Animals and Fowl"

Resolution No. 2024-9

WHEREAS, with the amendment of Adair Village City Code (AVCC) 40.230, Livestock Animals and Fowl, a permit fee shall be established; and

WHEREAS, the City Council sets the permit fee for AVCC 40.230 Livestock Animals and Fowl under AVCC 4.230(3)(k); and

WHEREAS, the permit fee will be used to defray cost associated with permit processing and initial site inspection.

NOW, THEREFORE, BE IT RESOLVED: by the Adair Village City council that the following permit fee is hereby adopted effective upon signature by the Mayor.

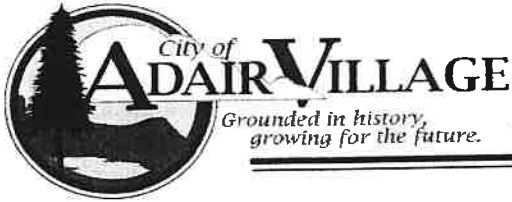
Backyard Chicken Permit Fee: \$50.00.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon passage by the City Council and approval by the Mayor.

CITY OF ADAIR VILLAGE

MAYOR

CITY ADMINISTRATOR



**BEFORE THE CITY COUNCIL FOR THE
CITY OF ADAIR VILLAGE, OREGON**

In the Matter of an Ordinance Amending)
Chapter 40 – Public Nuisances and Abatement)

ORDINANCE NO. 2024-1

WHEREAS, Chapter 40 of the Adair Village Code (Public Nuisances and Abatement) allows for Backyard Chickens through Adair Village Land Use Development Code (AVLUDC) Section 6.401; and

WHEREAS, the AVLUDC requires a conditional use process which requires the Adair Village Planning Commission to review the application; and

WHEREAS, the City of Adair Village (City) is always looking to be good stewards of community members' time and money.

NOW, THEREFORE, THE CITY OF ADAIR VILLAGE ORDAINS AS FOLLOWS:

Section 1: of the Adair Village Land Use Development Code (AVLUDC) Section 6.401, is hereby amended as follows:

Section 6.401 Agricultural Use Standards

Limited agricultural use of property in the City is allowed under the following conditions and standards:

- (1) Agricultural uses existing at the time of annexation to the City may continue but may not be expanded except in conformance with the standards contained herein.
- (2) The raising of crops in the general field of horticulture including berry, brush, tree, flower, and vegetables for on-site dwelling consumption is allowed on any lot within the city.
- (3) The raising of crops in the general field of horticulture including berry, brush, tree, flower, and vegetables for sale as a Home Occupation Conditional Use in all residential districts and is an interim Permitted Use in the Industrial District.
- (4) The raising of farm animals in the general field of animal husbandry including fowl (not including chickens), rabbits, sheep, goats, pigs, cows, horses, llamas and similar domesticated animals for on-site dwelling consumption or use, sale or trade and sale or trade of animal products may be permitted within the R-1 and R-2 Residential District as a Conditional Use in accordance with Section 2.500 under the following conditions:
 - (a) Fencing must be designed and constructed to confine all animals within the property line.

- (b) A Setback of 200 feet from any off-site residence is required for all fenced animals or buildings housing farm animals.
- (c) Proper sanitation shall be maintained in conformance with applicable health standards for all farm animals. Proper sanitation includes:
 - 1. Not allowing animal waste to accumulate.
 - 2. Not allowing animal waste to contaminate groundwater or drainageways.
 - 3. Taking the necessary steps to ensure odors resulting from farm animals are not detectable beyond the property line.
 - 4. Storing all farm animal food in metal or other rodent proof containers.

It is the responsibility of the applicant for a Conditional Use Permit to clearly demonstrate that proper health and sanitation standards will be maintained and that potential nuisance factors such as noise, smell and unsightly conditions are mitigated.

(d) Minimum area requirements include:

- 1. Minimum property area of 20,000 sf.
- 2. Minimum area per large size animal (Similar to cows or horses) over six llamas) over six months of age - 5,000 sf each.

(e) The maintaining of Backyard Chickens shall comply with Adair Village City Code 40.230(4) Livestock Animals and Fowl.

- (5) It is the continuing responsibility of the owner to properly contain or restrain all animals or fowl and to maintain proper sanitation at all times, and further provided that such raising activities are not part of nor conducted in conjunction with any livestock sales yard, slaughterhouse, or animal by-product business.
- (6) The above standards are the minimum standards applicable to property located within the City, additional site area or other standards may be required to comply with Health and Sanitation Standards.

Section 2. Effective Date. Passed by the city council and approved by the Mayor of the City of Adair Village on the 2nd day of July 2024, this amendment shall become effective upon signature by the Mayor.

CITY OF ADAIR VILLAGE

MAYOR

CITY ADMINISTRATOR



**BEFORE THE CITY COUNCIL FOR THE
CITY OF ADAIR VILLAGE, OREGON**

In the Matter of an Ordinance Amending)
Chapter 40 – Public Nuisances and Abatement)

ORDINANCE NO. 2024-2

WHEREAS, Chapter 40 of the City of Adair Village Code (Public Nuisances and Abatement) allows for Backyard Chickens through Adair Village Land Use Development Code (AVLUDC) Section 6.401; and

WHEREAS, the AVLUDC requires a conditional use process requires the Adair Village Planning Commission to review the application; and

WHEREAS, the City of Adair Village (City) is always looking to be good stewards of community members time and money.

NOW, THEREFORE, THE CITY OF ADAIR VILLAGE ORDAINS AS FOLLOWS:

Section 1: Chapter 40.230 of the Adair Village City Code (Livestock Animals and Fowl), is hereby amended as follows:

40.230 Livestock Animals and Fowl.

- (1) No person shall keep or maintain any slaughterhouse or tannery in the city.
- (2) No person shall keep or maintain any cattle, horses, hogs, goats, sheep, rabbits, poultry or other livestock or fowl (not including chickens) in the City of Adair Village, except as permitted by Adair Village Land Use Development Code (AVLUDC) Section 6.401. This section shall not prohibit the keeping of domesticated animals, such as dogs, cats, birds and other animals that can be claimed as household pets where such pets can be kept safely in residential quarters.
- (3) Backyard Chickens may be permitted within the R-1 and R-2 Residential District if the property owner first obtains a permit from the City Administrator or their designee. Permit requirements are as follows:
 - (a) No more than five (5) chickens are permitted.
 - (b) Chickens older than twelve (12) weeks shall not be housed within a residence or garage.
 - (c) Products generated by chickens shall not be sold from residential property.
 - (d) Chickens shall be shut into a chicken coop at night, from sunset to sunrise.
 - (e) During daylight hours, chickens shall have access to the chicken coop and outdoor fenced enclosure.
 - (f) Chicken coop design shall be:
 - i. Thoroughly ventilated.
 - ii. At least three (3) square feet per chicken.
 - iii. Designed to be easily accessed, cleaned, and maintained.
 - iv. In conformance with the requirements of a non-habitable one-story accessory structure under the Oregon Residential Specialty Code, Chapter 1, Section R105.2, and Adair City Land Use Code Section 4.111 or 4.112.

- (g) Chicken coop setbacks shall be:
 - i. At least forty (40) feet from any adjacent property structure. This setback may be reduced to twenty-five (25) feet with signed approval from the adjoining property owner.
 - ii. Behind the front building plane of the dwelling unit.
 - iii. At least twenty-five (25) feet from the front property line.
 - iv. At least twenty-five (25) feet from any abutting right-of-way.
 - v. At least ten (10) feet from any side or rear property line.
- (h) Fencing shall be provided to:
 - i. Chickens shall be always kept in a fenced enclosure.
 - ii. Fencing shall be adequate to contain chickens and prevent access by predators.
 - iii. At least ten (10) square feet per chicken within the enclosure.
 - iv. Sight obscured from any adjacent public right-of-way.
- (i) Proper sanitation shall be maintained in conformance with applicable standards including:
 - i. Not allowing animal waste to accumulate.
 - ii. Not allowing animal waste to contaminate groundwater or drainage ways.
 - iii. Not allowing standing water in yards or animal pens.
 - iv. Not allowing odors resulting from chickens to be detectable beyond the property line.
 - v. Storing all food within a rodent proof and airtight container.
- (j) Inspections:
 - i. Obtaining a permit through this section authorizes the City Administrator or their designee to enter the property to confirm compliance.
- (k) Permit fees for this section shall be set by council resolution.
- (l) Upon finding reason, permits are revokable by the City Administrator or their designee.

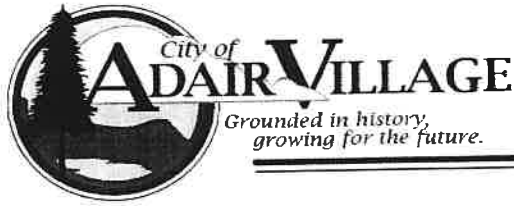
(4) Livestock animals, fowl, or chickens kept or maintained contrary to the provision of this ordinance are hereby declared to be a public nuisance.

Section 2. Effective Date. Passed by the city council and approved by the Mayor of the City of Adair Village on the 2nd day of July 2024, this amendment shall become effective upon signature by the Mayor.

CITY OF ADAIR VILLAGE

MAYOR

CITY ADMINISTRATOR



**BEFORE THE CITY COUNCIL FOR THE
CITY OF ADAIR VILLAGE, OREGON**

In the Matter of Amending)
Chapter 7 of the City of Adair)
Village City Code by Creating)
Section 7.155 "Backflow Prevention)
Requirements")

ORDINANCE NO. 2024-3

WHEREAS, the City of Adair Village (City), as the City water utility, has a duty to exercise reasonable diligence and care to deliver a continuous and sufficient water supply to its customers and avoid any interruption in the delivery of said service; and

WHEREAS, as a community public water supplier, the City is required to comply with state rules that are promulgated by the Oregon Health Authority Drinking Water Program; and

WHEREAS, one portion of these rules addresses requirements for prevention of cross connections, titled the Cross Connection Control Requirements, OAR 333-061-0070. These rules require the City to protect the public water system from pollutants and contamination throughout the system up to the point of distribution to any customer.

NOW, THEREFORE, THE CITY OF ADAIR VILLAGE ORDAINS AS FOLLOWS:

Chapter 7.155 "Backflow Prevention Requirements" is hereby created as follows:

7.155 Backflow Prevention Requirements

- (1) All backflow prevention assemblies required herein shall be of a type and model approved by the Oregon State Human Resources Department, Health Division (OSHD), and shall be installed in accordance with OSHD requirements and the provisions of this Code.
- (2) Installation. Backflow prevention assemblies shall be installed by a State-licensed installer who shall be secured by the City, at customer's expense, on each service line of the customer's system at or near the property line or, if approved, immediately inside the building being served, but in all cases, before the first branch line leading off the service line wherever any of the following conditions exist:

- (a) Where there is an auxiliary water supply which is or can be connected to the potable water piping.
- (b) Where there is piping for conveying fluids (liquids or gases) other than potable water and where that piping is installed and operated in a manner which could cause a cross-connection.
- (c) Where there are intricate plumbing arrangements which make it impracticable to ascertain whether or not cross-connections exist.
- (d) Where there has been a history of repeating the same or similar cross-connections even though these have been removed or disconnected.
- (e) Where there is a building over three stories in height or any plumbing system that is greater than or equal to 30 feet above the main from which it is served.
- (f) Where there is backflow or back siphonage potential.
- (g) Where the system is not open for inspection.
- (h) Where the system is subject to being submerged.

- (3) Inspections and Leakage Tests. It shall be the duty of the assembly owner at any premises where backflow protective assemblies are installed to have thorough inspections and leakage tests made immediately upon installation of assemblies, when assemblies are moved, and at least once a year, or more often in those instances where successive inspections indicate repeated failure. The frequency of these tests or the replacement of the assembly because of failure shall conform to State of Oregon regulations. The inspections, tests, repairs, and/or replacement of assemblies shall be at the expense of the assembly owner. The annual test shall be performed by the City and billed to the owner with owner's utility bill. Any repair or replacement shall be performed within 30 days from receipt of notice from the City of such requirement. The owner is required to contact a contractor who can perform the work in the necessary period or may contact the City and the City will arrange for the repair or replacement at customer's expense. In the event the owner desires to hire their own inspector for the repair or replacement, the owner shall notify the City a minimum of 48 hours in advance when the test is to be performed, so that the City may witness the test if so desired. Records of such tests, repairs, and overhaul shall be kept by the owner and a copy submitted to the City within 30 days of completed tests.

Water service to the premises may be immediately discontinued or denied by a physical break in the service or failure to comply with Adair Village City Code 7.155 until the customer has corrected the conditions.

Effective Date. Passed by the City Council and approved by the Mayor of the City of Adair Village this 2nd day of July 2024.

CITY OF ADAIR VILLAGE

MAYOR

CITY ADMINISTRATOR

First Reading: July 2nd, 2024

Second Reading: July 2nd, 2024