

ADAIR VILLAGE CITY COUNCIL-Final
City Hall - 6030 Wm. R Carr Av.
****Tuesday, June 1, 2021 - 6:00 pm****

ROLL CALL – Flag Salute

1. 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/Budget Meeting – May 4, 2021 (Attachment A, A1)
- b. Bills List through – May 27, 2021 (Attachment B) – \$

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

3. STAFF REPORTS:

- a) Community Service Officer (CSO) Report (Attachment C) Pat Hare
- b) Public Works (Attachment D) Pat Hare
- c) City Administrator (Attachment E) Pat Hare
- d) Sheriff's Report (Attachment F) Pat Hare
- e) Financial Report-Through May 27, 2021 (Attachments G, G-1) Pat Hare

4. OLD BUSINESS:

- a) Audit (Attachment H) Pat Hare
Action: Discussion

5. NEW BUSINESS:

- a) Benton County Sheriff Contract I Pat Hare
Action: Decision

6. ORDINANCES, RESOLUTIONS, AND PROCLAMATIONS:

- a) Resolution 2021-2 Designating Agent (Attachment J) Pat Hare
Action: Decision
- b) Resolution 2021-3 Budget Appropriations (Attachment K) Pat Hare
Action: Decision
- c) Resolution 2021-4 State Revenue Sharing (Attachment L) Pat Hare
Action: Public Hearing & Decision
- d) Resolution 2021-5 Supplemental Budget (Attachment M) Pat Hare
Action: Public Hearing Decision

7. EXECUTIVE SESSION ORS 192.660 (i): To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing.

- a) N/A

8. COUNCIL and MAYOR COMMENTS:

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.

ADAIR VILLAGE CITY COUNCIL-Final
City Hall - 6030 Wm. R Carr Av.
******Tuesday, June 1, 2021 - 6:00 pm******

9. ADJOURNMENT:
Next meetings -

City Council –Tuesday, July 6, 2021 6:00 PM
Planning Commission- June 15, 2021 6:00 PM

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**ADAIR VILLAGE
CITY COUNCIL MINUTES
6030 William R. Carr Avenue
****Tuesday, May 4, 2021 – 6:00 PM******

Agenda Item	Action
<p>1. Roll Call: City Council Members present: Councilors Officer, Ray, Rowe and Mayor Currier were present. City Attorney Sean Kidd was present. CA (City Administrator) Hare was present. Minutes were taken by CA Hare.</p>	<p>Mayor Currier called the meeting to order at 6:00PM. and led the flag salute.</p>
<p>2. Consent Calendar (Agenda Item 2). Minutes of the April 6, 2021 City Council Meeting. Bills List through April 30, 2021, (\$133,754.89 total).</p>	<p>Councilor Rowe moved to approve the Consent Calendar. Councilor Officer seconded. Unanimous Approval (4-0).</p>
<p>3. Public Comment (Agenda Item 3). None.</p>	
<p>4. Attachment C – Community Services Officer (Agenda Item 4a). CA Hare presented the report.</p>	<p>Council received the report.</p>
<p>5. Attachment D – Public Works Report (Agenda Item 4b). CA Hare presented the report.</p>	<p>Council received the report.</p>
<p>6. Attachment E – City Administrator Report (Agenda Item 4c). CA Hare presented the report.</p> <p>Administration</p> <ul style="list-style-type: none"> • UGB Expansion – We are working with DOWL Engineering to prepare an application and it looks like the city may need a housing needs assessment. • Audit – Completed • Tangent – Update • Alyrica – They will be making the first connections to the city this month and they have begun installing lines to Santiam Christian and residents on Arnold AVE. • ODFW – Update <p>Property/Businesses</p> <ul style="list-style-type: none"> • Parks & Perpetuity – Now that we have rezoned the property 	<p>Council received the report.</p>

<p>we will submit our application and work with GSA and the Federal Parks Department.</p> <ul style="list-style-type: none"> • AVIS – Update • Store/Bella’s Pizzeria – Bellas Pizzeria has a new lunch menu and has slightly changed their hours. • Sweet Taste Bakery – The gazebo is up and the building is being prepared for paint next week. <p>Major Projects/Engineering</p> <ul style="list-style-type: none"> • Calloway Creek – Now that spring and summer are here all at once they are in full swing with over twenty crews out there. Houses are going up quickly. • Santiam Christian – Update • Water Plant – The first section of railing is complete and it came in a lot less than I expected. • Hospital Hill Water Line – We are working with IFA to finish our funding application and then we will get started on design and the bid process. We are hoping for construction by the end of July. 	
<p>7. Attachment F – Sheriff’s Report (Agenda Item 4d). CA Hare presented the report.</p>	<p>Council received the report.</p>
<p>8. Attachment G & G1 – Financial Report (Agenda Item 4e). CA Hare presented the report. Income is \$4,924,103.70 and expenses are \$1,799,192.65. The balance in the Local Government Investment Pool is approximately \$2,751,797.39; last year the balance was \$1,562,733.61.</p>	<p>Council received the report.</p>
<p>9. Attachment H – Ordinance 2021 – 1 Amending Zoning Map (Agenda Item 7a). Councilor Officer read the ordinance by title for the first reading the city council unanimously voted to read the ordinance by title a second time. CA Hare read the ordinance by title a second time.</p>	<p>Councilor Rowe moved to approve Ordinance 2021 -1. Councilor Officer seconded. Unanimous Approval (4-0).</p>
<p>10. Council and Mayor Comments (Agenda Item 9):</p> <ul style="list-style-type: none"> • Mayor Currier – Nonoe. • Councilor Officer - None. • Councilor Rowe – None. • Councilor Ray – None. 	
<p>11. Adjournment: Next meeting- Council meeting on Tuesday, June 1, 2021 at 6:00 pm.</p>	<p>Mayor Currier adjourned the meeting at 7:35PM.</p>

Mayor’s Approval

Date

May 2021 Bills	Date	Amount
	5/13/2021	\$43,555.40
	5/20/2021	\$11,982.58
	5/27/2021	\$12,654.78

Total \$68,192.76

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									
51689	1	Work for Tangent	Invoice	05/01/2021	05/20/2021	65.00		65.00	100-900-520
Total 51689:						65.00	.00	65.00	
51690	1	Work for Tangent	Invoice	05/01/2021	05/20/2021	65.00		65.00	100-900-520
Total 51690:						65.00	.00	65.00	
51691	1	Work for Tangent	Invoice	05/01/2021	05/20/2021	65.00		65.00	100-900-520
Total 51691:						65.00	.00	65.00	
51692	1	Work for Tangent	Invoice	05/01/2021	05/20/2021	65.00		65.00	100-900-520
Total 51692:						65.00	.00	65.00	
51782	1	Work for Tangent	Invoice	05/01/2021	05/20/2021	300.00		300.00	100-900-520
Total 51782:						300.00	.00	300.00	
51809	1	Work for Tangent	Invoice	05/01/2021	05/20/2021	450.00		450.00	100-900-520
Total 51809:						450.00	.00	450.00	
51917	1	Work for Tangent	Invoice	05/01/2021	05/20/2021	65.00		65.00	100-900-520
Total 51917:						65.00	.00	65.00	
Total 150 A & B Septic:						1,075.00	.00	1,075.00	24753
1410 Century Link									
05112021	1	541-745-5858 873B	Invoice	05/11/2021	06/11/2021	85.56		85.56	510-430-521
Total 05112021:						85.56	.00	85.56	
Total 1410 Century Link:						85.56	.00	85.56	24754
1520 CIS TRUST									
JUNE 2021 F	1	Employee Health Ins	Invoice	05/15/2021	06/15/2021	1,317.67		1,317.67	100-100-510
JUNE 2021 F	2	Employee Health Ins	Invoice	05/15/2021	06/15/2021	82.35		82.35	100-200-510
JUNE 2021 F	3	Employee Health Ins	Invoice	05/15/2021	06/15/2021	494.13		494.13	100-300-510
JUNE 2021 F	4	Employee Health Ins	Invoice	05/15/2021	06/15/2021	411.77		411.77	200-410-510
JUNE 2021 F	5	Employee Health Ins	Invoice	05/15/2021	06/15/2021	3,953.02		3,953.02	500-420-510
JUNE 2021 F	6	Employee Health Ins	Invoice	05/15/2021	06/15/2021	1,647.09		1,647.09	510-430-510
JUNE 2021 F	7	Employee Health Insurance	Invoice	05/15/2021	06/15/2021	329.42		329.42	520-440-510
Total JUNE 2021 FINAL INVOICE:						8,235.45	.00	8,235.45	
Total 1520 CIS TRUST:						8,235.45	.00	8,235.45	24755
1800 Consumers Power Inc.									
05102021	1	1152418	Invoice	05/10/2021	06/10/2021	124.89		124.89	510-430-521
Total 05102021:						124.89	.00	124.89	24756

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
Total 1800 Consumers Power Inc.:						124.89	.00	124.89	
7474 Corporate Warehouse Supply									
65064	1	Toner	Invoice	05/07/2021	06/07/2021	1,929.50		1,929.50	100-900-520
Total 65064:						1,929.50	.00	1,929.50	
Total 7474 Corporate Warehouse Supply:						1,929.50	.00	✓ 1,929.50	24757
2270 De Lage Landen Financial Services Inc.									
72436391	1	financial services	Invoice	05/14/2021	06/01/2021	131.00		131.00	100-900-520
Total 72436391:						131.00	.00	131.00	
Total 2270 De Lage Landen Financial Services Inc.:						131.00	.00	✓ 131.00	24758
999 Utility Refunds									
05142021	1	Water	Invoice	05/14/2021	06/14/2021	86.95		86.95	500-420-521
05142021	2	Wastewater	Invoice	05/14/2021	06/14/2021	57.96		57.96	510-430-521
Total 05142021:						144.91	.00	✓ 144.91	24759
05152021	1	Water	Invoice	05/15/2021	06/15/2021	30.22		30.22	500-420-521
05152021	2	Wastewater	Invoice	05/15/2021	06/15/2021	20.14		20.14	510-430-521
Total 05152021:						50.36	.00	✓ 50.36	24760
Total 999 Utility Refunds:						195.27	.00	195.27	
7130 Verizon									
9879149201	1	Phone	Invoice	05/29/2021	06/29/2021	46.28		46.28	100-900-521
9879149201	2	Phone	Invoice	05/29/2021	06/29/2021	79.80		79.80	510-430-521
9879149201	3	Phone	Invoice	05/29/2021	06/29/2021	79.83		79.83	500-420-521
Total 9879149201:						205.91	.00	✓ 205.91	24761
Total 7130 Verizon:						205.91	.00	205.91	
Total :						11,982.58	.00	11,982.58	
Grand Totals:						11,982.58	.00	11,982.58	

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
100-100-51010	1,317.67	.00	1,317.67
100-200-51010	82.35	.00	82.35
100-300-51010	494.13	.00	494.13
100-900-52002	1,929.50	.00	1,929.50
100-900-52019	1,206.00	.00	1,206.00
100-900-52110	46.28	.00	46.28
200-410-51010	411.77	.00	411.77
500-420-51010	3,953.02	.00	3,953.02

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
500-420-52105	117.17	.00	117.17
500-420-52110	79.83	.00	79.83
510-430-51010	1,647.09	.00	1,647.09
510-430-52105	78.10	.00	78.10
510-430-52109	124.89	.00	124.89
510-430-52110	165.36	.00	165.36
520-440-51010	329.42	.00	329.42
Grand Totals:	11,982.58	.00	11,982.58

Summary by General Ledger Posting Period

GL Posting Period	Debit	Credit	Net
05/21	11,982.58	.00	11,982.58
Grand Totals:	11,982.58	.00	11,982.58

[Handwritten Signature]
5/20/21

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
690 Bank of America									
04232021	1	Swanson and Sons Lock	Invoice	04/23/2021	05/23/2021	22.50		22.50	500-420-520
04232021	2	8x8	Invoice	04/23/2021	05/23/2021	229.18		229.18	100-900-521
04232021	3	Staples	Invoice	04/23/2021	05/23/2021	173.04		173.04	100-900-520
04232021	4	Staples	Invoice	04/23/2021	05/23/2021	309.99		309.99	100-900-520
04232021	5	Municipal Audit	Invoice	04/23/2021	05/23/2021	250.00		250.00	100-900-520
04232021	6	USPS	Invoice	04/23/2021	05/23/2021	276.85		276.85	100-900-521
04232021	7	Staples	Invoice	04/23/2021	05/23/2021	26.78		26.78	100-900-520
04232021	8	Porters	Invoice	04/23/2021	05/23/2021	21.51		21.51	500-420-520
04232021	9	Home Depot	Invoice	04/23/2021	05/23/2021	60.33		60.33	500-420-520
04232021	10	Home Depot	Invoice	04/23/2021	05/23/2021	10.68		10.68	500-420-520
04232021	11	Wilco	Invoice	04/23/2021	05/23/2021	128.72		128.72	100-300-520
04232021	12	Circle S Market	Invoice	04/23/2021	05/23/2021	23.00		23.00	500-420-520
Total 04232021:						1,532.58	.00	✓ 1,532.58	
Total 690 Bank of America:						1,532.58	.00	✓ 1,532.58	24729
890 Best Pots Inc									
A-434397	1	Rented Unit	Invoice	05/07/2021	05/17/2021	92.40		92.40	500-420-520
Total A-434397:						92.40	.00	✓ 92.40	
Total 890 Best Pots Inc:						92.40	.00	✓ 92.40	24731
1340 Caselle Inc.									
109572	1	Monthly Software Hosting Fees	Invoice	05/01/2021	06/01/2021	583.20		583.20	500-420-521
109572	2	Monthly Software Hosting Fee	Invoice	05/01/2021	06/01/2021	388.80		388.80	100-900-521
109572	3	Monthly Software Hosting Fee	Invoice	05/01/2021	06/01/2021	194.40		194.40	510-430-521
109572	4	Monthly Software Hosting Fee	Invoice	05/01/2021	06/01/2021	64.80		64.80	200-410-521
109572	5	Monthly Software Hosting Fee	Invoice	05/01/2021	06/01/2021	64.80		64.80	520-440-521
Total 109572:						1,296.00	.00	✓ 1,296.00	
Total 1340 Caselle Inc.:						1,296.00	.00	✓ 1,296.00	24732
1410 Century Link									
04252021	1	503-T31-4410 130B	Invoice	04/25/2021	05/25/2021	53.45		53.45	500-420-521
Total 04252021:						53.45	.00	✓ 53.45	
Total 1410 Century Link:						53.45	.00	✓ 53.45	24733
1610 Civil West Engineering Services Inc									
1001.001.00	1	General Services	Invoice	05/03/2021	06/03/2021	4,896.97		4,896.97	100-900-520
Total 1001.001.009:						4,896.97	.00	✓ 4,896.97	
1001.028.01	1	WWTP Headworks & Trickling Filter	Invoice	05/03/2021	06/03/2021	3,686.17		3,686.17	510-430-520
Total 1001.028.012:						3,686.17	.00	✓ 3,686.17	
1001.030.00	1	Arnold Ave ODOT SCA Grant	Invoice	05/03/2021	06/03/2021	2,025.00		2,025.00	200-410-520
Total 1001.030.005:						2,025.00	.00	✓ 2,025.00	

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
Total 1610 Civil West Engineering Services Inc:						10,608.14	.00	✓ 10,608.14	24734
7468 Coles Sheet and Metal Fab, Inc.									
886952	1	Secure Pipe for Handrail Project	Invoice	05/11/2021	05/13/2021	4,816.00		4,816.00	500-420-535
Total 886952:						4,816.00	.00	4,816.00	
Total 7468 Coles Sheet and Metal Fab, Inc.:						4,816.00	.00	✓ 4,816.00	24735
2300 Delapoe Kidd Attorneys at Law									
1858	1	General City matters	Invoice	05/01/2021	05/30/2021	481.25		481.25	100-900-520
Total 1858:						481.25	.00	481.25	
Total 2300 Delapoe Kidd Attorneys at Law:						481.25	.00	✓ 481.25	24736
7476 ECONorthwest									
050062021	1	Population Forecast Assistance	Invoice	05/06/2021	06/06/2021	123.75		123.75	100-900-520
Total 050062021:						123.75	.00	123.75	
Total 7476 ECONorthwest:						123.75	.00	✓ 123.75	24737
2520 Edge Analytical, Inc									
21-15232	1	Monthly Coliform	Invoice	05/03/2021	06/03/2021	29.70		29.70	500-420-521
Total 21-15232:						29.70	.00	29.70	
Total 2520 Edge Analytical, Inc:						29.70	.00	✓ 29.70	24738
7462 JLDowns Construction LLC									
1447	1	Painting Hand Rail and Assembled	Invoice	05/03/2021	06/03/2021	2,500.00		2,500.00	100-900-530
Total 1447:						2,500.00	.00	2,500.00	
Total 7462 JLDowns Construction LLC:						2,500.00	.00	✓ 2,500.00	24740
4320 Merina & Company LLP									
13072	1	Non-Departmental	Invoice	05/04/2021	05/13/2021	1,140.00		1,140.00	100-900-520
13072	2	Water	Invoice	05/04/2021	05/13/2021	1,805.00		1,805.00	500-420-520
13072	3	Wastewater	Invoice	05/04/2021	05/13/2021	1,805.00		1,805.00	510-430-520
Total 13072:						4,750.00	.00	4,750.00	
Total 4320 Merina & Company LLP:						4,750.00	.00	✓ 4,750.00	24741
4430 Mid-Valley Newspapers									
50630	1	Classified Packaged	Invoice	05/02/2021	06/02/2021	391.20		391.20	100-900-520
Total 50630:						391.20	.00	391.20	
Total 4430 Mid-Valley Newspapers:						391.20	.00	✓ 391.20	24742
4670 NW Natural									
04282021	1	1407224-3	Invoice	04/28/2021	05/28/2021	21.64		21.64	100-900-521

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
Total 04282021:						21.64	.00	21.64	
Total 4670 NW Natural:						21.64	.00	✓ 21.64	24744
4800 One Call Concepts Inc									
1020315-IN	1	Cleaning Services	Invoice	05/10/2021	05/13/2021	67.20		67.20	500-420-521
1020315-IN	2	Cleaning Services	Invoice	05/10/2021	05/13/2021	67.20		67.20	510-430-521
Total 1020315-IN:						134.40	.00	134.40	
Total 4800 One Call Concepts Inc:						134.40	.00	✓ 134.40	24746
4980 Oregon DEQ									
WQ22DOM-0	1	Annual Fees	Invoice	05/03/2021	06/03/2021	3,009.00		3,009.00	510-430-521
Total WQ22DOM-0007:						3,009.00	.00	✓ 3,009.00	
WQ22WSC-0	1	Annual Program Support Fee	Invoice	04/27/2021	07/01/2021	100.00		100.00	510-430-521
Total WQ22WSC-0237:						100.00	.00	100.00	
Total 4980 Oregon DEQ:						3,109.00	.00	✓ 3,109.00	24747
5040 Oregon Health Authority									
05032021	1	Annual Water System Fee	Invoice	05/03/2021	07/01/2021	900.00		900.00	500-420-521
Total 05032021:						900.00	.00	900.00	
Total 5040 Oregon Health Authority:						900.00	.00	✓ 900.00	24748
5300 Pacific Power/PacificCorp									
05102021	1	02099381-001 7	Invoice	05/13/2021	05/13/2021	2,249.05		2,249.05	500-420-521
Total 05102021:						2,249.05	.00	2,249.05	
Total 5300 Pacific Power/PacificCorp:						2,249.05	.00	✓ 2,249.05	24749
5780 Republic Services #452									
04302021	1	3-0452-0340655	Invoice	04/30/2021	05/13/2021	37.14		37.14	510-430-521
Total 04302021:						37.14	.00	✓ 37.14	
04302021.	1	3-0452-0023479	Invoice	04/30/2021	05/13/2021	36.65		36.65	100-900-521
Total 04302021.:						36.65	.00	✓ 36.65	
Total 5780 Republic Services #452:						73.79	.00	✓ 73.79	24750
5810 RG Smith Electric & Plumbing Inc									
19837	1	Camera Installation Barracks	Invoice	05/04/2021	05/07/2021	10,044.00		10,044.00	500-420-530
Total 19837:						10,044.00	.00	10,044.00	
Total 5810 RG Smith Electric & Plumbing Inc:						10,044.00	.00	✓ 10,044.00	24751

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
6230 Simply Payroll									
16876	1	Payroll	Invoice	05/06/2021	06/06/2021	135.00		135.00	100-900-520
Total 16876:						135.00	.00	135.00	
Total 6230 Simply Payroll:						135.00	.00	135.00	24752
999 Utility Refunds									
04302021	1	Water	Invoice	05/13/2021	05/13/2021	56.28		56.28	500-420-521
04302021	2	Wastewater	Invoice	05/13/2021	05/13/2021	37.52		37.52	510-430-521
Total 04302021:						93.80	.00	93.80	24730
05062021	1	Water	Invoice	05/06/2021	06/06/2021	11.28		11.28	500-420-521
05062021	2	Wastewater	Invoice	05/06/2021	06/06/2021	7.52		7.52	510-430-521
Total 05062021:						18.80	.00	18.80	24743
05062021	1	Water	Invoice	05/06/2021	06/06/2021	39.04		39.04	500-420-521
05062021	2	Wastewater	Invoice	05/06/2021	06/06/2021	26.02		26.02	510-430-521
Total 05062021:						65.06	.00	65.06	24739
05072021	1	Water	Invoice	05/07/2021	06/07/2021	21.83		21.83	500-420-521
05072021	2	Wastewater	Invoice	05/07/2021	06/07/2021	14.56		14.56	510-430-521
Total 05072021:						36.39	.00	36.39	24745
Total 999 Utility Refunds:						214.05	.00	214.05	
Total :						43,555.40	.00	43,555.40	
Grand Totals:						43,555.40	.00	43,555.40	

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
100-300-52002	128.72	.00	128.72
100-900-52002	199.82	.00	199.82
100-900-52010	391.20	.00	391.20
100-900-52016	1,390.00	.00	1,390.00
100-900-52017	481.25	.00	481.25
100-900-52019	258.75	.00	258.75
100-900-52020	4,896.97	.00	4,896.97
100-900-52025	309.99	.00	309.99
100-900-52108	276.85	.00	276.85
100-900-52109	58.29	.00	58.29
100-900-52110	229.18	.00	229.18
100-900-52114	388.80	.00	388.80
100-900-53001	2,500.00	.00	2,500.00
200-410-52020	2,025.00	.00	2,025.00
200-410-52114	64.80	.00	64.80
500-420-52002	93.51	.00	93.51

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
500-420-52014	44.51	.00	44.51
500-420-52016	1,805.00	.00	1,805.00
500-420-52019	92.40	.00	92.40
500-420-52104	29.70	.00	29.70
500-420-52105	128.43	.00	128.43
500-420-52107	900.00	.00	900.00
500-420-52109	2,316.25	.00	2,316.25
500-420-52110	53.45	.00	53.45
500-420-52114	583.20	.00	583.20
500-420-53003	10,044.00	.00	10,044.00
500-420-53500	4,816.00	.00	4,816.00
510-430-52016	1,805.00	.00	1,805.00
510-430-52020	3,686.17	.00	3,686.17
510-430-52102	3,109.00	.00	3,109.00
510-430-52105	85.62	.00	85.62
510-430-52109	104.34	.00	104.34
510-430-52114	194.40	.00	194.40
520-440-52114	64.80	.00	64.80
Grand Totals:	43,555.40	.00	43,555.40

Summary by General Ledger Posting Period

GL Posting Period	Debit	Credit	Net
04/21	1,781.46	.00	1,781.46
05/21	41,773.94	.00	41,773.94
Grand Totals:	43,555.40	.00	43,555.40

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5/13/21

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
1050 BRX Inc.									
21-057	1	Sewer Repair for Tangent	Invoice	05/25/2021	06/25/2021	2,450.00		2,450.00	100-900-520
Total 21-057:						2,450.00	.00	2,450.00	
Total 1050 BRX Inc.:						2,450.00	.00	2,450.00	
1410 Century Link									
05162021	1	Phone	Invoice	05/16/2021	06/15/2021	85.82		85.82	500-420-521
Total 05162021:						85.82	.00	85.82	
Total 1410 Century Link:						85.82	.00	85.82	
1550 City of Corvallis									
222936	1	Fuel	Invoice	05/15/2021	06/15/2021	471.66		471.66	500-420-520
Total 222936:						471.66	.00	471.66	
Total 1550 City of Corvallis:						471.66	.00	471.66	
1740 Comcast									
JUN 17 2021	1	8778 10 607 0002520	Invoice	05/10/2021	05/30/2021	102.85		102.85	100-900-521
Total JUN 17 2021:						102.85	.00	102.85	
Total 1740 Comcast:						102.85	.00	102.85	
1800 Consumers Power Inc.									
05192021	1	Utilities	Invoice	05/19/2021	06/19/2021	1,065.00		1,065.00	200-410-521
05192021	2	Utilities	Invoice	05/19/2021	06/19/2021	25.43		25.43	100-300-521
05192021	3	Utilities	Invoice	05/19/2021	06/19/2021	145.81		145.81	100-900-521
05192021	4	Utilities	Invoice	05/19/2021	06/19/2021	25.43		25.43	100-900-521
05192021	5	Utilities	Invoice	05/19/2021	06/19/2021	58.11		58.11	510-430-521
05192021	6	Utilities	Invoice	05/19/2021	06/19/2021	53.91		53.91	500-420-521
05192021	7	Utilities	Invoice	05/19/2021	06/19/2021	362.01		362.01	510-430-521
05192021	8	Utilities	Invoice	05/19/2021	06/19/2021	91.49		91.49	510-430-521
05192021	9	Utilities	Invoice	05/19/2021	06/19/2021	25.23		25.23	500-420-521
05192021	10	Utilities	Invoice	05/19/2021	06/19/2021	25.05		25.05	100-900-521
Total 05192021:						1,877.47	.00	1,877.47	
Total 1800 Consumers Power Inc.:						1,877.47	.00	1,877.47	
7478 Northcore USA LLC									
2002-004	1	City Hall Booster Station Project	Invoice	05/20/2021	06/20/2021	4,844.55		4,844.55	500-420-535
Total 2002-004:						4,844.55	.00	4,844.55	
Total 7478 Northcore USA LLC:						4,844.55	.00	4,844.55	
5750 Reed's Painting Inc.									
4660	1	Painting Coffee Shop	Invoice	05/17/2021	06/17/2021	2,750.00		2,750.00	100-900-520
Total 4660:						2,750.00	.00	2,750.00	

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Discount Amount	Net Invoice Check Amount	GL Account Number
Total 5750 Reed's Painting Inc.:						2,750.00	.00	2,750.00	
999 Utility Refunds									
05152021	1	Water	Invoice	05/15/2021	06/15/2021	43.44		43.44	500-420-521
05152021.	2	Wastewater	Invoice	05/15/2021	06/15/2021	28.96		28.96	510-430-521
Total 05152021.:						72.40	.00	72.40	
Total 999 Utility Refunds:						72.40	.00	72.40	
Total :						12,654.75	.00	12,654.75	
Grand Totals:						12,654.75	.00	12,654.75	

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
100-300-52109	25.43	.00	25.43
100-900-52012	2,750.00	.00	2,750.00
100-900-52019	2,450.00	.00	2,450.00
100-900-52109	196.29	.00	196.29
100-900-52110	102.85	.00	102.85
200-410-52109	1,065.00	.00	1,065.00
500-420-52014	471.66	.00	471.66
500-420-52105	43.44	.00	43.44
500-420-52109	79.14	.00	79.14
500-420-52110	85.82	.00	85.82
500-420-53500	4,844.55	.00	4,844.55
510-430-52105	28.96	.00	28.96
510-430-52109	511.61	.00	511.61
Grand Totals:	12,654.75	.00	12,654.75

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Summary by General Ledger Posting Period

GL Posting Period	Debit	Credit	Net
05/21	12,654.75	.00	12,654.75
Grand Totals:	12,654.75	.00	12,654.75



**CODE
COMPLIANCE**

Willamette Valley Processors, LLC

End of Month - May

4/28/21 through 5/26/21

CSO	Jerry Jackson
Hours Worked:	Hrs. - 100
Complaint Total:	Monthly Case Load
	Citizen Complaints 2 Self-Initiated 20 Total Calls 22

A21-036	4/29/21 8:25 AM	Tall Grass	Observed	7242 SE Dot St	
A21-037	4/29/21 8:32 AM	Illegal Parking	Complaint	8700 Block Box Elder	Tagged warning on vehicle
A21-038	4/29/21 8:38 AM	Tall Grass	Observed	8838 Cori Ct	Administrative Citation
A21-039	4/29/21 8:49 AM	Illegal Parking	Observed	120 Block Columbia	Left card on car
A21-040	4/29/21 8:51 AM	Tall Grass	Observed	134 Columbia	
A21-041	4/29/21 8:53 AM	Tall Grass	Observed	218 NE Azalea	
A21-042	4/29/21 8:55 AM	Tall Grass	Observed	234 NE Azalea Ave	Administrative Citation
A21-043	4/29/21 8:57 AM	Tall Grass	Observed	253 NE Azalea Ave	
A21-044	4/29/21 9:01 AM	Tall Grass	Observed	184 NE Azalea Ave	Administrative Citation
A21-045	4/29/21 9:03 AM	Tall Grass	Observed	4318 Holley Ln	
A21-046	4/30/21 10:17 AM	Illegal sign placement	Observed	William R Carr & Arnold	Removed

A21-047	5/3/21 11:50 AM	Backpack left on Power Box	Observed	6400 Block William R Carr	Left on box
A21-048	5/7/21 8:30 am	Solid Waste accumulation	Complaint	5224 NE Laurel St	Warning Letter
A21-049	5/7/21 9:16 AM	Illegal sign placement	Observed	Corner of William R Carr & Arnold	Removed
A21-050	5/10/21 9:25 AM	Tall Grass	Observed	7242 SE Dot St	Administrative Citation
A21-051	5/10/21 12:09 an	Illegal Parking block sidewalk	Observed	5174 NE Willamette Ave	Left card on car
A21-052	5/11/21 9:38 an	Tall Grass	Observed	164 NE Azalea	Left card on the door
A21-053	5/17/21 9:54 AM	Solid Waste accumulation	Observed	5224 NE Laurel St	Administrative Citation 2nd Warning
A21-054	5/17/21 9:56 AM	Tall Grass and Trees over roadway	Observed	4318 Holley Ln	Administrative Citation 2nd warning
A21-055	5/17/21 10:00 AM	Illegal Parking	Observed	William R Carr new housing	
A21-056	5/18/21 7:45 AM	Parking Violation	Observed	6045 William R Carr	Second day in a row the gentleman in unit one has parked in the lawn. He argue with me that he's making it a parking spot. When told he can't make a parking spot, he said he was going to put in gravel there. I told him he couldn't do that. He told me that it's up to the landlord not you. He also had his dog out again without it being on a leash. He has recently attempted

				to put up a fence in the front yard. The material is not there right now, but I want to make sure he doesn't try to put up the fence without permission.
A21-057	5/25/21 9:00 AM	Solid Waste Accumulation	Observed	5224 NE Laurel Dr Administrative Citation 3rd Warning w/Fine

Parking Report Total

Wrong Way Driving 0
On yellow curb 0
Prohibited Parking 5

Grass/Vegetation Warnings 11

Citizen Assist Total 0

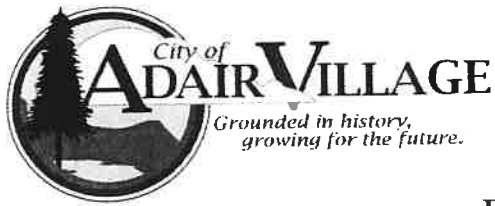
Trash Container 0
Solid Waste/Littering 3
Vacation/Citizen Assist 0

Animal Control Total 0

Basketball Hoop Violations: 0
Animal at large 0
Livestock/Dog Violations 0
Illegal sign placement 2
Lost item 1

City Assist:

- Emergency Management – Teaching new CERT Class 21-001/Monthly Regular CERT Training. Started new University of Utah online training for CERT
- Daily Patrol
- Working with CERT Team to update Emergency Preparedness Plan
- Monthly Water Bill Stuffing
- Verbal Water Notice assist for William R. Carr



PUBLIC WORKS
OPERATIONS AND MAINTENANCE REPORT
PERIOD: 4/20/2020 TO 5/20/2021

WATER USE / DISTRIBUTION REPORT

WATER USE REPORT

Water Produced: 10,506,492 Million Gallons.

Average Usage per Day 370k

WATER DISTRIBUTION REPORT

Maintenance Activity: Water demand has jump dramatically with very dry weather. Staff reported on leak at the block building and it was fixed the third week in May.

Collected quarterly samples 2nd quarter are done.

WASTEWATER TREATMENT REPORT

Flows into the WWTP are at summer levels. Staff continues to monitor, sample and report on a weekly basis.

Total Monthly Influent: 2.3 Million Gallons

STORM WATER COLLECTION SYSTEM REPORT

Maintenance Activity: Storm drains remain clear and Jeremy continues to mark drains when time allows.

STREETS MAINTENANCE REPORT

Maintenance Activity: Streets are in good shape. Jeremy has started to spray cracks in the road.

CITY HALL / PARKS AND WETLANDS

Maintenance Activity: Mowing is at full speed and staff has had no issues keeping up with mowing spraying and clearing of brush.

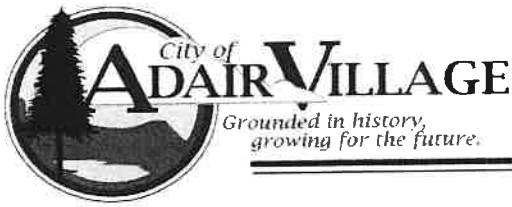
WATER TREATMENT PLANT

Maintenance Activity: The water plant continues to run 5 days a week and averaging 10 hours a day. The plant has been running just fine and no issues to report.

WASTEWATER TREATMENT PLANT

Maintenance Activity: The wastewater treatment plant is doing just fine. Staff will be removing dried solids from the plant to the dump.

Completed by Matt Lydon, Public Works Supervisor



CITY ADMINISTRATOR'S REPORT June 1, 2021 Council Meeting

Administration

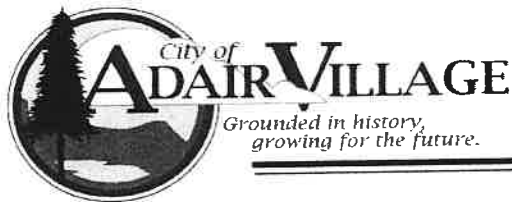
- **UGB Expansion** – We have been working with DLCD to get prepared to apply for the UGB expansion. We need to clean up the development code and add a residential zone.
- **ARPA** – The American Rescue Plan Act funds will be available this month for smaller cities but we are still waiting on the guidelines for use of the funds.
- **Tangent** – Update
- **Alyrica** – The city is now connected to Alyrica and we have canceled our contract with comcast. The next section they will be going down is William R. Carr Ave and the two loops.
- **ODFW** – Update

Property/Businesses

- **Parks & Perpetuity** – We have submitted our application and engaged GSA to start the appraisal process.
- **AVIS** – Update
- **Store/Bella's Pizzeria** – Bellas Pizzeria will begin delivering over the next few months within a five-mile radius.
- **Sweet Taste Bakery** – The building has been painted and we removed an old freezer out of the building. Linda is purchasing a larger oven so that she can expand her business. She is also in the process of renaming and planning to open the doors.

Major Projects/Engineering

- **Calloway Creek** – WE are working on platting phase four of the project almost every single lot is sold in phase three.
- **Santiam Christian** – Update
- **Water Plant** – We are working on the next phase of the railing and we will be working on the electrical over the next few months.
- **Hospital Hill Water Line** – WE are moving through the funding process but have been able to begin engineering and ordering materials.



STAFF REPORT
Attachment G – Financial Report
June 1, 2021 Council Meeting

Totals - Income shown for Fiscal Year 2020-2021 is \$4,923,048.81 and Expenses are \$1,881,266.20 which shows a Net Income of \$3,041,782.61 for all funds.

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

Fund	Income	Expenses	% of Budget	Difference
General	1,018,962.25	517,058.89	67.80%	501,903.36
Streets	158,428.97	61,857.79	37.40%	96,571.18
Water	1,319,543.10	777,815.84	58.20%	541,727.26
Wastewater	620,723.66	488,277.75	17.20%	132,445.91
Storm Drain	40,895.93	21,259.93	68.10%	19,636.00
SDC Fund	1,641,198.44	0.00	0.00%	1,641,198.44
Reserve	123,296.46	14,996.00	13.80%	108,300.46
TOTAL	\$4,923,048.81	\$1,881,266.20		3,041,782.61

We have approximately **\$2,968,652.74** in the Local Government Investment Pool (LGIP). In March we had **\$2,751,797.39**. Last year at this time we had **\$1,574,614.71**.

Report Criteria:

- Print Fund Titles
- Page and Total by Fund
- Print Source Titles
- Total by Source
- Print Department Titles
- Total by Department
- All Segments Tested for Total Breaks

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
General Fund					
General Fund					
100-000-40000	Beginning Fund Balance	200,500.00	391,407.67	190,907.67-	195.2%
100-000-40001	Property Taxes - Current	140,000.00	174,197.92	34,197.92-	124.4%
100-000-40002	Property Taxes - Prior Year	2,500.00	181.61	2,318.39	7.3%
100-000-41010	Revenue Sharing	9,500.00	8,214.25	1,285.75	86.5%
100-000-41020	Cigarette Taxes	1,100.00	823.65	476.35	56.7%
100-000-41030	Liquor Taxes	16,500.00	15,624.85	875.35	94.7%
100-000-41100	Tangent Contract	119,100.00	95,499.31	23,600.69	80.2%
100-000-41200	Transient Lodging Tax	.00	5,000.00	5,000.00-	.00
100-000-42001	Planning Fees	10,000.00	.00	10,000.00	.00
100-000-42050	Fees - Other	4,000.00	9,430.00	5,430.00-	235.8%
100-000-42060	SDC Administrative Fees	.00	34,342.00	34,342.00-	.00
100-000-43001	Utility Franchise Fees	50,000.00	61,295.77	11,295.77-	122.6%
100-000-46020	Residential Rent Revenue	21,600.00	22,831.53	1,231.53-	105.7%
100-000-46021	Property Lease or Rent	58,000.00	105,966.18	47,966.18-	182.7%
100-000-46023	Building Lease	32,000.00	6,034.00	25,966.00	18.9%
100-000-46024	Property Tax-Property Lease	4,900.00	.00	4,900.00	.00
100-000-46027	Utilities-Property Lease	14,000.00	.00	14,000.00	.00
100-000-46028	Room Rental	120.00	.00	120.00	.00
100-000-46031	Court Fees and Fines	.00	.00	.00	.00
100-000-46032	Ordinance Violation Fines	1,500.00	.00	1,500.00	.00
100-000-46055	Refunds	200.00	6,811.17	6,411.17-	3305.6
100-000-46057	Miscellaneous	.00	3,209.97	3,209.97-	.00
100-000-47300	Parks Grant	.00	.00	.00	.00
100-000-47900	COVID-19 Reimbursements	50,000.00	50,000.00	.00	100.0%
100-000-48000	Interest	12,000.00	13,496.57	1,496.57-	112.5%
100-000-49500	Transfer from Water Fund	.00	.00	.00	.00
100-000-49530	Transfer from SDC Fund	.00	.00	.00	.00
100-000-49600	Transfer from Reserve Fund	14,996.00	14,996.00	.00	100.0%
Total General Fund:		762,516.00	1,018,962.25	256,446.25-	133.6%
City Administration					
100-100-50010	City Administrator	64,020.00	57,295.40	6,724.60	89.5%
100-100-50016	Utility/Court Clerk	7,918.00	7,307.54	610.46	92.3%
100-100-50018	Finance Clerk	3,393.00	3,204.26	188.74	94.4%
100-100-50025	Summer Program Coordinator	.00	.00	.00	.00
100-100-51010	Employee Health Ins Benefits	17,395.00	14,994.17	2,400.83	86.2%
100-100-51020	Retirement Benefits	18,893.00	14,776.00	4,117.00	78.2%
100-100-51030	Employment Taxes	10,411.00	4,753.04	5,657.96	45.7%
100-100-52002	Materials & Supplies	200.00	.00	200.00	.00
100-100-52010	Miscellaneous	.00	.00	.00	.00
100-100-52013	Travel and Training	2,500.00	.00	2,500.00	.00
100-100-52014	Vehicle Fuel & Maintenance	.00	.00	.00	.00
100-100-52016	Audit	.00	.00	.00	.00

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
100-100-52017	City Attorney	15,000.00	.00	15,000.00	.00
100-100-52018	Planning Consultant	30,000.00	.00	30,000.00	.00
100-100-52019	Contract Service	24,000.00	22,000.00	2,000.00	91.7%
100-100-52030	Miscellaneous	250.00	.00	250.00	.00
100-100-52101	Banking Charges	.00	.00	.00	.00
100-100-52102	Dues	.00	.00	.00	.00
100-100-52103	Insurance	.00	.00	.00	.00
100-100-52106	Mileage	250.00	.00	250.00	.00
100-100-52107	Permits	.00	.00	.00	.00
100-100-52108	Postage	.00	.00	.00	.00
100-100-53002	Equipment Purchase	.00	.00	.00	.00
Total City Administration:		194,230.00	124,330.41	69,899.59	64.0%
Public Safety					
100-200-50010	City Administrator	5,820.00	5,357.49	462.51	92.1%
100-200-51010	Employee Health Ins Benefits	1,198.00	965.81	232.19	80.6%
100-200-51020	Retirement Benefits	1,460.00	1,164.83	295.17	79.8%
100-200-51030	Employment Taxes	804.00	320.22	483.78	39.8%
100-200-52019	Contract Service	36,000.00	24,340.50	11,659.50	67.6%
100-200-52103	Insurance	.00	.00	.00	.00
Total Public Safety:		45,282.00	32,148.85	13,133.15	71.0%
Parks and Recreation					
100-300-50025	Summer Program Coordinator	13,549.00	.00	13,549.00	.00
100-300-50054	Utility Worker II	12,620.00	10,544.19	2,075.81	83.6%
100-300-50058	Utility Worker I	.00	.00	.00	.00
100-300-51010	Employee Health Ins Benefits	7,136.00	4,876.96	2,259.04	68.3%
100-300-51020	Retirement Benefits	6,563.00	4,630.80	1,932.20	70.6%
100-300-51030	Employment Taxes	3,617.00	2,263.71	1,353.29	62.6%
100-300-52002	Materials & Supplies	400.00	1,632.67	1,232.67	408.2%
100-300-52011	System Maintenance & Repair	.00	17.95	17.95	.00
100-300-52012	Maintenance - Bldg & Parks	1,000.00	906.89	93.11	90.7%
100-300-52013	Travel and Training	500.00	.00	500.00	.00
100-300-52014	Vehicle Fuel & Maintenance	.00	.00	.00	.00
100-300-52019	Contract Service	800.00	.00	800.00	.00
100-300-52022	Equipment Maintenance	200.00	1,489.15	1,289.15	744.6%
100-300-52023	Equipment Rental/Lease	100.00	.00	100.00	.00
100-300-52025	Small Equipment Purchase	200.00	4,266.24	4,066.24	2133.1
100-300-52026	Non-capital Improvements	.00	.00	.00	.00
100-300-52030	Miscellaneous	500.00	.00	500.00	.00
100-300-52103	Insurance	1,000.00	1,100.53	100.53	110.1%
100-300-52106	Mileage	100.00	.00	100.00	.00
100-300-52108	Postage	75.00	.00	75.00	.00
100-300-52109	Utilities	750.00	254.30	495.70	33.9%
100-300-52111	Parks-Events	2,000.00	.00	2,000.00	.00
100-300-52112	Parks - Youth Activities	6,000.00	.00	6,000.00	.00
100-300-53001	Improvements - Bldg & Parks	1,500.00	.00	1,500.00	.00
100-300-53002	Equipment Purchase	1,250.00	.00	1,250.00	.00
100-300-55600	Transfer to Reserve Fund	5,000.00	5,000.00	.00	100.0%
Total Parks and Recreation:		64,860.00	36,963.39	27,876.61	57.0%
Non-departmental					
100-900-51030	Employment Taxes	.00	.00	.00	.00

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
100-900-52002	Materials & Supplies	3,500.00	5,953.53	2,453.53-	170.1%
100-900-52010	Legal Notices	1,500.00	1,110.20	389.80	74.0%
100-900-52012	Maintenance - Bldg & Parks	5,000.00	6,579.85	1,579.85-	131.6%
100-900-52013	Travel and Training	.00	2,178.59	2,178.59-	.00
100-900-52014	Vehicle Fuel & Maintenance	200.00	14.72	185.28	7.4%
100-900-52015	Security Alarm	.00	.00	.00	.00
100-900-52016	Audit	2,850.00	2,530.00	320.00	88.8%
100-900-52017	City Attorney	.00	7,258.45	7,258.45-	.00
100-900-52019	Contract Service	70,000.00	80,376.28	10,376.28-	114.8%
100-900-52020	Engineering Consultant	.00	27,923.79	27,923.79-	.00
100-900-52021	Transit	20,000.00	9,401.61	10,598.39	47.0%
100-900-52022	Equipment Maintenance	4,500.00	733.00	3,767.00	16.3%
100-900-52023	Equipment Rental/Lease	500.00	917.00	417.00-	183.4%
100-900-52024	Security Alarm	800.00	552.54	247.46	69.1%
100-900-52025	Small Equipment Purchase	1,200.00	629.98	570.02	52.5%
100-900-52026	Non-capital Improvements	.00	.00	.00	.00
100-900-52030	Miscellaneous	2,500.00	4,494.53	1,994.53-	179.8%
100-900-52031	CERT Expenditures	.00	4,216.78	4,216.78-	.00
100-900-52101	Banking Charges	750.00	104.00	646.00	13.9%
100-900-52102	Dues	5,250.00	5,390.42	140.42-	102.7%
100-900-52103	Insurance	6,150.00	6,766.84	616.84-	110.0%
100-900-52108	Postage	2,500.00	2,634.35	134.35-	105.4%
100-900-52109	Utilities	22,200.00	11,416.55	10,783.45	51.4%
100-900-52110	Telephones	4,600.00	3,782.01	817.99	82.2%
100-900-52111	Mayor & Council Expenses	1,000.00	.00	1,000.00	.00
100-900-52113	Election Fees	1,000.00	.00	1,000.00	.00
100-900-52114	Software Hosting Fees	4,824.00	5,188.80	364.80-	107.6%
100-900-52115	Tangent Expenditures	12,000.00	.00	12,000.00	.00
100-900-52197	Utilities - Rentals	.00	.00	.00	.00
100-900-52199	Property Taxes	9,000.00	7,853.27	1,146.73	87.3%
100-900-52220	Residential Rental-related Exp	.00	.00	.00	.00
100-900-52800	COVID-19 Expenses	50,000.00	40,920.48	9,079.52	81.8%
100-900-52900	Insurance Reimbursed Expense	.00	6,570.03	6,570.03-	.00
100-900-53001	Improvements - Bldg & Parks	4,000.00	2,500.00	1,500.00	62.5%
100-900-53002	Equipment Purchase	7,500.00	144.99	7,355.01	1.9%
100-900-53003	Barracks Improvements	.00	5,315.99	5,315.99-	.00
100-900-53004	Land Purchase	.00	.00	.00	.00
100-900-54006	Barracks Loan Payment	22,254.00	22,253.66	.34	100.0%
100-900-55500	Transfer to Water Fund	9,577.00	9,577.00	.00	100.0%
100-900-55510	Transfer to Wastewater Fund	.00	.00	.00	.00
100-900-55530	Transfer to SDC Fund	38,307.00	38,307.00	.00	100.0%
100-900-55600	Transfer to Reserve Fund	.00	.00	.00	.00
Total Non-departmental:		313,462.00	323,596.24	10,134.24-	103.2%
Contingency					
100-998-58000	Contingency	74,000.00	.00	74,000.00	.00
Total Contingency:		74,000.00	.00	74,000.00	.00
Ending Fund Balance					
100-999-59000	Reserve for Future Expenditure	70,682.00	.00	70,682.00	.00
Total Ending Fund Balance:		70,682.00	.00	70,682.00	.00
General Fund Revenue Total:		762,516.00	1,018,962.25	256,446.25-	133.6%

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
	General Fund Expenditure Total:	762,516.00	517,058.89	245,457.11	67.8%
	Net Total General Fund:	.00	501,903.36	501,903.36-	.00

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
Street Fund					
Street Fund					
200-000-40000	Beginning Fund Balance	105,000.00	110,521.03	5,521.03-	105.3%
200-000-41040	Highway Apportionment	60,000.00	47,907.94	12,092.06	79.8%
200-000-46057	Miscellaneous	200.00	.00	200.00	.00
200-000-48000	Interest	.00	.00	.00	.00
Total Street Fund:		165,200.00	158,428.97	6,771.03	95.9%
Public Works - Streets					
200-410-50010	City Administrator	.00	.00	.00	.00
200-410-50018	Finance Clerk	1,131.00	1,068.10	62.90	94.4%
200-410-50050	Public Works Supervisor	6,176.00	5,740.33	435.67	92.9%
200-410-50052	Utility Worker III	4,890.00	4,510.96	379.04	92.2%
200-410-50054	Utility Worker II	2,103.00	1,870.88	232.32	89.0%
200-410-50058	Utility Worker I	.00	.00	.00	.00
200-410-51010	Employee Health Ins Benefits	5,380.00	4,982.12	397.88	92.6%
200-410-51020	Retirement Benefits	3,586.00	2,995.10	590.90	83.5%
200-410-51030	Employment Taxes	1,976.00	1,440.97	535.03	72.9%
200-410-52002	Materials & Supplies	.00	.00	.00	.00
200-410-52011	System Maintenance & Repair	.00	.00	.00	.00
200-410-52016	Audit	950.00	.00	950.00	.00
200-410-52017	City Attorney	.00	.00	.00	.00
200-410-52019	Contract Service	1,500.00	.00	1,500.00	.00
200-410-52020	Engineering Consultant	.00	14,878.43	14,878.43-	.00
200-410-52022	Equipment Maintenance	.00	.00	.00	.00
200-410-52023	Equipment Rental/Lease	250.00	.00	250.00	.00
200-410-52024	Street Sweeping	6,000.00	2,950.00	3,050.00	49.2%
200-410-52027	Street Signs	.00	213.12	213.12-	.00
200-410-52030	Miscellaneous	100.00	.00	100.00	.00
200-410-52102	Dues	.00	.00	.00	.00
200-410-52103	Insurance	3,800.00	4,179.18	379.18-	110.0%
200-410-52109	Utilities	11,000.00	10,516.00	484.00	95.6%
200-410-52114	Software Hosting Fees	804.00	712.80	91.20	88.7%
200-410-53001	Street Maintenance	.00	5,600.00	5,600.00-	.00
200-410-53002	Equipment Purchase	.00	.00	.00	.00
200-410-55600	Transfer to Reserve Fund	200.00	200.00	.00	100.0%
Total Public Works - Streets:		49,846.00	61,857.79	12,011.79-	124.1%
Contingency					
200-998-58000	Contingency	8,600.00	.00	8,600.00	.00
Total Contingency:		8,600.00	.00	8,600.00	.00
Ending Fund Balance					
200-999-59000	Reserve for Future Expenditure	106,754.00	.00	106,754.00	.00
Total Ending Fund Balance:		106,754.00	.00	106,754.00	.00
Street Fund Revenue Total:		165,200.00	158,428.97	6,771.03	95.9%
Street Fund Expenditure Total:		165,200.00	61,857.79	103,342.21	37.4%

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
	Net Total Street Fund:	.00	96,571.18	96,571.18-	.00

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
Water Fund					
Water Fund					
500-000-40000	Beginning Fund Balance	737,500.00	759,714.89	22,214.89-	103.0%
500-000-42010	New Accounts	.00	.00	.00	.00
500-000-42020	New Connections	2,000.00	17,600.00	15,600.00-	880.0%
500-000-42032	Water Metered Fees	330,000.00	466,394.13	136,394.13-	141.3%
500-000-42035	Reconnect Fees	2,000.00	.00	2,000.00	.00
500-000-42036	Water Outside Assessments	250,000.00	50,154.59	199,845.41	20.1%
500-000-42045	Utility Deposit	4,000.00	6,410.00	2,410.00-	160.3%
500-000-46030	Fees - Other	500.00	1,557.00	1,057.00-	311.4%
500-000-46055	Refunds	1,000.00	3,532.00	2,532.00-	353.2%
500-000-46057	Miscellaneous	.00	4,603.49	4,603.49-	.00
500-000-48000	Interest	.00	.00	.00	.00
500-000-49010	IFA Water Loan	.00	.00	.00	.00
500-000-49100	Transfer in from General Fund	9,577.00	9,577.00	.00	100.0%
500-000-49600	Transfer from Reserve	.00	.00	.00	.00
Total Water Fund:		1,336,577.00	1,319,543.10	17,033.90	98.7%
Public Works - Water					
500-420-50010	City Administrator	34,920.00	32,963.91	1,956.09	94.4%
500-420-50016	Utility/Court Clerk	21,774.00	19,928.23	1,845.77	91.5%
500-420-50018	Finance Clerk	11,311.00	10,680.83	630.17	94.4%
500-420-50050	Public Works Supervisor	37,055.00	31,831.95	5,223.05	85.9%
500-420-50052	Utility Worker III	26,893.00	24,810.51	2,082.49	92.3%
500-420-50054	Utility Worker II	18,931.00	16,439.40	2,491.60	86.8%
500-420-50058	Utility Worker I	.00	.00	.00	.00
500-420-51010	Employee Health Ins Benefits	53,435.00	46,665.55	6,769.45	87.3%
500-420-51020	Retirement Benefits	37,842.00	30,542.15	7,299.85	80.7%
500-420-51030	Employment Taxes	20,852.00	13,271.05	7,580.95	63.6%
500-420-52001	Chemicals	30,000.00	14,152.13	15,847.87	47.2%
500-420-52002	Materials & Supplies	1,000.00	1,061.70	61.70-	106.2%
500-420-52010	Publications-Legal Notices	100.00	.00	100.00	.00
500-420-52011	System Maintenance & Repair	45,000.00	69,495.91	24,495.91-	154.4%
500-420-52013	Travel and Training	3,000.00	.00	3,000.00	.00
500-420-52014	Vehicle Fuel & Maintenance	5,500.00	4,158.98	1,341.02	75.6%
500-420-52016	Audit	4,275.00	3,610.00	665.00	84.4%
500-420-52017	City Attorney	.00	.00	.00	.00
500-420-52019	Contract Service	35,000.00	2,355.55	32,644.45	6.7%
500-420-52020	Engineering Consultant	20,000.00	9,363.50	10,636.50	46.8%
500-420-52022	Equipment Maintenance	2,000.00	2,381.67	381.67-	119.1%
500-420-52023	Equipment Rental/Lease	3,000.00	.00	3,000.00	.00
500-420-52025	Small Equipment Purchase	4,000.00	3,753.01	246.99	93.8%
500-420-52030	Miscellaneous	2,000.00	4,956.35	2,956.35-	247.8%
500-420-52101	Banking Charges	200.00	594.16	394.16-	297.1%
500-420-52102	Dues	3,000.00	337.00	2,663.00	11.2%
500-420-52103	Insurance	8,500.00	9,351.68	851.68-	110.0%
500-420-52104	Lab Analysis	5,000.00	1,780.20	3,219.80	35.6%
500-420-52105	Refunds-Utility Deposit	500.00	979.35	479.35-	195.9%
500-420-52106	Mileage	.00	.00	.00	.00
500-420-52107	Permits	1,000.00	1,280.00	280.00-	128.0%
500-420-52108	Postage	600.00	.00	600.00	.00
500-420-52109	Utilities	33,000.00	27,928.90	5,071.10	84.6%
500-420-52110	Telephones	3,400.00	2,413.12	986.88	71.0%
500-420-52114	Software Hosting Fees	7,236.00	8,285.19	1,049.19-	114.5%

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
500-420-53001	Equipment Purchase	.00	.00	.00	.00
500-420-53002	Equipment Purchase	7,500.00	9,554.83	2,054.83-	127.4%
500-420-53003	Capital Outlay	.00	10,044.00	10,044.00-	.00
500-420-53500	Water System Improvements	100,000.00	36,656.70	63,343.30	36.7%
500-420-53501	New Pump Station	150,000.00	183,975.58	33,975.58-	122.7%
500-420-54001	1980 Water P & I	.00	.00	.00	.00
500-420-54002	97 Water P & I	.00	.00	.00	.00
500-420-54005	IFA Loan Payment	140,000.00	139,012.75	987.25	99.3%
500-420-55100	Transfer to General Fund	.00	.00	.00	.00
500-420-55600	Transfer to Reserve Fund	3,200.00	3,200.00	.00	100.0%
Total Public Works - Water:		881,024.00	777,815.84	103,208.16	88.3%
Contingency					
500-998-58000	Contingency	85,000.00	.00	85,000.00	.00
Total Contingency:		85,000.00	.00	85,000.00	.00
Ending Fund Balance					
500-999-59000	Reserve for Future Expenditure	370,553.00	.00	370,553.00	.00
Total Ending Fund Balance:		370,553.00	.00	370,553.00	.00
Water Fund Revenue Total:		1,336,577.00	1,319,543.10	17,033.90	98.7%
Water Fund Expenditure Total:		1,336,577.00	777,815.84	558,761.16	58.2%
Net Total Water Fund:		.00	541,727.26	541,727.26-	.00

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
Wastewater Fund					
Wastewater Fund					
510-000-40000	Beginning Fund Balance	17,500.00	127,658.67	110,158.67-	729.5%
510-000-41100	Tangent Contract	30,000.00	20,000.00	10,000.00	66.7%
510-000-42039	Wastewater Fees	285,600.00	271,098.88	14,501.12	94.9%
510-000-42041	OR DEQ Loan for WWFP	.00	1,002.11	1,002.11-	.00
510-000-42045	Utility Deposit	.00	.00	.00	.00
510-000-46030	Fees - Other	.00	.00	.00	.00
510-000-46055	Refunds	.00	.00	.00	.00
510-000-46057	Miscellaneous	1,000.00	.00	1,000.00	.00
510-000-49011	OR DEQ Loan for WWFP	.00	.00	.00	.00
510-000-49012	2020 Wastewater Loan	2,500,000.00	200,964.00	2,299,036.00	8.0%
510-000-49600	Transfer from Reserve Fund	.00	.00	.00	.00
Total Wastewater Fund:		2,834,100.00	620,723.66	2,213,376.34	21.9%
Public Works - Wastewater					
510-430-50010	City Administrator	8,730.00	9,144.87	414.87-	104.8%
510-430-50016	Utility/Court Clerk	8,908.00	8,470.65	437.35	95.1%
510-430-50018	Finance Clerk	6,221.00	5,971.84	249.16	96.0%
510-430-50050	Public Works Supervisor	15,440.00	16,960.88	1,520.88-	109.9%
510-430-50052	Utility Worker III	14,669.00	13,532.95	1,136.05	92.3%
510-430-50054	Utility Worker II	6,310.00	5,611.96	698.04	88.9%
510-430-50058	Utility Worker I	.00	.00	.00	.00
510-430-51010	Employee Health Ins Benefits	21,771.00	20,081.47	1,689.53	92.2%
510-430-51020	Retirement Benefits	15,118.00	12,361.35	2,756.65	81.8%
510-430-51030	Employment Taxes	8,330.00	6,199.41	2,130.59	74.4%
510-430-52001	Chemicals	4,500.00	6,812.79	2,312.79-	151.4%
510-430-52002	Materials & Supplies	500.00	193.46	306.54	38.7%
510-430-52003	Janitorial Supplies	.00	.00	.00	.00
510-430-52009	Uniforms	.00	.00	.00	.00
510-430-52010	Publications-Legal Notices	250.00	.00	250.00	.00
510-430-52011	System Maintenance & Repair	75,000.00	18,460.35	56,539.65	24.6%
510-430-52013	Travel and Training	1,000.00	199.00	801.00	19.9%
510-430-52014	Vehicle Fuel & Maintenance	3,300.00	.00	3,300.00	.00
510-430-52016	Audit	1,425.00	3,610.00	2,185.00-	253.3%
510-430-52017	City Attorney	.00	.00	.00	.00
510-430-52019	Contract Service	2,200.00	248.15	1,951.85	11.3%
510-430-52020	Engineering Consultant	.00	3,686.17	3,686.17-	.00
510-430-52022	Equipment Maintenance	1,500.00	.00	1,500.00	.00
510-430-52023	Equipment Rental/Lease	.00	.00	.00	.00
510-430-52030	Miscellaneous	1,000.00	603.01	396.99	60.3%
510-430-52101	Banking Charges	500.00	346.24	153.76	69.2%
510-430-52102	Dues	100.00	3,289.00	3,189.00-	3289.0
510-430-52103	Insurance	6,200.00	6,820.45	620.45-	110.0%
510-430-52104	Lab Analysis	4,000.00	1,794.60	2,205.40	44.9%
510-430-52105	Refunds-Utility Deposit	.00	652.89	652.89-	.00
510-430-52106	Mileage	500.00	.00	500.00	.00
510-430-52107	Permits	2,200.00	714.00	1,486.00	32.5%
510-430-52108	Postage	550.00	.00	550.00	.00
510-430-52109	Utilities	8,200.00	9,225.20	1,025.20-	112.5%
510-430-52110	Telephones	2,500.00	1,794.52	705.48	71.8%
510-430-52114	Software Hosting Fees	2,412.00	2,138.40	273.60	88.7%
510-430-53002	Equipment Purchase	7,500.00	144.99	7,355.01	1.9%
510-430-53005	Wastewater System Improvements	2,500,000.00	306,095.17	2,193,904.83	12.2%

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
510-430-54003	97 Wastewater P & I	.00	.00	.00	.00
510-430-54004	OR DEQ Loan Repayment	30,000.00	22,714.00	7,286.00	75.7%
510-430-55600	Transfer to Reserve Fund	400.00	400.00	.00	100.0%
Total Public Works - Wastewater:		2,761,234.00	488,277.75	2,272,956.25	17.7%
Contingency					
510-998-58000	Contingency	38,000.00	.00	38,000.00	.00
Total Contingency:		38,000.00	.00	38,000.00	.00
Ending Fund Balance					
510-999-59000	Reserve for Future Expenditure	34,866.00	.00	34,866.00	.00
Total Ending Fund Balance:		34,866.00	.00	34,866.00	.00
Wastewater Fund Revenue Total:		2,834,100.00	620,723.66	2,213,376.34	21.9%
Wastewater Fund Expenditure Total:		2,834,100.00	488,277.75	2,345,822.25	17.2%
Net Total Wastewater Fund:		.00	132,445.91	132,445.91-	.00

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
Storm Drain Fund					
Storm Drain Fund					
520-000-40000	Beginning Fund Balance	6,000.00	11,086.17	5,086.17-	184.8%
520-000-42040	Storm Drain Fees	25,000.00	29,809.76	4,809.76-	119.2%
520-000-46057	Miscellaneous	200.00	.00	200.00	.00
Total Storm Drain Fund:		31,200.00	40,895.93	9,695.93-	131.1%
Public Works - Storm Drain					
520-440-50010	City Administrator	2,910.00	2,388.84	521.16	82.1%
520-440-50016	Utility/Court Clerk	990.00	831.24	158.76	84.0%
520-440-50018	Finance Clerk	566.00	436.66	129.34	77.1%
520-440-50050	Public Works Supervisor	3,088.00	2,870.16	217.84	92.9%
520-440-50052	Utility Worker III	2,445.00	2,255.52	189.48	92.3%
520-440-50054	Utility Worker II	2,102.00	1,814.03	287.97	86.3%
520-440-50058	Utility Worker I	.00	.00	.00	.00
520-440-51010	Employee Health Ins Benefits	4,411.00	4,016.30	394.70	91.1%
520-440-51020	Retirement Benefits	3,035.00	2,528.75	506.25	83.3%
520-440-51030	Employment Taxes	1,672.00	1,357.47	314.53	81.2%
520-440-52002	Materials & Supplies	70.00	.00	70.00	.00
520-440-52010	Publications-Legal Notices	.00	.00	.00	.00
520-440-52011	System Maintenance & Repair	1,400.00	.00	1,400.00	.00
520-440-52013	Travel and Training	.00	.00	.00	.00
520-440-52014	Vehicle Fuel & Maintenance	200.00	.00	200.00	.00
520-440-52016	Audit	.00	.00	.00	.00
520-440-52017	City Attorney	.00	.00	.00	.00
520-440-52019	Contract Service	1,929.00	2,009.00	80.00-	104.1%
520-440-52020	Engineering Consultant	.00	.00	.00	.00
520-440-52022	Equipment Maintenance	.00	.00	.00	.00
520-440-52023	Equipment Rental/Lease	200.00	.00	200.00	.00
520-440-52101	Banking Charges	.00	39.16	39.16-	.00
520-440-52102	Dues	.00	.00	.00	.00
520-440-52103	Insurance	.00	.00	.00	.00
520-440-52105	Refunds-Utility Deposit	.00	.00	.00	.00
520-440-52106	Mileage	.00	.00	.00	.00
520-440-52107	Permits	.00	.00	.00	.00
520-440-52108	Postage	.00	.00	.00	.00
520-440-52109	Utilities	.00	.00	.00	.00
520-440-52110	Telephones	.00	.00	.00	.00
520-440-52114	Software Hosting Fees	804.00	712.80	91.20	88.7%
520-440-53002	Equipment Purchase	.00	.00	.00	.00
520-440-55600	Transfer to Reserve Fund	.00	.00	.00	.00
Total Public Works - Storm Drain:		25,822.00	21,259.93	4,562.07	82.3%
Contingency					
520-998-58000	Contingency	.00	.00	.00	.00
Total Contingency:		.00	.00	.00	.00
Ending Fund Balance					
520-999-59000	Reserve for Future Expenditure	5,378.00	.00	5,378.00	.00
Total Ending Fund Balance:		5,378.00	.00	5,378.00	.00
Storm Drain Fund Revenue Total:		31,200.00	40,895.93	9,695.93-	131.1%

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
	Storm Drain Fund Expenditure Total:	31,200.00	21,259.93	9,940.07	68.1%
	Net Total Storm Drain Fund:	.00	19,636.00	19,636.00-	.00

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
System Development Fund					
System Development Fund					
530-000-40000	Beginning Fund Balance	238,613.00	872,464.44	633,851.44-	365.6%
530-000-42140	SDC Fees	4,373.00	00	4,373.00	.00
530-000-42141	Park	1,585.00	44,243.20	42,658.20-	2791.4
530-000-42142	Street Imp.	5,480.00	257,119.00	251,639.00-	4692.0
530-000-42143	Water Imp	30,265.00	334,486.80	304,221.80-	1105.2
530-000-42144	WW Imp.	15,675.00	80,975.00	65,300.00-	516.6%
530-000-42145	Storm Drain Fees	1,855.00	13,603.00	11,748.00-	733.3%
530-000-42243	Water Reimbursement	85.00	.00	85.00	.00
530-000-42244	WW Reimbursement	220.00	.00	220.00	.00
530-000-46030	Fees - Other	.00	.00	.00	.00
530-000-49100	Transfer in from General Fund	38,307.00	38,307.00	.00	100.0%
Total System Development Fund:		336,458.00	1,641,198.44	1,304,740.44-	487.8%
Department: 100					
530-100-55100	Transfer to General Fund	.00	.00	.00	.00
Total Department: 100:		.00	.00	.00	.00
Parks					
530-300-53003	Capital Outlay	.00	.00	.00	.00
Total Parks:		.00	.00	.00	.00
Streets					
530-410-53003	Capital Outlay	.00	.00	.00	.00
Total Streets:		.00	.00	.00	.00
Water					
530-420-52020	Engineering Consultant	.00	.00	.00	.00
530-420-53003	Capital Outlay	.00	.00	.00	.00
Total Water:		.00	.00	.00	.00
Wastewater					
530-430-53003	Capital Outlay	.00	.00	.00	.00
Total Wastewater:		.00	.00	.00	.00
Storm Drain					
530-440-53003	Capital Outlay	.00	.00	.00	.00
Total Storm Drain:		.00	.00	.00	.00
Contingency					
530-999-58000	Contingency	.00	.00	.00	.00
Total Contingency:		.00	.00	.00	.00
Ending Fund Balance					
530-999-59000	Reserve for Future Expenditure	336,458.00	.00	336,458.00	.00

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
	Total Ending Fund Balance:	336,458.00	.00	336,458.00	.00
	System Development Fund Revenue Total:	336,458.00	1,641,198.44	1,304,740.44-	487.8%
	System Development Fund Expenditure Total:	336,458.00	.00	336,458.00	.00
	Net Total System Development Fund:	.00	1,641,198.44	1,641,198.44-	.00

Account Number	Account Title	2020-21 Current year Budget	2020-21 Current year Actual	2020-21 Budget Remaining	2020-21 Budget Used %
Reserve Fund					
Reserve Fund					
600-000-40000	Beginning Fund Balance	99,496.00	114,496.46	15,000.46-	115.1%
600-000-49100	Transfer from General Fund	5,000.00	5,000.00	.00	100.0%
600-000-49200	Transfer from Street Fund	200.00	200.00	.00	100.0%
600-000-49500	Transfer from Water Fund	3,200.00	3,200.00	.00	100.0%
600-000-49510	Transfer from Wastewater	400.00	400.00	.00	100.0%
600-000-49520	Transfer from Storm Drain Fund	.00	.00	.00	.00
Total Reserve Fund:		108,296.00	123,296.46	15,000.46-	113.9%
Non-departmental					
600-900-55100	Transfer to General Fund	14,996.00	14,996.00	.00	100.0%
600-900-55200	Transfer to Street Fund	.00	.00	.00	.00
600-900-55500	Transfer to Water Fund	.00	.00	.00	.00
600-900-55510	Transfer to Wastewater Fund	.00	.00	.00	.00
600-900-55520	Transfer to Storm Drain Fund	.00	.00	.00	.00
Total Non-departmental:		14,996.00	14,996.00	.00	100.0%
Contingency					
600-998-58000	Contingency	.00	.00	.00	.00
Total Contingency:		.00	.00	.00	.00
Ending Fund Balance					
600-999-59000	Reserve for Future Expenditure	93,300.00	.00	93,300.00	.00
Total Ending Fund Balance:		93,300.00	.00	93,300.00	.00
Reserve Fund Revenue Total:		108,296.00	123,296.46	15,000.46-	113.9%
Reserve Fund Expenditure Total:		108,296.00	14,996.00	93,300.00	13.8%
Net Total Reserve Fund:		.00	108,300.46	108,300.46-	.00
Net Grand Totals:		.00	3,041,782.61	3,041,782.61-	.00

Report Criteria:

- Print Fund Titles
- Page and Total by Fund
- Print Source Titles
- Total by Source
- Print Department Titles
- Total by Department
- All Segments Tested for Total Breaks

CITY OF ADAIR VILLAGE, OREGON

FINANCIAL REPORT

for the year ended June 30, 2020



CITY OF ADAIR VILLAGE, OREGON

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CITY OF ADAIR VILLAGE, OREGON

CITY COUNCIL

Bill Currier, Mayor

Brett Officer

Bret Ray

Alan Rowe

Vacant

TERM EXPIRES

December 31, 2020

December 31, 2022

December 31, 2022

December 31, 2020

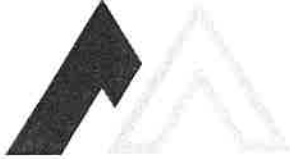
December 31, 2020

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



7624 SW Mohawk Street
Tualatin, OR 97062
www.merina.com
503.723.0300

MERINA+CO

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Adair Village, Oregon

Report on the Financial Statements

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 City of Adair Village, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise City of Adair Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

City of Adair Village's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 City of Adair Village, as of June 30, 2020, 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.

FIRMFOUNDATION
INDEPENDENTLY OWNED MEMBER

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis and schedule of revenues, expenditures and changes in fund balance – budget and actual, as listed in the table of contents under required supplementary information, be presented to supplement the basic financial statements. Such information, 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, schedule of the proportionate share of the net pension liability, the schedule of contributions, schedule of changes in the total OPEB liability and related ratios – CIS plan, schedule of the proportionate share of the net OPEB liability – RHIA, schedule of contributions – RHIA, as listed in the table of contents under required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplemental and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Adair Village's basic financial statements. The principal officials and supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The principal officials section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Reports on Other Legal and Regulatory Requirements

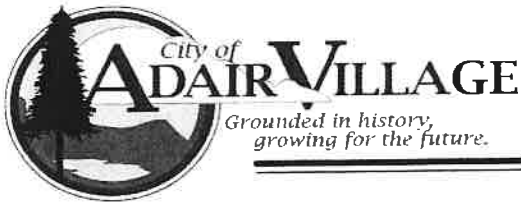
Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated April 15, 2021, on our consideration of City of Adair Village'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.



For Merina+Co
Tualatin, Oregon
April 15, 2021

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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, 2020

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, 2020. Please read it in conjunction with the City's basic financial statements.

FINANCIAL HIGHLIGHTS

The City's net position increased \$4,042,467, or 83.50 percent, as a result of this year's:

- Net position of our governmental activities increased by \$1,082,868 or 68.70 percent.
- Net position of our business-type activities increased by \$2,959,599 or 90.65 percent.
- The total cost of all the City's programs in 2020 was \$1,332,844; in 2019 this cost was \$1,211,835.

The primary reason for this large increase in net position was due to infrastructure assets built by property developers and then turned over to the City in fiscal year 2019-2020. The amount of these assets added \$1,000,000 to governmental activities' net position and \$1,700,000 to business-type activities' net position.

In March of 2020, the Governor of the State of Oregon issued an emergency order declaring a state of emergency as a result of the global pandemic related to COVID-19. In response, City Hall was closed to the public. The City is in a rural area of Oregon and did not suffer the devastating impacts that more urban areas of the state suffered due to the emergency order.

CITY'S ACTIVITIES HIGHLIGHTS

General Fund

In the General Fund, contract services were higher than previous years due to planning and building, but permit fees were also higher to offset the additional cost. As construction continues in the City this elevated level of planning and building services is expected to continue.

The General Fund also purchased a piece of property in the City's downtown area. The price was approximately \$750,000 and the General Fund borrowed the money from the Water and SDC Funds. Because of internal financing, the General Fund had to record the liability due to the other funds, but, as a governmental fund, does not record the corresponding capital asset. This led to the General Fund reporting a negative fund balance of \$(358,593). Repayment of the debt in future years will liquidate this negative balance.

Street Fund

The Street Fund had similar revenue when compared to the prior year. Expenditures were slightly higher as the City had the opportunity to do some street maintenance in conjunction with Benton County. The project allowed the City to complete the repairs at less cost than if the City had done the project on its own.

Water and Wastewater Utilities

Both utilities saw about a fifteen percent increase in operating revenues due to population increases.

Infrastructure assets built by property developers and turned over to the City added \$300,000 to the Water Fund's net position.

Planning for major improvements to the City's wastewater treatment plant and related facilities was nearly completed by June 30, 2020 and construction on those improvements began early in fiscal year 2020-2021. Infrastructure assets built by property developers and turned over to the City added \$1,150,000 to the Wastewater Fund's net position.

Governmental Fund Balances

Fund balance in the General Fund decreased significantly primarily due to the purchase of the downtown property in the fiscal year ending June 30, 2020.

Revenues in the General Fund were up about 15 percent overall. This was primarily due to a 9 percent increase in property taxes as newly developed property was added to the tax rolls.

Gas tax revenue in the Street Fund was down about 3 percent due to reduced driving when the State of Oregon declared an emergency in March 2020 due to the COVID-19 pandemic. Overall expenditures were only slightly higher than revenues, leading to a decrease of (1.73) percent to the Street Fund's fund balance.

CITY COUNCIL GOALS

Preparing for the fiscal year ending in 2020, the City Council focused on funding for major 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, 2020 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, 2020. 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'S SITUATION 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 \$4,841,006 to \$8,883,473 this year. This increase was primarily due to developer contributions of infrastructure assets.

**Table 1
Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 544,287	\$ 446,118	\$ 2,814,218	\$ 1,184,497	\$ 3,358,505	\$ 1,630,615
Capital and long-term assets	3,061,444	1,333,340	6,356,906	4,642,252	9,418,350	5,975,592
	<u>3,605,731</u>	<u>1,779,458</u>	<u>9,171,124</u>	<u>5,826,749</u>	<u>12,776,855</u>	<u>7,606,207</u>
Deferred outflows						
related to pensions	45,187	47,006	133,788	120,888	178,975	167,894
related to OPEB	219	498	649	1,278	868	1,776
	<u>45,406</u>	<u>47,504</u>	<u>134,437</u>	<u>122,166</u>	<u>179,843</u>	<u>169,670</u>
Current liabilities	811,557	52,272	327,657	63,041	1,139,214	115,313
Non-current liabilities	161,180	169,660	2,696,305	2,546,968	2,857,485	2,716,628
	<u>972,737</u>	<u>221,932</u>	<u>3,023,962</u>	<u>2,610,009</u>	<u>3,996,699</u>	<u>2,831,941</u>
Deferred inflows						
related to pensions	18,972	28,478	56,176	73,237	75,148	101,715
related to OPEB	348	340	1,030	875	1,378	1,215
	<u>19,320</u>	<u>28,818</u>	<u>57,206</u>	<u>74,112</u>	<u>76,526</u>	<u>102,930</u>
Net position:						
Net investment in capital assets	2,237,004	1,241,117	3,903,971	2,342,691	6,140,975	3,583,808
Restricted for:						
Streets	110,520	112,466	-	-	110,520	112,466
System development	-	-	1,586,960	430,230	1,586,960	430,230
Unrestricted	311,556	222,629	733,462	491,873	1,045,018	714,502
Total net position	<u>\$ 2,659,080</u>	<u>\$ 1,576,212</u>	<u>\$ 6,224,393</u>	<u>\$ 3,264,794</u>	<u>\$ 8,883,473</u>	<u>\$ 4,841,006</u>

Net position increased 83.50 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 – increased 46.26 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	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 94,867	\$ 103,385	\$ 953,742	\$ 792,691	\$ 1,048,609	\$ 896,076
Grants and contributions	1,006,500	-	2,864,148	94,452	3,870,648	94,452
General revenues:						
Property taxes	139,847	123,288	-	-	139,847	123,288
Highway fund allocation	60,842	62,974	-	-	60,842	62,974
Intergovernmental	65,174	27,437	-	-	65,174	27,437
Franchise fees	51,466	40,689	-	-	51,466	40,689
Earnings on investments	29,320	37,040	-	-	29,320	37,040
Rents and leases	105,363	72,126	-	-	105,363	72,126
Miscellaneous	2,062	7,395	1,980	-	4,042	7,395
TOTAL REVENUES	1,555,441	474,334	3,819,870	887,143	5,375,311	1,361,477
Program expenses:						
Governmental activities:						
General government	320,089	231,933	-	-	320,089	231,933
Public safety	39,878	39,131	-	-	39,878	39,131
Street maintenance	85,156	66,098	-	-	85,156	66,098
Culture & recreation	19,137	21,332	-	-	19,137	21,332
Interest on long-term debt	3,113	3,925	-	-	3,113	3,925
Proprietary activities:						
Water	-	-	588,956	537,828	588,956	537,828
Wastewater	-	-	248,801	253,529	248,801	253,529
Other business-type activities	-	-	27,714	58,059	27,714	58,059
TOTAL EXPENSES	467,373	362,419	865,471	849,416	1,332,844	1,211,835
Transfers	(5,200)	(4,856)	5,200	4,856	-	-
Increase (decrease) in net position	1,082,868	107,059	2,959,599	42,583	4,042,467	149,642
Net position - beginning	1,576,212	1,469,153	3,264,794	3,222,211	4,841,006	4,691,364
Net position - ending	\$ 2,659,080	\$ 1,576,212	\$ 6,224,393	\$ 3,264,794	\$ 8,883,473	\$ 4,841,006

The City's total revenues increased by more than \$4,000,000 with developer contributions making up most of the increase; revenues other than developer contributions increased about 6.48 percent. Total expenses increased by \$121,009 and net position increased by \$4,042,467. Specifics on these changes can be found under "City's Activity Highlights" above.

GENERAL BUDGETARY HIGHLIGHTS

- The City Council adopted a conservative fiscal year 2019-2020 budget. Due to spending at a level that was even more conservative than budgeted and revenues coming significantly higher than budget, the fund balance of the General Fund ended the year \$192,172 higher than was budgeted. The primary reason for the increase was the additional planning and building fees that will be spent in fiscal year 2021.

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

CAPITAL ASSETS

At June 30, 2020, the City had \$9,414,447 invested in land, buildings and improvements, streets and equipment. This represents an increase (net of depreciation) of \$3,438,855, primarily due to developer contributions of infrastructure assets. 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	
	2020	2019	2020	2019	2020	2019
Land & const. in progress	\$ 587,159	\$ 132,757	\$ 272,275	\$ 77,086	\$ 859,434	\$ 209,843
Building & improvements	1,171,115	853,041	838,054	838,054	2,009,169	1,691,095
Water and sewer system	-	-	8,088,588	6,388,588	8,088,588	6,388,588
Streets	2,074,979	1,074,979	-	-	2,074,979	1,074,979
Park improvements	93,505	93,505	-	-	93,505	93,505
Equipment	13,810	13,810	669,570	669,570	683,380	683,380
Less: accumulated depreciation	(880,109)	(834,752)	(3,514,499)	(3,331,046)	(4,394,608)	(4,165,798)
	<u>\$ 3,060,459</u>	<u>\$ 1,333,340</u>	<u>\$ 6,353,988</u>	<u>\$ 4,642,252</u>	<u>\$ 9,414,447</u>	<u>\$ 5,975,592</u>

DEBT OUTSTANDING

As of year-end the City had total debt outstanding of \$2,523,472; all of the debt is notes payable. Governmental activities debt decreased as no new debt was added and the existing debt was decreased through scheduled debt payments. Business-type activities debt increased as the City finished drawing down a note payable to the Oregon Department of Environmental Quality (DEQ) and began drawing down 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	
	2020	2019	2020	2019	2020	2019
Notes payable:						
US Bank	\$ 73,455	\$ 92,223	\$ -	\$ -	\$ 73,455	\$ 92,223
DEQ note	-	-	100,000	66,659	100,000	66,659
IFA Water Loan	-	-	2,232,902	2,232,902	2,232,902	2,232,902
IFA Wastewater Loan	-	-	117,115	-	117,115	-
	<u>\$ 73,455</u>	<u>\$ 92,223</u>	<u>\$ 2,450,017</u>	<u>\$ 2,299,561</u>	<u>\$ 2,523,472</u>	<u>\$ 2,391,784</u>

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, 2021. Estimates were made for a range of revenues, including property taxes, shared state revenues, grants, franchise fees, leases, and charges for utility service. One public works employee was hired at the end of fiscal year 2019-2020. No additional staff is 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. No increases were planned for fiscal year 2020-2021.

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**

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CITY OF ADAIR VILLAGE, OREGON

BASIC FINANCIAL STATEMENTS

CITY OF ADAIR VILLAGE, OREGON
STATEMENT OF NET POSITION
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$505,613	\$1,797,694	\$2,303,307
Receivables:			
Accounts	35,389	265,524	300,913
Taxes	3,285	-	3,285
Prepaid expenses	-	1,000	1,000
Capital assets:			
Land and construction in progress	587,159	272,275	859,434
Other capital assets (net of accumulated depreciation)	2,473,300	6,081,713	8,555,013
OPEB asset	985	2,918	3,903
Total Assets	3,605,731	8,421,124	12,026,855
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	45,187	133,788	178,975
Deferred outflows related to OPEB	219	649	868
Total Deferred Inflows of Resources	45,406	134,437	179,843
LIABILITIES			
Current liabilities:			
Accounts payable	31,039	154,322	185,361
Payroll liabilities	7,584	24,477	32,061
Due to other funds	750,000	(750,000)	-
Accrued compensated absences	1,950	7,236	9,186
Accrued interest	1,462	70,368	71,830
Long-term debt due within one year	19,522	71,254	90,776
Noncurrent liabilities			
Net pension liability	104,122	308,284	412,406
Transition liability	1,919	5,683	7,602
Net OPEB liability	1,206	3,575	4,781
Long-term debt due in more than one year	53,933	2,378,763	2,432,696
Total Liabilities	972,737	2,273,962	3,246,699
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	18,972	56,176	75,148
Deferred inflows related to OPEB	348	1,030	1,378
Total Deferred Inflows of Resources	19,320	57,206	76,526
NET POSITION			
Net investment in capital assets	2,237,004	3,903,971	6,140,975
Restricted for:			
Streets	110,520	-	110,520
Capital projects	-	1,586,960	1,586,960
Unrestricted	311,556	733,462	1,045,018
Total Net Position	\$2,659,080	\$6,224,393	\$8,883,473

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, 2020

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES			
General government	\$ 320,089	\$ 94,867	\$ -
Public safety	39,878	-	-
Street maintenance and construction	85,156	-	1,000,000
Culture and recreation	19,137	-	6,500
Interest on long-term debt	3,113	-	-
Total governmental activities	467,373	94,867	1,006,500
BUSINESS-TYPE ACTIVITIES			
Water	588,956	655,989	300,000
Wastewater	248,801	265,710	1,150,000
System development charges	-	-	1,164,148
Other business-type activities	27,714	32,043	250,000
Total business-type activities	865,471	953,742	2,864,148
Total Primary Government	\$ 1,332,844	\$ 1,048,609	\$ 3,870,648

General revenues:

Property taxes, levied for general purposes

Highway taxes

Intergovernmental revenues

Franchise fees

Interest earnings

Rents and leases

Miscellaneous

Total general revenues

Transfers between Governmental and Business-type Activities

Change in net position

Net position--beginning

Net position--ending

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, 2020

Net (Expense) Revenue and Changes in Net			
Governmental Activities	Business-type Activities	Total	
\$ (225,222)	\$ -	\$ (225,222)	
(39,878)	-	(39,878)	
914,844	-	914,844	
(12,637)	-	(12,637)	
(3,113)	-	(3,113)	
633,994	-	633,994	
-	367,033	367,033	
-	1,166,909	1,166,909	
-	1,164,148	1,164,148	
-	254,329	254,329	
-	2,952,419	2,952,419	
633,994	2,952,419	3,586,413	
139,847	-	139,847	
60,842	-	60,842	
65,174	-	65,174	
51,466	-	51,466	
29,320	-	29,320	
105,363	-	105,363	
2,062	1,980	4,042	
454,074	1,980	456,054	
(5,200)	5,200	-	
1,082,868	2,959,599	4,042,467	
1,576,212	3,264,794	4,841,006	
\$ 2,659,080	\$ 6,224,393	\$ 8,883,473	

CITY OF ADAIR VILLAGE, OREGON
GOVERNMENTAL FUNDS - BALANCE SHEET
June 30, 2020

	General Fund	Street Fund	Total Gov. Funds
ASSETS			
Cash and investments	\$ 395,828	\$ 109,785	\$ 505,613
Receivables			
Accounts	31,599	3,790	35,389
Taxes	3,285	-	3,285
Total Assets	\$ 430,712	\$ 113,575	\$ 544,287
LIABILITIES			
Accounts payable	\$ 29,989	\$ 1,050	\$ 31,039
Payroll liabilities	5,579	2,005	7,584
Due to other funds	750,000	-	750,000
Total Liabilities	785,568	3,055	788,623
DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax revenue	3,737	-	3,737
Total Deferred Inflows of Resources	3,737	-	3,737
FUND BALANCES			
Restricted for:			
Street maintenance and improvements	-	110,520	110,520
Unassigned:	(358,593)	-	(358,593)
Total Fund Balances	(358,593)	110,520	(248,073)
Total Liabilities, Deferred Inflows and Fund Balances	\$ 430,712	\$ 113,575	\$ 544,287
Fund balance			\$ (248,073)
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 \$879,439.			3,060,459
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			3,737
Net OPEB asset			985
Deferred outflows of resources			45,406
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.			(1,950)
Interest accrued on long-term debt			(1,462)
Long-term liabilities - not reported in the funds:			
Deferred inflows of resources			(19,320)
Long-term debt			(73,455)
OPEB liability			(1,206)
Transition liability			(1,919)
Net pension liability			(104,122)
Net Position of Governmental Activities			\$ 2,659,080

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, 2020

	General Fund	Street Fund	Total Gov. Funds
REVENUES			
Property taxes	\$ 138,735	\$ -	\$ 138,735
Highway taxes	-	60,842	60,842
Franchise fees	51,466	-	51,466
Intergovernmental revenues	65,174	-	65,174
Grants	6,500	-	6,500
Property leases/rents	105,363	-	105,363
Permits and fees	94,867	-	94,867
Interest earnings	29,320	-	29,320
Miscellaneous	2,062	-	2,062
Total Revenues	493,487	60,842	554,329
EXPENDITURES			
Current operating:			
Administration	134,555	-	134,555
Parks	19,189	-	19,189
Public safety	39,775	-	39,775
Non-departmental	160,794	-	160,794
Street maintenance & operations	-	62,588	62,588
Debt service:			
Principal	18,768	-	18,768
Interest	3,486	-	3,486
Capital outlay	772,476	-	772,476
Total Expenditures	1,149,043	62,588	1,211,631
Excess (deficiency) of revenues over (under) expenditures	(655,556)	(1,746)	(657,302)
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	(660,556)	(1,946)	(662,502)
Fund Balances - beginning of the year	301,963	112,466	414,429
Fund Balances - end of year	\$ (358,593)	\$ 110,520	\$ (248,073)

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, 2020

Net change in fund balances--total governmental funds	\$ (662,502)
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	(45,357)
Purchases reported as expenditures on the fund statements	772,476
Developer contribution of assets	1,000,000
Revenues in the Statement of Activities that do not	
provide current financial resources are not reported	
as revenues in the funds.	
Property taxes	1,112
Long-term debt payments are treated as expenditures in governmental	
funds, but but are treated as decreases in long-	
term liabilities on the Statement of Net Position.	
Principal payments	18,768
Compensated absences	655
Interest expense	373
Change in pension transition liability	489
Change in OPEB expense	(75)
Change in pension expense	(3,071)
Change in Net Position of Governmental Activities \$ 1,082,868	

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, 2020

	Water	Wastewater	Systems Development	Nonmajor Proprietary Funds	Totals
ASSETS					
Current assets:					
Cash and investments	\$ 702,113	\$ 100,293	\$ 872,464	\$ 122,824	\$ 1,797,694
Accounts receivable, net	104,857	39,166	-	4,386	148,409
Reimbursements receivable	-	117,115	-	-	117,115
Prepaid expense	1,000	-	-	-	1,000
Due from other funds	150,000	-	600,000	-	750,000
Total current assets	957,970	256,574	1,472,464	127,210	2,814,218
Noncurrent assets:					
Capital assets:					
Land and construction in process	155,160	117,115	-	-	272,275
Other capital assets (net of accumulated depreciation)	3,804,114	2,021,037	-	256,562	6,081,713
Net OPEB asset	1,866	862	-	190	2,918
Total noncurrent assets	3,961,140	2,139,014	-	256,752	6,356,906
Total Assets	4,919,110	2,395,588	1,472,464	383,962	9,171,124
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - pensions	85,546	39,507	-	8,735	133,788
Deferred outflows of resources - OPEB	415	192	-	42	649
Total deferred outflows of resources	85,961	39,699	-	8,777	134,437
LIABILITIES					
Current liabilities:					
Accounts payable	32,627	121,670	-	25	154,322
Payroll liabilities	15,629	7,245	-	1,603	24,477
Accrued interest payable	70,124	244	-	-	70,368
Accrued compensated absences	4,614	2,163	-	459	7,236
Current portion of long-term debt	49,372	21,882	-	-	71,254
Total current liabilities	172,366	153,204	-	2,087	327,657
Noncurrent liabilities:					
Note payable - long-term portion	2,183,530	195,233	-	-	2,378,763
Net OPEB liability	2,285	1,057	-	233	3,575
Net pension liability	197,123	91,034	-	20,127	308,284
Pension transition liability	3,634	1,678	-	371	5,683
Total noncurrent liabilities	2,386,572	289,002	-	20,731	2,696,305
Total Liabilities	2,558,938	442,206	-	22,818	3,023,962
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to:					
Pension	35,919	16,589	-	3,668	56,176
OPEB	658	305	-	67	1,030
Total Deferred Inflows of Resources	36,577	16,894	-	3,735	57,206
NET POSITION					
Net investment in capital assets	1,726,372	1,921,037	-	256,562	3,903,971
Restricted for capital projects	-	-	1,472,464	114,496	1,586,960
Unrestricted	683,184	55,150	-	(4,872)	733,462
Total Net Position	\$ 2,409,556	\$ 1,976,187	\$ 1,472,464	\$ 366,186	\$ 6,224,393

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, 2020

	Water	Wastewater	Systems Development	Nonmajor Proprietary Funds	Totals
OPERATING REVENUES					
Charges for services	\$ 655,989	\$ 257,468	\$ -	\$ 32,043	\$ 945,500
Intergovernmental	-	8,242	-	-	8,242
Miscellaneous	1,980	-	-	-	1,980
Total operating revenues	657,969	265,710	-	32,043	955,722
OPERATING EXPENSES					
Personnel services	239,806	110,582	-	27,268	377,656
Materials and services	183,541	75,042	-	-	258,583
Depreciation	122,129	60,878	-	446	183,453
Total operating expenses	545,476	246,502	-	27,714	819,692
Operating income (loss)	112,493	19,208	-	4,329	136,030
NON-OPERATING REVENUES (EXPENSES)					
Interest expense	(43,480)	(2,299)	-	-	(45,779)
System development revenue	-	-	1,164,148	-	1,164,148
Total non-operating revenue	(43,480)	(2,299)	1,164,148	-	1,118,369
Net income (loss) before contributions	69,013	16,909	1,164,148	4,329	1,254,399
CONTRIBUTIONS					
Developer contributions	300,000	1,150,000	-	250,000	1,700,000
Transfers in	8,209	8,209	-	9,000	25,418
Transfers out	(3,200)	(400)	-	(16,618)	(20,218)
Total contributions	305,009	1,157,809	-	242,382	1,705,200
Change in net position	374,022	1,174,718	1,164,148	246,711	2,959,599
Net position--beginning	2,035,534	801,469	308,316	119,475	3,264,794
Net position--end of year	\$ 2,409,556	\$ 1,976,187	\$ 1,472,464	\$ 366,186	\$ 6,224,393

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, 2020

	Water	Wastewater	Systems Development	Nonmajor Proprietary Funds	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 627,930	\$ 244,630	\$ -	\$ 30,067	\$ 902,627
Payments to suppliers	(157,127)	45,331	(849)	(5,177)	(117,822)
Payments to employees	(211,307)	(98,906)	-	(21,526)	(331,739)
Other receipts	1,980	8,242	-	-	10,222
Net cash provided (used) by operating activities	261,476	199,297	(849)	3,364	463,288
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers to other funds	(153,200)	(21,384)	(600,000)	(16,618)	(791,202)
Proceeds from other funds	29,193	8,209	-	9,000	46,402
Net cash provided (used) by capital and related financing activities	(124,007)	(13,175)	(600,000)	(7,618)	(744,800)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
System development revenue	-	-	1,164,148	-	1,164,148
Payment of principal on long-term debt	-	-	-	-	-
Payment of interest on long-term debt	-	(2,055)	-	-	(2,055)
Issuance of long-term debt	-	33,341	-	-	33,341
Acquisition of capital assets	(78,074)	(117,115)	-	-	(195,189)
Net cash provided (used) by capital and related financing activities	(78,074)	(85,829)	1,164,148	(4,254)	1,000,245
Net increase (decrease) in cash and cash equivalents	59,395	100,293	563,299	(4,254)	718,733
Cash and investments--beginning of the year	642,718	-	309,165	127,078	1,078,961
Cash and investments--end of the year	\$ 702,113	\$ 100,293	\$ 872,464	\$ 122,824	\$ 1,797,694
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 112,493	\$ 19,208	\$ -	\$ 4,329	\$ 136,030
Adjustments to reconcile operating income to net cash provided by operating activities:					
Cash flows reported in other categories:					
Depreciation expense	122,129	60,878	-	446	183,453
Change in assets and liabilities:					
Receivables	(28,059)	(12,838)	-	(1,976)	(42,873)
Prepaid expenses	(1,000)	-	-	-	(1,000)
Accounts payable and accrued liabilities	31,064	122,063	(849)	(956)	151,322
Accrued compensated absences	(1,052)	(515)	-	(117)	(1,684)
OPEB-related expenses	215	96	-	19	330
Pension-related expenses	25,686	10,405	-	1,619	37,710
Net cash provided (used) by operating activities	\$ 261,476	\$ 199,297	\$ (849)	\$ 3,364	\$ 463,288
Supplemental Schedule of Noncash Activities					
Capital and Related Financing Activities:					
Contributed water, wastewater, and storm drain	\$ 300,000	\$ 1,150,000	\$ -	\$ 250,000	\$ 1,700,000

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

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020

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, and water/sewer services. The statement of activities demonstrates the degree to which the direct expenses of a given function (i.e., general government, public safety, streets, etc.) are offset by program revenues. 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.

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

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020

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 moneys 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.

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.

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020

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, 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 enterprise fund budgetary schedules.

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

Capital Outlay

Inter-fund Transactions

Debt Service

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, 2020, except for the General Fund, Non-departmental, which went over budget by \$39,614 and Wastewater operations which was over by \$10,120.

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

CITY OF ADAIR VILLAGE .

NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

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, Liabilities, and Net Assets or Equity

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 liabilities. The activity that is the lender reports a "negative" liability.

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 approximately 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.

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.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

Property, plant, and equipment 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

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. Also, the City owns several properties that are leased out to third parties. If the lessee prepays their rent, the amount of rent that is prepaid at year end is deferred and recognized in the subsequent year.

Deferred Outflows /Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net 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 financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020

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' 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.

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. The City reports fund balances in the following categories:

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.

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020

Committed for amounts are 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, are reported as assigned fund balance. 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.

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 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.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

1. CASH AND INVESTMENTS

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 Investments.

Cash and Investments at June 30, 2020 (recorded at cost) consisted of:

Cash on hand	\$ 100
Deposits with financial institutions	435,534
LGIP	1,867,673
	<u>\$ 2,303,307</u>

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

Governmental activities	\$ 505,613
Business-type activities	1,797,694
	<u>\$ 2,303,307</u>

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, 2020, the bank balance was \$418,418. Of this amount, \$250,000 was covered by Federal Depository Insurance and the remaining \$168,418 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

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020

Division of the Secretary of State's Office audits the Pool annually. A copy of the State's Comprehensive Annual 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 investments in U.S. Government Agencies were rated AAA by Standard & Poor's and AAA by Moody's Investor Service. 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.

Concentration of Credit Risk

At June 30, 2020, 100% of total investments were in the Oregon State Treasury's Local Government Investment Pool. State statutes do not limit the percentage of investment in the Pool.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

2. CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2020 is as follows:

Governmental Activities	Beginning Balance	Additions	Ending Balance
Capital Assets, non-depreciable:			
Land	\$ 132,757	\$ 454,402	\$ 587,159
Total capital assets, non-depreciable	<u>132,757</u>	<u>454,402</u>	<u>587,159</u>
Capital assets, depreciable:			
Buildings and improvements	853,041	318,074	1,171,115
Equipment	13,810	-	13,810
Streets	1,074,979	1,000,000	2,074,979
Park improvements	93,505	-	93,505
Total capital assets, depreciable	<u>2,035,335</u>	<u>1,318,074</u>	<u>3,353,409</u>
Total	<u>2,168,092</u>	<u>1,772,476</u>	<u>3,940,568</u>
Less accumulated depreciation for:			
Buildings and improvements	(208,698)	(19,442)	(228,140)
Equipment	-	(276)	(276)
Streets	(571,568)	(22,073)	(593,641)
Park improvements	(54,486)	(3,566)	(58,052)
Total accumulated depreciation	<u>(834,752)</u>	<u>(45,357)</u>	<u>(880,109)</u>
Net depreciable capital assets	<u>1,200,583</u>	<u>1,272,717</u>	<u>2,473,300</u>
Net capital assets	<u>\$ 1,333,340</u>	<u>\$ 1,727,119</u>	<u>\$ 3,060,459</u>

Depreciation expense was allocated as follows:

Governmental activities:	Depreciation
General government	\$ 23,284
Streets	22,073
Total depreciation expense - governmental activities	<u>\$ 45,357</u>

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Capital asset activity for business-type activities for the year ended June 30, 2020 is as follows:

<u>Business-type activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Ending Balance</u>
Capital Assets, non-depreciable:			
Land	\$ 77,086	\$ -	\$ 77,086
Construction in Progress	-	195,189	195,189
Total capital assets, non-depreciable	<u>77,086</u>	<u>195,189</u>	<u>272,275</u>
Capital assets, depreciable:			
Buildings and improvements	838,054	-	838,054
Water, Wastewater, and Stormdrain systems	6,388,588	1,700,000	8,088,588
Machinery and equipment	669,570	-	669,570
Total capital assets, depreciable	<u>7,896,212</u>	<u>1,700,000</u>	<u>9,596,212</u>
Total	<u>7,973,298</u>	<u>1,895,189</u>	<u>9,868,487</u>
Less accumulated depreciation for:			
Buildings and improvements	(636,357)	(5,604)	(641,961)
Water, Wastewater, and Stormdrain systems	(2,171,060)	(154,811)	(2,325,871)
Machinery and equipment	(523,629)	(23,038)	(546,667)
Total accumulated depreciation	<u>(3,331,046)</u>	<u>(183,453)</u>	<u>(3,514,499)</u>
Net depreciable capital assets	<u>4,565,166</u>	<u>1,516,547</u>	<u>6,081,713</u>
Net capital assets	<u>\$ 4,642,252</u>	<u>\$ 1,711,736</u>	<u>\$ 6,353,988</u>

Depreciation expense was allocated as follows:

Business-type activities:		
Water		\$ 122,129
Sewer		60,878
Stormwater		<u>446</u>
Total depreciation expense - business-type activities		<u>\$ 183,453</u>

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

3. LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2020 were as follows:

	<u>Interest Rates</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Due within One year</u>
<i>Governmental activities:</i>						
Compensated absences		\$ 2,605	\$ 3,390	\$ (4,045)	\$ 1,950	\$ 1,950
Note payable	3.98%	92,223	-	(18,768)	73,455	19,522
Pension-related debt		2,408	-	(489)	1,919	-
Total governmental activities		<u>\$ 97,236</u>	<u>\$ 3,390</u>	<u>\$ (23,302)</u>	<u>\$ 77,324</u>	<u>\$ 21,472</u>
<i>Business-type activities:</i>						
Compensated absences		\$ 8,920	\$ 12,583	\$ (14,267)	\$ 7,236	\$ 7,236
<i>Notes payable:</i>						
DEQ Wastewater note	0.88%	66,659	33,341	-	100,000	21,882
IFA Water loan	1.98%	2,232,902	-	-	2,232,902	49,372
IFA Wastewater loan	2.47%	-	117,115	-	117,115	-
Pension-related debt		6,194	-	(511)	5,683	-
Total business-type activities		<u>\$ 2,314,675</u>	<u>\$ 163,039</u>	<u>\$ (14,778)</u>	<u>\$ 2,462,936</u>	<u>\$ 78,490</u>

Notes Payable

On June 29, 2015, the City entered into a loan agreement with the 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%. 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 will begin the five-yea repayment schedule in the 2020-2021 fiscal year.

	<u>Principal</u>
2020-2021	\$ 21,882
2021-2022	22,075
2022-2023	22,269
2023-2024	22,466
2024-2025	11,308
Total	<u>\$ 100,000</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% per annum. As of June 30, 2020, the outstanding amount was \$2,232,902. Repayment will begin in the 2020-2021 fiscal year.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

	<u>Principal</u>
2020-2021	\$ 49,372
2021-2022	95,779
2022-2023	97,675
2023-2024	99,609
2024-2025	101,582
2025-2030	538,886
2030-3035	594,390
2035-2040	655,609
Total	<u>\$ 2,232,902</u>

In June 2020, 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 2021-2022 fiscal year. The interest rate is 2.47% per annum. As of June 30, 2020, the outstanding amount was \$117,115. Repayment is expected to begin in the 2022-2023 fiscal year.

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>
2020-2021	\$ 19,522
2021-2022	20,307
2022-2023	21,123
2023-2024	12,503
Total	<u>\$ 73,455</u>

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%, which was reduced to 7.75% in 2013 and to 7.5% in 2015. The transition liability is amortized over twenty-five years, ending in December 2027.

<u>Balance</u>		<u>Balance</u>
<u>June 30, 2019</u>	<u>Decrease</u>	<u>June 30, 2020</u>
\$ 8,602	\$ (1,000)	\$ 7,602

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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.

At June 30, 2020, the General Fund owed the Water Fund \$150,000 and the SDC Fund \$600,000. Interest is 2.45% 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
2021	\$ (29,509)	\$ 5,902	\$ 23,607
2022	(30,231)	6,046	24,185
2023	(30,972)	6,194	24,778
2024	(31,731)	6,346	25,385
2025	(32,508)	6,502	26,006
2026-2030	(174,885)	34,977	139,908
2031-2035	(197,385)	39,477	157,908
2036-2040	(222,779)	44,556	178,223
	<u>\$ (750,000)</u>	<u>\$ 150,000</u>	<u>\$ 600,000</u>

4. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The other postemployment benefits (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 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.

Employees covered by benefit terms:

At July 1, 2018, the City had four general service employees covered by the benefit terms.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

OPEB Liability:

The City's total Post-Employment Healthcare Plan OPEB liability as of June 30, 2020 is \$4,781.

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:

Employee Class	Mortality Tables
All eligible employees	RP-2014 Health Annuitant, sex distinct mortality tables blended 50/50 blue collar and white collar, set back one year for males. Mortality is projected on a generational basis using the Unisex Social Security Data Scale.

Changes in Total OPEB Liability:

	Total OPEB Liability
BALANCE, June 30, 2019	\$ 3,656
Changes for the year:	
Service cost	754
Interest on total OPEB liability	171
Changes in assumptions or other inputs	200
Net changes	<u>1,125</u>
BALANCE, June 30, 2020	<u>\$ 4,781</u>

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:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 5,392	\$ 4,781	\$ 4,229

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 3,959	\$ 4,781	\$ 5,778

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

- For the year ended June 30, 2020, the City recognized an OPEB expense of \$958. At June 30, 2020, the City reported deferred inflows of resources related to OPEB from the following source:

	Outflows of Resources	Inflows of Resources
Differences between actual and expected experience	\$ 688	\$ -
Changes of assumptions or inputs	180	(537)
	\$ 868	\$ (537)

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

Year ended June 30:	Annual Recognition:
2021	\$ 33
2022	33
2023	33
2024	33
2025	33
Thereafter	166
	\$ 331

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

Plan Description - The City contributes to the PERS Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by PERS. 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

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

(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 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 2019-20, 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 did not make any payments to the plan for fiscal year 2019-20. 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, 2020, the City reported an asset of \$3,903 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation date as of December 31, 2017. 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 June 30, 2019 and June 30, 2018 was 0.00201956% and 0.00189192%, respectively.

For the year ended June 30, 2020, the City recognized an OPEB income of \$552. At June 30, 2020, the City reported no deferred outflows of resources. Deferred inflows of resources related to OPEB were from the following sources:

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

	Inflows of Resources
Differences between actual and expected experience	\$ (515)
Changes of assumptions	(4)
Net difference between projected and actual earnings on investments	(241)
Change in proportionate share	(81)
Contributions made subsequent to the measurement date	-
Total	\$ (841)

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

Year ended June 30:	Annual Recognition:
2021	\$ (432)
2022	(384)
2023	(49)
2024	24
	\$ (841)

Actuarial Methods & Assumptions – The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial methods and assumptions:

Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study Report	2016, published July 2017
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market value of assets
Actuarial Assumptions:	
Inflation Rate	2.50 percent
Long-Term Expected Rate of Return	7.20 percent
Projected Salary Increases	3.50 percent
Mortality	<p>Health retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustment and set-backs as described in the valuation.</p> <p>Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustment and set-backs as described in the valuation.</p> <p>Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Discount rate – The discount rate used to measure the total OPEB liability at June 30, 2019 was 7.20 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.

Assumed Asset Allocation:

Asset Class/Strategy	Assumed Asset Allocation		
	Low Range	High Range	Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Private Equity	14.0%	21.0%	17.5%
Real Estate	9.5%	15.5%	12.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

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.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

Asset Class	Target Allocation	Compounded Annual Return (Geometric)
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.42%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.30%	6.69%
Micro Cap US Equities	1.30%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Foreign Equities	4.12%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equities	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-Driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Total	100.00%	
 Assumed Inflation - Mean		 2.50%

Sensitivity of the City's proportionate share of the net OPEB asset to changes in the discount rate:

The following presents the City's proportionate share of the net OPEB liability/(asset), as well as what the City's proportionate share of the net OPEB liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (6.20%) or one percentage point higher (8.20%).

	1% Decrease	Discount Rate	1% Increase
Total OPEB (Asset)	\$ (3,025)	\$ (3,903)	\$ (4,650)

The RHIA plan is unaffected by health care cost trends since the benefit is limited to a \$60 monthly payment toward Medicare companion insurance premiums. Consequently, disclosure of a healthcare cost trend analysis is not applicable.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

OPEB plan fiduciary net position:

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

Aggregate Net OPEB Liability/Asset, Pension Expense, & Net Deferred Outflow/Inflow of Resourced 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, 2020:

	Outflows of Resources	Inflows of Resources	Liability/ (Asset)	OPEB Expense (Income)
Postemployment Healthcare Plan (CIS)	\$ 868	\$ (537)	\$ 4,781	\$ 958
RHIA	-	(841)	(3,903)	(552)
Total	\$ 868	\$ (1,378)	\$ 878	\$ 406

5. 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

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020

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% 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, 2019 is 26.57% of salary covered under the plan for Tier 1 and Tier 2 (PERS) employees and 19.08% for employees covered under the Oregon Public Services Retirement Plan (OPSRP). The City pays the employee 6% 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, 2017 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 if 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.

CITY OF ADAIR VILLAGE

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2020

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 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, 2020 and 2019 were \$51,577 and \$33,193, respectively. A seven-year Schedule of Contributions can be found in the Required Supplementary Information, which immediately follows these notes.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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

At June 30, 2020 the City reported liabilities of \$412,406 for its proportionate share of the plan pension liability. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. 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, 2020 and 2019, the City's proportion was 0.00238418 and 0.00220129 percent respectively.

For the year ended June 30, 2020, the City recognized pension expense of \$92,431. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 22,743	\$ -
Changes of assumptions	55,948	-
Net difference between projected and actual earnings on investments	-	11,691
Changes in proportion	47,528	53,445
Differences between employer contributions and proportionate share of contributions	1,179	10,012
Contributions subsequent to the MD	<u>51,577</u>	<u>-</u>
Total	<u>\$ 178,975</u>	<u>\$ 75,148</u>

Deferred outflows of resources related to pensions of \$51,577 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, 2021. 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>	
2021	\$ 30,026
2022	(7,315)
2023	14,522
2024	13,765
2025	<u>1,252</u>
	<u>\$ 52,250</u>

The employer contribution rates effective July 1, 2018 through June 30, 2020 were set using the entry age normal actuarial cost method.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

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.

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, 2017
- Measurement Date June 30, 2019
- Experience Study Report 2016, published July 26, 2017
- Actuarial cost method Entry Age Normal
- Actuarial assumptions
 - Inflation rate 2.50 percent
 - Investment rate of return 7.20 percent
 - Discount rate 7.20 percent
 - Projected salary increases 3.50 percent
 - 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:
RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.
 - Active members:
RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.
 - Disabled retirees:
RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

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.

CITY OF ADAIR VILLAGE

**NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020**

The methods and assumptions shown above are based on the 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2016.

The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the defined benefit pension plan was applied to all periods of projected benefit payments to determine the total pension liability.

The following represents the City's proportionate share of the pension asset calculated using the discount rate of 7.20 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 (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
City's proportionate share of the net pension liability (asset)	\$ 660,432	\$ 412,406	\$ 204,843

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
YEAR ENDED JUNE 30, 2020**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Compounded Annual Return (Geometric)</u>
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.42%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.30%	6.69%
Micro Cap US Equities	1.30%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Foreign Equities	4.12%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equities	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds-Diversified	2.50%	4.09%
Hedge Fund-Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Total	100.00%	
Assumed Inflation - Mean		2.50%

At June 30, 2020, the City's payable to OPERS for defined benefit contributions was approximately \$5,949. This amount represents legally required contributions to the plan for services incurred in the current fiscal year.

6. DEFERRED COMPENSATION PLAN

Employees are offered a deferred compensation plan created in accordance with Internal Revenue Code Section 457. An employee may enter into an agreement to defer a portion of their compensation, subject to certain limitations provided by law, by means of payroll deduction. Contributions to the plan and earnings thereon are deferred until the employee is separated from service.

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, 2020**

7. 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% and limiting future tax value growth of each property to no more than 3% 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.

8. 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.

9. 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, borrowing \$150,000 from the Water Fund and \$600,000 from the SDC Fund. The General Fund has a negative fund balance of \$(358,593) 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.

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CITY OF ADAIR VILLAGE, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ADAIR VILLAGE, OREGON
Schedule of the Proportionate Share of the Net Pension Liability
for the last seven fiscal 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
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 seven 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
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 three 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
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 four 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
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 four 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
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 AND EXPENDITURES - BUDGET AND ACTUAL
for the year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Property taxes	\$ 124,500	\$ 124,500	\$ 138,735	\$ 14,235
Franchise fees	48,000	48,000	51,466	3,466
Intergovernmental:				
State revenue sharing	8,400	8,400	9,213	813
Liquor tax	15,000	15,000	17,064	2,064
Cigarette/Marijuana tax	1,000	1,000	1,177	177
Tangent contract	-	-	32,720	32,720
Transient lodging tax	-	-	5,000	5,000
Park grant	-	-	6,500	6,500
Special transportation fund grant	-	-	-	-
Building/property lease	108,900	108,900	105,363	(3,537)
Residential rental income	-	-	11,619	11,619
Planning fees	15,000	15,000	83,248	68,248
Ordinances and court fines	1,500	1,500	-	(1,500)
Refunds	200	200	324	124
Interest income	15,000	15,000	29,320	14,320
Miscellaneous	4,120	4,120	1,738	(2,382)
Total revenues	341,620	341,620	493,487	151,867
EXPENDITURES				
Administration	136,787	136,787	134,555	2,232
Parks	37,445	37,445	19,189	18,256
Public safety	40,682	40,682	39,775	907
Non-departmental	121,180	121,180	160,794	(39,614)
Capital outlay	30,000	780,000	772,476	7,524
Debt service	22,254	22,254	22,254	-
Contingency	50,000	50,000	-	50,000
Total expenditures	438,348	1,188,348	1,149,043	39,305
Change in fund balance before other financing sources (uses)	(96,728)	(846,728)	(655,556)	191,172
Other financing sources (uses)				
Transfer in	-	750,000	750,000	-
Transfer out	(5,000)	(5,000)	(5,000)	-
Total other financing sources (uses)	(5,000)	745,000	745,000	-
Reserve for future expenditure	(103,272)	(103,272)	-	103,272
Change in fund balance	(205,000)	(205,000)	89,444	294,444
Fund balance - beginning of the year	205,000	205,000	301,963	96,963
Fund balance - end of the year	\$ -	\$ -	391,407	\$ 391,407

Reconciliation of budgetary fund balance to GAAP basis fund balance:

Interfund loan	(750,000)
Total fund balance, GAAP basis	<u>\$ (358,593)</u>

CITY OF ADAIR VILLAGE, OREGON
STREET FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
for the year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
State gas tax	\$ 64,000	\$ 64,000	\$ 60,842	\$ (3,158)
Miscellaneous	200	200	-	(200)
Total revenues	64,200	64,200	60,842	(3,358)
EXPENDITURES				
Street maintenance & operations	49,353	64,353	62,588	1,765
Contingency	7,500	7,500	-	7,500
Total expenditures	56,853	71,853	62,588	9,265
Change in fund balance before other financing sources (uses)	7,347	(7,653)	(1,746)	5,907
Other financing (uses)				
Transfer out	(200)	(200)	(200)	-
Total other financing sources (uses)	(200)	(200)	(200)	-
Reserve for future expenditure	(122,147)	(107,147)	-	107,147
Change in fund balance	(115,000)	(115,000)	(1,946)	113,054
Fund balance - beginning of the year	115,000	115,000	112,466	(2,534)
Fund balance - end of the year	\$ -	\$ -	\$ 110,520	\$ 110,520

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CITY OF ADAIR VILLAGE, OREGON

SUPPLEMENTARY INFORMATION

CITY OF ADAIR VILLAGE, OREGON
WATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
for the year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Charges for services	\$ 571,000	\$ 571,000	\$ 655,989	\$ 84,989
Miscellaneous	1,500	1,500	1,980	480
Total revenues	572,500	572,500	657,969	85,469
EXPENDITURES				
Water operations	416,229	416,229	398,498	17,731
Capital outlay	115,000	115,000	78,074	36,926
Debt service	125,000	125,000	-	125,000
Contingency	80,000	80,000	-	80,000
Total expenditures	736,229	736,229	476,572	259,657
Change in fund balance before other financing sources (uses)	(163,729)	(163,729)	181,397	345,126
OTHER FINANCING SOURCES (USES)				
Loan proceeds	100,000	100,000	-	(100,000)
Transfers in	23,209	23,209	8,209	(15,000)
Transfers out	(3,200)	(153,200)	(153,200)	-
Total other financing sources (uses)	120,009	(29,991)	(144,991)	(115,000)
Reserve for future expenditure	(656,280)	(506,280)	-	506,280
Change in fund balance	(700,000)	(700,000)	36,406	230,126
Fund balance - beginning of the year	700,000	700,000	723,308	23,308
Fund balance - end of the year	\$ -	\$ -	759,714	\$ 253,434

Capital assets, net of depreciation	3,959,274
Interfund loan	150,000
Net OPEB asset	1,866
Accrued compensated absences	(4,614)
Net pension liability	(197,123)
Deferred outflows of resources - pension	85,546
Deferred outflows of resources - OPEB	415
Accrued interest	(70,124)
Net OPEB liability	(2,285)
Long-term debt	(2,232,902)
Transition liability	(3,634)
Deferred inflows of resources - pension	(35,919)
Deferred inflows of resources - OPEB	(658)
Total net position	\$ 2,409,556

CITY OF ADAIR VILLAGE, OREGON
WASTEWATER FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
for the year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Charges for services	\$ 215,000	\$ 215,000	\$ 265,711	\$ 50,711
Miscellaneous	1,000	1,000	-	(1,000)
Total revenues	216,000	216,000	265,711	49,711
EXPENDITURES				
Wastewater operations	165,519	165,519	175,639	(10,120)
Capital outlay	-	2,000,000	117,115	1,882,885
Debt service	30,000	30,000	2,055	27,945
Contingency	6,500	6,500	-	6,500
Total expenditures	202,019	2,202,019	294,809	1,907,210
Change in fund balance before other financing sources (uses)	13,981	(1,986,019)	(29,098)	1,956,921
OTHER FINANCING SOURCES (USES)				
Loan proceeds	-	2,000,000	150,456	(1,849,544)
Transfers in	8,209	8,209	8,209	-
Transfer out	(400)	(400)	(400)	-
Total other financing sources (uses)	7,809	2,007,809	158,265	(1,849,544)
Reserve for future expenditure	(31,790)	(31,790)	-	31,790
Change in fund balance	(10,000)	(10,000)	129,167	107,377
Fund balance - beginning of the year	10,000	10,000	(1,508)	(11,508)
Fund balance - end of the year	\$ -	\$ -	127,659	\$ 95,869

Capital assets, net of depreciation	2,138,152
Net OPEB asset	862
Accrued compensated absences	(2,163)
Net pension liability	(91,034)
Deferred outflows of resources - pension	39,507
Deferred outflows of resources - OPEB	192
Accrued interest	(244)
Long-term debt	(217,115)
Net OPEB liability	(1,057)
Transition liability	(1,678)
Deferred inflows of resources - pension	(16,589)
Deferred inflows of resources - OPEB	(305)
Total net position	\$ 1,976,187

CITY OF ADAIR VILLAGE, OREGON
SYSTEMS DEVELOPMENT FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
for the year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Charges for services	\$ 59,876	\$ 459,876	\$ 1,164,148	\$ 704,272
Total revenues	59,876	459,876	1,164,148	704,272
EXPENDITURES				
Engineering Services	-	-	-	-
Total expenditures	-	-	-	-
Change in fund balance before other financing sources (uses)	59,876	459,876	1,164,148	704,272
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(600,000)	(600,000)	-
Total other financing sources (uses)	-	(600,000)	(600,000)	-
Reserve for future expenditure	(338,175)	(138,175)	-	138,175
Change in fund balance	(278,299)	(278,299)	564,148	704,272
Fund balance - beginning of the year	278,299	278,299	308,316	30,017
Fund balance - end of the year	\$ -	\$ -	872,464	\$ 734,289

Reconciliation of budgetary fund balance to GAAP basis net position:

Interfund loan	600,000
Total net position, GAAP basis	<u>\$ 1,472,464</u>

CITY OF ADAIR VILLAGE, OREGON
COMBINING STATEMENT OF NET POSITION
NONMAJOR PRIORITARY FUNDS
June 30, 2020

	Storm Drain Fund	Reserve Fund	Total
ASSETS			
Current assets:			
Cash and investments	\$ 8,328	\$ 114,496	\$ 122,824
Accounts receivable, net	4,386	-	4,386
Total current assets	12,714	114,496	127,210
Noncurrent assets:			
Capital assets, net of accumulated depreciation	256,562	-	256,562
Net OPEB asset	190	-	190
Total noncurrent assets	256,752	-	256,752
Total Assets	269,466	114,496	383,962
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions	8,735	-	8,735
Deferred outflows of resources - OPEB	42	-	42
Total Deferred Outflows of Resources	8,777	-	8,777
LIABILITIES			
Current liabilities:			
Accounts payable	25	-	25
Payroll liabilities	1,603	-	1,603
Accrued vacation	459	-	459
Total current liabilities	2,087	-	2,087
Noncurrent liabilities:			
Net OPEB liability	233	-	233
Net pension liability	20,127	-	20,127
Transition liability	371	-	371
Total noncurrent liabilities	20,731	-	20,731
Total Liabilities	22,818	-	22,818
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to:			
Pension	3,668	-	3,668
OPEB	67	-	67
Total Deferred Inflows of Resources	3,735	-	3,735
NET POSITION			
Investment in capital assets	256,562	-	256,562
Restricted for capital assets	-	114,496	114,496
Unrestricted	(4,872)	-	(4,872)
Total Net Position	\$ 251,690	\$ 114,496	\$ 366,186

CITY OF ADAIR VILLAGE, OREGON
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR PRIORITARY FUNDS
for the year ended June 30, 2020

	Storm Drain Fund	Reserve Fund	Total
REVENUES			
Charges for services	\$ 32,043	\$ -	\$ 32,043
EXPENSES			
Storm drain operations	27,268	-	27,268
Depreciation	446	-	446
Total expenses	27,714	-	27,714
Operating income	4,329	-	4,329
NON-OPERATING REVENUES (EXPENSES)			
Developer contributions	250,000	-	250,000
Transfers in	-	9,000	9,000
Transfers out	(200)	(16,418)	(16,618)
Total non-operating revenues (expenses)	249,800	(7,418)	242,382
Change in net position	254,129	(7,418)	246,711
Net position--beginning	(2,439)	121,914	119,475
Net position--end of year \$	\$ 251,690	\$ 114,496	\$ 366,186

CITY OF ADAIR VILLAGE, OREGON
 COMBINING STATEMENT OF CASH FLOWS - NONMAJOR PROPRIETARY FUNDS
 for the year ended June 30, 2020

	Storm Drain	Reserve Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 30,067	\$ -	\$ 30,067
Payments to suppliers	(5,177)	-	(5,177)
Payments to employees	(21,526)	-	(21,526)
Net cash provided (used) by operating activities	3,364	-	3,364
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	-	9,000	9,000
Transfers to other funds	(200)	(16,418)	(16,618)
Net cash provided (used) by noncapital financing activities	(200)	(7,418)	(7,618)
Net cash provided by investing activities	-	-	-
Net increase (decrease) in cash and cash equivalents	3,164	(7,418)	(4,254)
Cash and investments--beginning of the year	5,164	121,914	127,078
Cash and investments--end of the year	\$ 8,328	\$ 114,496	\$ 122,824

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income (loss)	\$ 4,329	\$ -	\$ 4,329
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	446	-	446
Change in assets and liabilities:			
Receivables	(1,976)	-	(1,976)
Prepaid expenses	-	-	-
Accounts payable and accrued liabilities	(956)	-	(956)
Accrued compensated absences	(117)	-	(117)
OPEB-related expenses	19	-	19
Pension-related expenses	1,619	-	1,619
Net cash provided (used) by operating activities	\$ 3,364	\$ -	\$ 3,364

Supplemental Schedule of Noncash

Capital and Related Financing Activities:			
Contributed sewer, storm and water lines	\$ 250,000	-	250,000

CITY OF ADAIR VILLAGE, OREGON
STORM DRAIN FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
for the year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
REVENUES				
Charges for services	\$ 27,900	\$ 27,900	\$ 32,043	\$ 4,143
Miscellaneous	200	200	-	(200)
Total revenues	28,100	28,100	32,043	3,943
EXPENDITURES				
Storm drain operations	28,973	28,973	25,747	3,226
Contingency	-	-	-	-
Total expenditures	28,973	28,973	25,747	3,226
Change in fund balance before other financing sources (uses)	(873)	(873)	6,296	7,169
OTHER FINANCING SOURCES (USES)				
Transfers out	(200)	(200)	(200)	-
Reserve for future expenditure	(4,927)	(4,927)	-	4,927
Total other financing sources (uses)	(5,127)	(5,127)	(200)	4,927
Change in fund balance	(6,000)	(6,000)	6,096	12,096
Fund balance - beginning of the year	6,000	6,000	4,990	(1,010)
Fund balance - end of the year	\$ -	\$ -	11,086	\$ 11,086

Capital assets, net of depreciation	256,562
Net OPEB asset	190
Accrued compensated absences	(459)
Net OPEB liability	(233)
Transition liability	(371)
Net pension liability	(20,127)
Deferred outflows of resources - pension	8,735
Deferred outflows of resources - OPEB	42
Deferred inflows of resources - pension	(3,668)
Deferred inflows of resources - OPEB	(67)
Total net position	\$ 251,690

CITY OF ADAIR VILLAGE, OREGON
RESERVE FUND
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
for the year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with final budget
OTHER FINANCING SOURCES (USES)				
Transfer in	\$ 9,000	\$ 9,000	\$ 9,000	\$ -
Transfers out	(31,418)	(31,418)	(16,418)	15,000
Reserve for future expenditure	(99,496)	(99,496)	-	99,496
Total other financing sources (uses)	(121,914)	(121,914)	(7,418)	114,496
Change in fund balance	(121,914)	(121,914)	(7,418)	114,496
Fund balance - beginning of the year	121,914	121,914	121,914	-
Fund balance - end of the year	\$ -	\$ -	\$ 114,496	\$ 114,496

CITY OF ADAIR VILLAGE, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE
REGULATIONS



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MERINA+CO

**INDEPENDENT AUDITOR'S REPORT
 ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
 REPORTING ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
 ACCORDANCE WITH OREGON STATE REGULATION**

Honorable Mayor and City Council
 City of Adair Village, Oregon

We have audited the basic financial statements of City of Adair Village, as of and for the year ended June 30, 2020 and have issued our report thereon dated April 15, 2021. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State.

Compliance

As part of obtaining reasonable assurance about whether City of Adair Village's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in the Oregon Administrative Rules 162-10-000 through 162-10-330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, as set forth below, noncompliance with which could have a direct and material effect on the financial statements:

- Deposits of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayments.
- 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, and 279C).
- Accountability for collecting or receiving money by elected officials. The City does not have any elected officials collecting or receiving money.

However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations* except as follows.

Expenditures in excess of appropriations:

<u>Fund</u>	<u>Appropriation Level</u>	<u>Excess of Appropriations</u>
General Fund	Non-departmental	\$ 39,614
Wastewater Fund	Wastewater Operations	10,120

FIRM FOUNDATION
 INDEPENDENTLY OWNED MEMBER

OAR 162-10-0230 Internal Control

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



For Merina+Co
Tualatin, Oregon
April 15, 2021

**INTERGOVERNMENTAL AGREEMENT BETWEEN
BENTON COUNTY, OREGON
AND
CITY OF ADAIR VILLAGE, OREGON (CITY)**

This agreement covers the period beginning July 1, 2021 and ending June 30, 2023 by and between Benton County, herein called COUNTY, and City of Adair Village, Oregon, herein called CITY, for the purpose of providing law enforcement personnel to CITY. The parties have entered into this agreement under the authority of ORS Chapter 190 and ORS 206.345.

This agreement is effective for this period of time unless amended or canceled in writing and signed by both parties as described in the Termination Section of this agreement. This agreement may be renewed by written agreement of both parties.

COUNTY, its employees, and agents are performing services under this Agreement as independent contractors and not as officers, employees, or agents of CITY. COUNTY and CITY shall perform the necessary services as described in the Services Section of this Agreement.

The Scope of Services under this Agreement is intended to provide CITY the services of one or more sworn deputies for law enforcement within CITY.

LIABILITY

Each party, upon request, shall furnish the other with evidence of general liability insurance within the limits of tort liability required by the State of Oregon.

PUBLIC CONTRACTS

Both parties agree to comply with all federal, state, county, and local laws, ordinances, and regulations applicable to this agreement. They specifically agree that the provisions of ORS 279.310 through 279.320 and 279.334 shall govern performance of this contract.

WORKERS COMPENSATION

Both parties are employers under ORS Chapter 656, employing workers as defined in ORS 656.027. Both parties shall maintain currently valid worker's compensation insurance covering all workers, as required by ORS 656.017. Both parties shall maintain this insurance throughout the period of this agreement.

NONDISCRIMINATION

Both parties shall comply with all applicable federal, state, and local laws, rules, and regulations on nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition, disability, sexual orientation, gender identity or source of income.

PAYMENT OF SERVICES

COUNTY shall submit a billing to CITY quarterly, beginning with a billing no later than October 1, 2021, reflecting the prior quarter. The billing shall be for one quarter (25%) of the agreed annual amount of thirty-three thousand four hundred and twenty eight dollars (\$33,428). Billing for year two of the agreement would begin no later than October 1, 2022, reflecting the prior quarter. The billing shall be for one quarter (25%) of the agreed annual amount of thirty-three thousand four hundred and twenty eight dollars (\$33,428).

TERMINATION

If either party fails to perform any of its obligations under this contract, within the time and in the manner provided, or otherwise violates any of the terms of this agreement, the other party may terminate the agreement by giving a ten day written notice to the violating party. Terminating party must state the reason for the termination. Either party may terminate the agreement due to a loss of funding to support the terms of the agreement. If CITY terminates pursuant to this paragraph, COUNTY shall be entitled to receive full payment for all services satisfactorily rendered and expenses incurred; provided that there shall be deducted from such amount the amount of damage, if any, sustained by CITY due to the breach of agreement by COUNTY. If COUNTY terminates this agreement pursuant to this paragraph; CITY shall make full payment to COUNTY for all services satisfactorily rendered and expenses incurred.

IDEMNIFICATION

Both parties mutually agreed to indemnify, and hold each other harmless against any and all claims, demands, damages, liabilities, and costs incurred by the other party. Such indemnification shall be from arising, or in connection with, either directly or indirectly, the performance of any service, or any other act or omission by or under the direction of the indemnifying party, its officers, agents, or employees.

SERVICES

1. CITY agrees to provide:
 - a. Quarterly payments in the contracted amount as specified above.
 - b. Use of current substation by COUNTY deputies.

2. COUNTY agrees to provide:
 - a. COUNTY shall provide to CITY the services of one or more sworn deputies, hereinafter called DEPUTY, for law enforcement within CITY. DEPUTY shall provide average of (10.50) hours per week of services to CITY and shall maintain a log of all hours of service to CITY. DEPUTY shall enforce the municipal codes of CITY and, when issuing a citation based on the municipal codes, shall cite into City Court. The parties agree that DEPUTY is an employee of COUNTY for all employment purposes and that COUNTY is solely responsible for the payment of wages and benefits of DEPUTY. COUNTY shall provide activity reports to CITY on a monthly basis, to include dates and times services were performed. COUNTY and City shall perform quarterly reviews of the service provided.

TORT CLAIMS

Within the limits of the Oregon Tort Claims Act, ORS 30.260 through 30.300, both parties and their employees or officers or agents are insured against any claim or claims for damages arising by; reason of personal injuries or death occasioned directly or indirectly in connection with the performance of, or failure to perform, any

service provided hereunder, the use of any property and facilities provided by either party and activities performed by either party in connection with this Agreement.

METHOD AND PLACE OF GIVING NOTICE, SUBMITTING BILLS, AND MAKING PAYMENTS

All notices, bills and payments shall be made in writing and may be given by personal delivery or mail. Notices, bills, and payments sent by mail should be addressed as follows:

COUNTY: Benton County Sheriff
180 NW 5th St.
Corvallis, OR 97330

CITY: City of Adair Village
6030 NE William R Carr Ave.
Adair Village, OR 97330

When so addressed, shall be deemed given upon deposit in the United States Mail, postage prepaid. In all other instances, notices, bills, and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the persons to whom notices, bills, and payments are to be given by giving notice pursuant to this paragraph.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their officers thereunto duly authorized.

DATED this _____ day of _____, 2021.

CITY OF ADAIR VILLAGE

BENTON COUNTY

Bill Currier, Mayor

Jef Van Arsdall, Sheriff

Approved as to form:

County Counsel/Date

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

**In the matter of designating an agent)
for obtaining financial assistance for)
the Building Resilient Infrastructure and)
Communities (BRIC) program under the)
Disaster Recovery Reform Act of 2018 (DRRA)**

RESOLUTION NO. 2021 - 2

WHEREAS, the State of Oregon office of Emergency Management (OEM), in collaboration with the Federal Emergency Management Agency (FEMA), have programs for disaster recovery and hazard mitigation, and

WHEREAS, the programs include the Hazard Mitigation Grant Program (HGMP), the Hazard Mitigation Grant Program Post Fire (HGMP-PF), the Building Resilient Infrastructure and Communities (BRIC) program under the Disaster Recovery Reform Act of 2018 (DRRA), and the flood Mitigation Assistance (FMA) program, and

WHEREAS, the City of Adair Village will, and has, applied for financial assistance for available funding from one or more of these programs.

NOW, THEREFORE, BE IT RESOLVED that the City of Adair Village City Council hereby authorizes the City Administrator, Pat Hare, to execute for, and on behalf of, the City of Adair Village, all required forms and documents for the purpose of obtaining financial assistance for any, or all, of the above referenced programs.

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

Dated and effective this ____ day of June, 2021.

City Administrator

Mayor

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

In the Matter of Adopting the Budget,)
 Making Appropriations, and Levying Taxes)
 For Fiscal Year 2021-2022)

RESOLUTION NO. 2021 - 3

ADOPTING THE BUDGET

IT IS HEREBY RESOLVED that the City Council of the City of Adair Village hereby adopts the budget for the fiscal year 2021-2022 in the sum of **\$8,242,059** now on file in the City Office.

MAKING APPROPRIATIONS

IT IS HEREBY RESOLVED by the City Council of the City of Adair Village, that the amounts for the fiscal year beginning July 1, 2021 and ending June 30, 2022 and for the purposes shown below are hereby appropriated as follows:

GENERAL FUND

Administration	\$ 229,802
Parks	58,152
Public Safety	45,403
Non-Departmental	148,674
Capital Outlay	10,000
Debt Service	22,254
Transfers	52,884
Contingency	<u>150,000</u>
Total General Fund	\$ 717,169

RESERVE FUND

Transfers	<u>\$ 10,000</u>
Total Reserve Fund	\$ 10,000

STORM DRAIN FUND

Operations	\$27,807
Transfers	<u>200</u>
Total Storm Drain Fund	\$ 28,007

STREET FUND

Street Maintenance & Operations	\$ 63,210
Capital Outlay	98,700
Transfers	<u>200</u>
Contingency	<u>50,000</u>
Total Street Fund	\$ 212,110

WASTEWATER FUND

Operations	\$ 210,229
Capital Outlay	2,500,000
Debt Service	30,000
Transfers	400
Contingency	<u>150,000</u>
Total Wastewater Fund	\$ 2,890,629

WATER FUND	
Operations	\$ 496,446
Capital Outlay	1,092,000
Debt Service	140,000
Transfers	3,200
Contingency	<u>100,000</u>
Total Water Fund	\$ 1,831,646

TOTAL APPROPRIATIONS **\$ 5,689,561**

Reserve for Future Expenditure **2,552,498**

TOTAL BUDGET **\$ 8,242,059**

IMPOSING THE TAX

IT IS HEREBY RESOLVED that the City Council of the City of Adair Village hereby imposes the taxes provided for in the adopted budget at the rate of \$2.5894 per \$1000 of assessed valuation for operations; and that these taxes are hereby imposed and categorized for tax year 2021-2022 upon the assessed value of all taxable property within the City of Adair Village.

	GENERAL GOVERNMENT	EXCLUDED FROM LIMITATION
General Fund	\$2.5894 per \$1000.00	\$0

DATED: This 1st day of June, 2021

Mayor

City Administrator

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

In the Matter of Declaring the City's Election)
To Receive State Shared Revenues for 2021-22)

RESOLUTION NO. 2021 - 4

WHEREAS, the Budget Committee held a public hearing to allow public input on the use of State Shared Revenue on May 4th ; and

WHEREAS, the City Council has reviewed possible uses for State Shared Revenues for fiscal year 2021-22; now therefore

IT IS HEREBY RESOLVED by the City Council of the City of Adair Village, that pursuant to ORS 221.770, the City hereby elects to receive state revenue for fiscal year 2021-2022.

DATED: This 1st day of June, 2021.

Mayor

City Administrator

I certify that a public hearing was held before the Budget Committee on May 4, 2021 and a public hearing before the City Council was held on June 1, 2021 giving the citizens an opportunity to comment on use of State Revenue Sharing.

City Administrator

BEFORE THE CITY COUNCIL OF THE
CITY OF ADAIR VILLAGE, OREGON
IN THE MATTER OF INCREASING APPROPRIATIONS)
TO ACCOUNT FOR UNANTICIPATED EXPENDITURES)

RESOLUTION NO. 2021 – 5

WHEREAS, the City of Adair Village has identified various unexpected expenditures during the fiscal year; and,

WHEREAS, the City has received additional revenue to cover these expenditures; and,

WHEREAS, supplemental budget adjustments are allowed when items were unknown at the time the fiscal 2020-21 budget was adopted;

NOW, THEREFORE, BE IT RESOLVED by the City of Adair Village City Council that:

SECTION 1: The FY 2020-21 Budget is hereby amended as follows:

	<u>Current Budget</u>	<u>This Change</u>	<u>New Budget</u>
General Fund:			
Non-departmental	<u>243,326</u>	<u>80,000</u>	<u>323,326</u>
Street Fund:			
Street Operations	49,646	23,600	73,246
Contingency	<u>8,600</u>	<u>(8,600)</u>	<u>-</u>
Water Fund:			
Water Capital Outlay	<u>257,500</u>	<u>766,500</u>	<u>1,024,000</u>

SECTION 2: This resolution is effective immediately upon passage.

DATED: The 1st day of June, 2021.

Mayor

City Administrator